

IN THE SUPREME COURT OF THE STATE OF NEVADA

BRIAN MARCUS, an individual,
Appellant,

vs.

FULL COLOR GAMES, INC., A
NEVADA CORPORATION,
Respondent.

Case No. 79512

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Elizabeth A. Brown
Clerk of Supreme Court

APPEAL

from a decision in favor of Respondent
entered by the Eighth Judicial District Court, Clark County, Nevada
The Honorable Mark R. Denton, District Court Judge
District Court Case No. A-17-759862-B

APPELLANT'S APPENDIX VOLUME I

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DATE	DESCRIPTION	VOLUME	PAGES
05/01/2019	Affidavit of Service	V	AA0789 – AA0790
08/30/2017	Amended Verified Shareholder Derivative Complaint and Amended Complaint	I	AA0035 – AA0068
02/04/2019	Defendant Full Color Games, Inc.’s Amended Answer, Counterclaims, and Third-Party Complaint	IV	AA0569 – AA0783
02/01/2019	Defendant Full Color Games, Inc.’s Answer, Counterclaims, and Third- Party Complaint	III	AA0359 – AA0568
06/14/2019	Full Color Games, Inc.’s Opposition to Third-Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0926 – AA0936
08/26/2019	Notice of Appeal	VI	AA0965 – AA1062
07/29/2019	Notice of Entry of Order on Third Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0958 – AA0964
07/29/2019	Order on Third-Party Defendant Brian Marcus’ Special Motion to Dismiss	V	AA0954 – AA0957

	Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
11/27/2017	Plaintiffs' Opposition to Defendants' Motion for Summary Judgment on all Derivative Claims Set Forth in the Amended Verified Shareholder Derivative Complaint and Counter-Motion for Leave to File an Amended Complaint	I/II/III	AA0069 – AA0323
12/06/2019	Recorder's Transcript of Hearing Re: Third-Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	VI	AA1063 – AA1074
01/12/2018	Second Amended Verified Shareholder Derivative Complaint and Second Amended Complaint	III	AA0324 – AA0358
02/11/2019	Summons	V	AA0784 – AA0788
06/21/2019	Third Party Defendant Brain Marcus' Reply in Support of Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0937 – AA0953
05/15/2019	Third Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party	V	AA0791 – AA0925

	Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
08/11/2017	Verified Shareholder Derivative Complaint and Complaint	I	AA0001 – AA0034

CERTIFICATE OF SERVICE

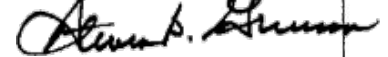
I certify that on the 14th day of February 2020, this document was electronically filed with the Nevada Supreme Court. Electronic service of the foregoing: APPELLANT’S OPENING BRIEF and VOLUMES I-V of the JOINT APPENDIX shall be made in accordance with the Master Service List as follows:

Mark A. Hutchison
Todd W. Prall
HUTCHISON & STEFFEN, PLLC
10080 West Alta Drive, Suite 200
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Attorneys for Respondent Full Color Games, Inc.

DATED this 14th day of February 2020.

/s/ Brandon Lopipero

An Employee of MAIER GUTIERREZ & ASSOCITES



COMPB

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*Attorneys for Plaintiffs Mark Munger,
David's Hard Work Trust Ltd 3/26/2012
and Moore Family Trust*

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; 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,

Defendants.

Case No.: A-17-759862-B

Dept. No.: Department 13

**VERIFIED SHAREHOLDER
DERIVATIVE COMPLAINT**

AND

COMPLAINT

DEMAND FOR JURY TRIAL

BUSINESS COURT REQUESTED

Arbitration Exemption:

- 1. Damages in Excess of \$50,000**
- 2. Action for Declaratory Relief**

1 Plaintiffs MARK MUNGER, MOORE FAMILY TRUST, DAVID'S HARD WORK TRUST
2 LTD. 3/26/2012, individually and as shareholders of FULL COLOR GAMES, INC. (collectively
3 "Plaintiffs"), by and through their attorneys of record, the law firm MAIER GUTIERREZ & ASSOCIATES,
4 hereby demand a trial by jury and complain and allege against defendants as follows:

5 **GENERAL ALLEGATIONS**

6 1. Plaintiff MARK MUNGER, is, and at all times pertinent hereto was, a resident of San
7 Diego County, California.

8 2. Plaintiff DAVID'S HARD WORK TRUST LTD. 3/26/2012 is a California Trust
9 established under the laws of California.

10 3. Plaintiff MOORE FAMILY TRUST is a California Trust established under the laws
11 of California.

12 4. Plaintiffs MARK MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012 and
13 MOORE FAMILY TRUST are shareholders of FULL COLOR GAMES, INC.

14 5. Plaintiff FULL COLOR GAMES INC. is, and at all times pertinent hereto was, a
15 corporation licensed to do business in Clark County, Nevada.

16 6. The true names and capacities, whether individual, corporate, associate, partnership or
17 otherwise, of the plaintiffs herein designated as DOES 1 through 10 and ROE Corporations 1 through
18 10, inclusive, are unknown to plaintiffs, who therefore sue under such fictitious names. Plaintiffs will
19 seek leave of the Court to insert the true names and capacities of such plaintiffs when the same have
20 been ascertained and will further seek leave to join said plaintiffs in these proceedings.

21 7. Upon information and belief, defendant DAVID MAHON ("Mahon") is, and at all
22 times pertinent hereto was, a resident of Clark County, Nevada.

23 8. Upon information and belief, defendant GLEN HOWARD is, and at all times pertinent
24 hereto was, a resident of California.

25 9. Upon information and belief, defendant INTELLECTUAL PROPERTY HOLDINGS,
26 LLC, is, and at all times pertinent hereto was, a limited liability company doing business in Clark
27 County, Nevada.

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1 10. Upon information and belief, defendant INTELLECTUAL PROPERTY HOLDINGS,
2 LTD., is, and at all times pertinent hereto was, a corporation doing business in Isle of Man.

3 11. Upon information and belief, defendant FULL COLOR GAMES, LLC, is, and at all
4 times pertinent hereto was, a limited liability company licensed to do business in Clark County,
5 Nevada.

6 12. Upon information and belief, defendants FULL COLOR GAMES, LTD., is, and at all
7 times pertinent hereto was, a corporation doing business in Isle of Man.

8 13. Upon information and belief, defendant FULL COLOR GAMES GROUP, INC., is,
9 and at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

10 14. Upon information and belief, defendants FULL COLOR GAMES N.A., INC., is and
11 at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

12 15. Upon information and belief, defendant JACKPOT PRODUCTIONS, LLC, is, and at
13 all times pertinent hereto was, a limited liability company licensed to do business in Clark County,
14 Nevada.

15 16. The true names and capacities, whether individual, corporate, associate, partnership or
16 otherwise, of the defendants herein designated as DOES I through X and ROE CORPORATIONS I
17 through X, inclusive, are unknown to plaintiffs, who therefore sue said defendants by such fictitious
18 names. Plaintiffs will seek leave of the Court to insert the true names and capacities of such defendants
19 when the same have been ascertained and will further seek leave to join said defendants in these
20 proceedings.

21 **MAHON DEVELOPS THE "FULL COLOR SYSTEM"**

22 17. On or about March 21, 2005, nonparty corporation Jackpot Productions, Inc. ("Jackpot
23 Inc."), was created/organized by Mahon.

24 18. Upon information and belief, over a period of the next four years, as part of Jackpot
25 Inc., Mahon developed and filed United States patent applications disclosing the games "solitaire
26 bingo" and "bingo poker."

27 19. During this time, Mahon also further developed the underlying concepts relating to a
28 bingo and poker game that utilized customized playing cards. These concepts were later modified

1 and continually developed to create new decks of playing cards using colors and numbers on the cards
2 instead of ranks and suits (the "Full Color System") throughout the years of Mahon's formation and
3 direction of the entities named herein as defendants.

4 20. The Full Color System has therefore become a highly valuable aspect of the intellectual
5 property as it is an essential part of the games that have been subsequently developed and has great
6 potential to be used to develop more games and innovate the way traditional card games are played.

7 **MAHON ORGANIZES FULL COLOR GAMES LLC, PROMISING INVESTORS THAT THE FULL COLOR**
8 **SYSTEM WILL BE USED TO DEVELOP MARKETABLE PRODUCTS WHILE ENSURING THAT HE**
9 **PERSONALLY HOLDS THE RIGHTS TO THE FULL COLOR SYSTEM**

10 21. On or about September 22, 2010, Mahon created/organized defendant Full Color
11 Games, LLC ("Full LLC"), a Nevada limited liability company.

12 22. In order to create/organize Full LLC, Mahon solicited funds from multiple investors
13 who were under the understanding that Full LLC would use the Intellectual Property to develop and
14 commercialize products based on the Full Color System.

15 23. Concurrently, on or about September 22, 2010, Mahon also created defendant
16 Intellectual Properties Holding, LLC ("Intellectual LLC") and Jackpot Productions LLC ("Jackpot
17 LLC"), both of which are Nevada limited liability companies.

18 24. Upon information and belief, Mahon used funds from Full LLC to finance the
19 organization of Intellectual LLC and Jackpot LLC, though Mahon is the sole owner of Intellectual
20 LLC and Jackpot LLC.

21 25. Upon information and belief, Mahon created defendants Intellectual LLC and Jackpot
22 LLC to hold and license the rights to the Full Color System and associated games that Mahon
23 developed.

24 26. Currently, Intellectual LLC claims to hold the rights to all of the Intellectual Property,
25 including the Full Color System.

26 27. Intellectual LLC was named as a licensor in the licensing agreement between Full LLC
27 and Jackpot Productions LLC ("Jackpot LLC") that allowed Full LLC to use the games that had been
28 developed at that point from the Full Color system.

1 28. Upon information and belief, during this time Mahon created and developed the
2 additional games known as “Full Color Poker” and “Full Color Slots.” Both games were developed
3 from the Full Color System but neither were owned by Full LLC.

4 29. Upon information and belief, Mahon abandoned his plans to commercialize casino
5 games and instead used Full LLC funds to create a Full Color Solitaire game and mobile app based
6 on the Full Color System.

7 **MAHON ABANDONS HIS OBLIGATIONS TO PREVIOUS INVESTORS, WHILE LYING TO THE**
8 **INVESTORS OF HIS NEW CORPORATION, FULL COLOR GAMES INC.**

9 30. On or about March of 2012, Full LLC’s investors grew weary of Mahon’s multiple
10 delays in releasing a product and Mahon’s lack of transparency of how the investment funds were
11 being spent, and refused to continue to invest in Full LLC.

12 31. On March 12, 2012, Mahon wrote to Full LLC investors informing them of pending
13 license termination.

14 32. Without the support of investors, Mahon declared Full LLC insolvent and terminated
15 the license.

16 33. Mahon then did not dissolve Full LLC until 2016 and, upon information and belief,
17 did not follow standard business notification of the other owners.

18 34. A month later, on or about April 18, 2012, Mahon created defendant Full Color Games,
19 Inc. (“Full Inc.”), of which Mahon claims he is inventor and CEO.

20 35. Mahon financed the creation of Full Inc. with funds from investors that totaled
21 approximately two million dollars (\$2,000,000.00) over approximately four (4) years of fund raising.

22 36. In order to entice the aforementioned investments, Mahon intentionally misrepresented
23 to investors that Full Inc. owned copyrights, patents, and trademarks, or the “trifecta” of intellectual
24 property as Mahon referred to it when pitching to potential investors, for the Full Color System and
25 the games that had been developed up unto that point with the Full Color System: “Bingo Poker,”
26 “Full Color Poker,” and “Solitaire.”

27 37. Mahon promised investors that Full Inc. would further develop and expand upon the
28 aforementioned intellectual property and commercialize those products.

1 38. Investors in Full Inc. were promised information, including: financial projections, 12-
2 18 months plan, written marketing and financial updates. Investors never received the promised
3 information and only received insincere expressions of compliance with the promises.

4 39. Mahon then used the initial investments to both further develop the games that were
5 existing games at the time and to create new games "Full Color Baccarat" and "21 or Nothing," which
6 were both finished in 2015. Despite having further developed existing games and creating these new
7 games as the CEO and sole director of Full Inc., Mahon deliberately withheld ownership of these new
8 developments and games from Full Inc. Yet, after the development of these products, Mahon solicited
9 further investments with the same fraudulent claim that Full Inc. owned all the intellectual property
10 rights to the Full Color System and the games that had been developed from it. In total, all investments
11 were approximately two million dollars (\$2,000,000.00).

12 40. Upon information and belief, Mahon was aware that these representations were false,
13 as he himself had directed the structuring of the company so that the intellectual property and rights
14 to the Full Color System and all games developed from it were withheld from Full Inc. and actually
15 owned by either Mahon himself or one of Mahon's solely owned companies, Jackpot LLC or
16 Intellectual LLC, and could only be used by Full Inc. with an easily revocable license that did not
17 permit further expansion of the Full Color System or commercialization of marketable products using
18 the Full Color System as Mahon claimed to investors.

19 41. Mahon fraudulently misrepresented, and/or failed to disclose, the limited scope and
20 nature of the license as well as the fact that neither the Full Color System, nor the games Mahon
21 showed to potential investors, were actually owned by Full Inc. In fact, Mahon structured the
22 agreements such that Full Inc. had no rights to the new developments or games developed while CEO
23 and sole director of Full Inc. and using Full Inc. investor monies.

24 42. Mahon intentionally presented various games to investors in such a way that would
25 lead a reasonable person to believe that Full Inc. owned the rights to those games and the Full Color
26 System used to develop them. These actions by Mahon constitute fraudulent misrepresentation, or at
27 the very least, an omission of a material fact. Had investors known that Full Inc. only held a revocable
28 license to the Full Color System and games, they would not have invested in Full Inc.

1 43. Additionally, Mahon required shareholders to sign a voting trust agreement assigning
2 their votes to him personally. The shareholders complied, assuming that Mahon would act as their
3 fiduciary in all matters.

4 44. As CEO, sole director and 100% controller of Full Inc., Mahon owed a fiduciary duty,
5 duty of care, duty of loyalty, and duty of disclosure to the shareholders.

6 45. Mahon breached his duties, abused his position, and committed gross mismanagement
7 of the company by leading Full Inc. into unconscionable licensing agreements for the Full Color
8 System and games. These agreements greatly benefited Mahon personally to the detriment of the
9 shareholders to whom Mahon owed a duty to act within their best interests.

10 **MAHON BREACHES HIS CONTRACT WITH INVESTOR MARK MUNGER**

11 46. On or about July 2, 2012, the plaintiff Mark Munger loaned Mahon and Full Inc.
12 \$10,000.00 on an agreement that it be used to develop Full Color Games product and that it be paid
13 back in the future.

14 47. Munger and Mahon had a relationship where Munger had been informally advising
15 Mahon on gaming and software development of Full Color Solitaire and Bingo Poker for about a year.

16 48. In July 2012, Mahon discussed making Munger's loan an investment and presented a
17 Net Profits Assignment Agreement ("NPA Agreement") in Full Color Games, Inc. (called "FCGI" in
18 agreement), dated July 31, 2012, to Munger, along with his business partner, non-party Jeremiah
19 Rutherford, to review. Multiple payments are made to FCGI pursuant to the schedule in the NPA
20 Agreement. Munger's participation is \$35,000.00.

21 49. The NPA Agreement states "FCGI has obtained rights to the Licensed IP from its
22 affiliated licensor in perpetuity on a worldwide royalty-free basis, subject to satisfaction of its
23 conditions. FCGI has the exclusive right to develop, own, distribute and otherwise commercially
24 exploit Full Color® Solitaire pursuant to said license rights." Based on this, Munger was aware of a
25 license agreement that is royalty free and allows Full Inc. to own and distribute product.

26 50. The NPA Agreement also lists the Licensed IP to include Trademarks, Patent, and
27 Copyrights for FULL COLOR CARDS, FULL COLOR SOLITAIRE, ANY WHITE CARD and
28 GAMING ELEMENTS AND GAME PLAY METHODS.

1 51. Mr. Munger made his last additional \$2,500.00 investment into Full Inc. on or about
2 March 13, 2013.

3 52. In 2016, Mahon converted the value of Mr. Munger's loans into an investment in the
4 company of approximately 0.225% of stock. Mahon also provided Mr. Munger with approximately
5 0.5% in stock for continuing to advise Mahon and the company.

6 53. In 2016, Munger introduced Mahon to non-party Sebastian Bastian, an entrepreneur
7 and casino owner in the Bahamas who Mr. Munger had become associated with through a contract
8 position as Lead Technical Advisor for The Gaming Board for The Bahamas.

9 54. Munger had positioned Full Inc. as a possible investment for Bastian. When Bastian
10 agreed to invest in Full Color Games Ltd. ("Full Ltd.") through his company Davinci Holdings Ltd
11 ("Davinci"), Mr. Munger had to leave his position due to the conflict of interest having Bastian as a
12 business partner.

13 55. While holding his position at the gaming board, Mr. Munger made between twenty to
14 twenty-five thousand dollars (\$20,000.00 - \$25,000.00) per month

15 56. After leaving the board, Mr. Munger made only five thousand (\$5,000.00) per month
16 from Full Inc., however was also being paid by non-party Sebastian Bastian for work that benefited
17 both Full Inc. and Mr. Bastian's companies.

18 57. Mahon orally promised Mr. Munger that he would eventually be reimbursed for this
19 income discrepancy and be given 2.5% of the shares in Full Ltd. To date, Mr. Munger has not been
20 reimbursed nor received 2.5% of the shares

21 **MAHON RELEASES AND THEN ABANDONS FULL COLOR SOLITAIRE**

22 58. On or about November 7, 2011, Full Inc. releases its first commercial product "Full
23 Color Solitaire Version 1.0" into the Apple App store.

24 59. Full Inc. later released several subsequent versions of its Full Color Solitaire game into
25 the Apple App Store over the next few years.

26 60. Upon information and belief, on or about 2013, defendant Glen Howard ("Howard")
27 becomes involved in Full Inc.

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1 61. On or about January of 2014, a programmer accidentally deleted files off of Full Color
2 Solitaire's server. This caused the game to be offline for a few days and lose a large portion of players.

3 62. Mr. Munger met with Mahon and one of his hired programmers on or about March 4,
4 2014, to discuss building Solitaire and distributing it worldwide. No references to any other games
5 were discussed at this meeting.

6 63. Upon information and belief, Howard made his first investment in Full Inc. on or about
7 February of 2014 and later becomes President of Full Inc. on or about late 2014 to early 2015.

8 64. On or about May 1, 2014, the first convertible notes were issued for Full Inc. with
9 approximately eight (8) investors totaling \$425,000.00.

10 65. On or about May 12, 2014, an email mentioning Full Color Games' "21 or Nothing"
11 game was first mentioned by Mahon to the investors.

12 66. On or about May 27, 2014, a Patent Application was submitted for, upon information
13 and belief, "21 or Nothing."

14 67. On or about June of 2014, Mahon began to divert his time and attention away from
15 Full Color Solitaire to focus on new project games "21 or Nothing" and "Full Color Baccarat." Full
16 Inc. fully financed the development of these projects.

17 68. On or about August 11, 2014, the first draft of a table layout for "21 or Nothing" is
18 shown to the Board of Advisors of Full Inc.

19 69. On or about August 19, 2014, Mahon sent an email to investors regarding "21 or
20 Nothing" stating that Mahon was working tirelessly to perfect it as CEO and Inventor at Full Inc. No
21 other company is mentioned in the email.

22 **MAHON MISLEADS INVESTORS BY CLAIMING THAT FULL INC. OWNS THE INTELLECTUAL**
23 **PROPERTY RIGHTS TO THE FULL COLOR SYSTEM**

24 70. On or about September 23, 2014, Howard forwarded a questionnaire titled "FCG Seed
25 Note – Investor Information" to the trustees of plaintiff Moore Family Trust ("Moore"). The form
26 requested contact information and noted a May 7, 2014, closing date for the Convertible Note
27 Financing.

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1 71. On or about September 29, 2014, Moore sent the completed Investor Information form
2 to Howard, and indicated an interest to invest \$50,000.00 into Full Inc. At that time the investment
3 was to be made in the name of BL Moore Construction, Inc.

4 72. On or about September 29, 2014, Full Color Games holds an investor's dinner where
5 21 or Nothing and Baccarat are played with Full Color logos on the tables. No other parties or entities
6 are mentioned to potential investors.

7 73. On or about September 30, 2014, Mahon again represented to perspective shareholders
8 that Full Inc. had the "trifecta" (as Mahon stated it) of patents, trademarks and copyrights to its
9 products. However, Mahon knew that this representation was false at the time he made it as Mahon
10 himself had structured the licensing agreements in a manner which did not permit Full Inc. to
11 commercialize the aforementioned intellectual property and games shown to investors.

12 74. Further, Mahon attempted to define that all intellectual property and tangible property
13 developed or acquired with funds from investors would be owned by David Mahon, individually,
14 directly or indirectly through Jackpot LLC or Intellectual LLC or another nominee corporation, owned
15 or controlled by David Mahon.

16 75. Mahon also represented to investors that Full Inc. may distribute worldwide real
17 money games and other products based on the Full Color System despite the fact that Mahon knew
18 that he himself, and not Full Inc., possessed the rights to do so.

19 76. Mahon's representations to perspective shareholders were deliberately false.
20 Specifically, that Full Inc. did not have the intellectual property rights to the Full Color System or its
21 games as Mahon had claimed.

22 77. Trustees of Moore visited Full Inc.'s office on several occasions throughout 2014 and
23 2015, meeting with Mahon and Howard. At no point during these multiple meetings did defendants
24 Mahon or Howard ever mention the other defendant corporations or the Full Inc.'s licensing
25 agreement.

26 78. On or about October 12, 2014, the documents were signed and executed for Moore's
27 \$50,000.00 investment into Full Inc. in the name of BL Moore Construction, Inc., though these
28 documents are all dated for September 19, 2014. These investment documents do not mention a

1 license agreement, revenue share, or limit for the Full Color System or the games used to develop it.

2 79. On or about May 27, 2015, Mahon applied for a patent, upon information and belief,
3 for "21 or Nothing."

4 80. On or about June 15, 2015, Howard sends the Board of Advisor an update stating Full
5 Inc. was approved by nonparty Microgaming and had received license agreements from Microgaming
6 to review that allowed Full Inc. games to be released on their systems.

7 81. The update listed Mahon as CEO of Full Color Games and Inventor. The update also
8 stated that Full Color Games has an extensive intellectual property portfolio. No other entity is
9 mentioned in the update.

10 82. On or about June 17, 2015, Full Inc. hosted a casino night for perspective investors
11 pitching Full Color Games. During the event, Mahon again shows various games including 21 or
12 Nothing and Full Color Baccarat, and repeats his previous claims that Full Inc. has the "trifecta" of
13 IP, and thereby has the ability to develop and commercialize the Full Color System. No other entity
14 is mentioned at the event.

15 83. In or about June 2015, Mr. David Eckles invests \$110,000.00 in Full Inc. through his
16 trust, DAVID's HARD WORK TRUST Ltd. 3/26/2012 ("Eckles Trust").

17 84. In or about December 2015, Mr. David Eckles invests an additional \$50,000.00 in Full
18 Inc. through his trust, Eckles Trust.

19 85. On or about July 8, 2015, Full Inc. released Solitaire v2.0 into Apple App Store.

20 86. On or about January 25, 2016 a Patent Application is submitted for, upon information
21 and belief, "21 or Nothing."

22 87. On or about June 1, 2016, Mahon applied for a patent, upon information and belief, for
23 "21 or Nothing."

24 88. On or about June 30, 2016, an updated maturity date of the convertible seed notes is
25 released increasing the amount to be raised to two (2) million dollars.

26 89. In or about July 2016, non-party Richard Newman ("Mr. Newman"), an intellectual
27 property and patent attorney as well as shareholder in Full Inc., provided all patent and intellectual
28 property work for a five (5) percent revenue share of Intellectual LLC. Mahon and Mr. Newman then

1 converted the five (5) percent share to a five (5) percent share of stock in Full Inc. under Newman's
2 company Cooper Blackstone, LLC.

3 **MAHON EMBEZZLES COMPANY FUNDS FROM FULL INC. FOR HIS OWN PERSONAL USE**

4 90. In early 2016, Mahon created a new, off-shore company in Isle of Man and moved all
5 of the contracts, licensing and development into this new company, effectively closing down all
6 operation of Full Inc. and demoting Full Inc. to a shareholding entity in the new Isle of Man company.

7 91. Mahon claimed, in writing and on investor phone calls after creating these entities, that
8 he created the Isle of Man company upon business advice from KPMG and legal advice from DLA
9 Piper.

10 92. It is believed that none of this advice is formally documented and that DLA Piper was
11 never formally engaged through a letter of engagement or other client agreement. None of the advice
12 that was given to Mahon could be relied on as it was not formal or client engaged advice.

13 93. Mahon intentionally mislead investors with his false statements about stated advice.

14 94. Mahon also mislead investors by falsely stating that Mr. Bastian would not invest in
15 an USA based company, which Mr. Bastian has denied.

16 95. Mahon claimed in written communications and verbally that he took no salary or
17 income from Full Inc., Full Ltd., or Full N.A.

18 96. Upon information and belief, Mahon had no other source of regular income and made
19 regular statements that he had no money.

20 97. Despite claiming no salary or regular source of income, Mahon has managed to have
21 money for personal use, including paying for, furnishing and refurbishing his condo in Las Vegas, as
22 well as gambling, travel and living expenses, all of which are now believed to have been paid for as
23 improper corporate expenses.

24 98. The extent of Mahon's use of corporate funds as his personal piggy bank remains
25 unknown as Mahon is the sole person having access to Full Inc. and Full N.A. bank accounts and has
26 refused to provide shareholders details of monies spent.

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1 99. It is believed that the only reason that Mahon did not have sole access to the off-shore
2 accounts for Full Ltd. in the Isle of Man was due to Isle of Man regulations not permitting sole access
3 to an off-shore account.

4 100. On or about September 15, 2015, a trustee of Moore wrote Howard about moving the
5 investment from BL Moore construction to Moore. Mahon consented to the transfer the next day.

6 101. In or about December 2015, Mahon flew to Vancouver, Canada, to spend the holidays
7 with his girlfriend, Victoria Cekan. Upon information and belief, Mahon payed for all of the expenses
8 for this trip using funds from Full Inc.

9 102. During and around this time, Mahon used funds from Full Inc. to pay the rent for an
10 apartment in Vancouver, Canada, in which Ms. Cekan resided.

11 103. Mahon also used Full Color Inc. funds to pay for attorney fees and deposits to help Ms.
12 Cekan obtain an education visa to enter the United States.

13 **MAHON AGAIN MISLEADS INVESTORS INTO BELIEVING THAT FULL INC. HOLDS THE**
14 **INTELLECTUAL PROPERTY RIGHTS TO THE FULL COLOR SYSTEM**

15 104. In or about February 2016, Full Color Games held an exhibit at ICE London conference
16 using all marketing material showing only Full Color Games logo and information.

17 105. On or about January 21, 2016, Full Ltd. is incorporated in the Isle of Man. No prior
18 notification was provided to the shareholders of Full Inc. of the new company or that their assets were
19 being moved out of the United States. The intellectual property was moved to the new entity as was
20 the software and other assets.

21 106. Mahon refused to transfer remaining cash assets of approximately \$300,000.00 that
22 was believed to have remained in Full Inc. against the direction of Full Ltd. Directors Martin Linham,
23 Lee Murphy and Newman, as Mahon did not agree that these cash funds should be transferred.

24 107. Mahon continued to use the funds of Full Inc. though the accumulated obligations had
25 been transferred to Full Ltd.

26 108. On or about March 10, 2016, Mahon applies for a patent application, upon information
27 and belief, for general concepts, including solitaire and poker.

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1 **MAHON BREACHED HIS FIDUCIARY DUTY TO INVESTORS**

2 **AND ENTERED INTO A SELF-SERVING LICENSING AGREEMENT**

3 109. On or about April 11, 2016, Full Ltd. and Intellectual Property Holdings Limited
4 ("Intellectual Ltd.") entered into a commercial license agreement entitling Intellectual Ltd. to 50% of
5 the gross revenue received by Full Ltd. ("Commercial License Agreement").

6 110. Mahon, as CEO and controlling the shareholder votes of Full Inc., approved the
7 cancellation of the Commercial License Agreement between Intellectual LLC and Full Inc. Mahon
8 then caused a new commercial license agreement ("New Commercial License Agreement"), more
9 beneficial to Mahon, to be agreed to between Full Ltd. and Intellectual Ltd., an off-shore company
10 Mahon formed for what is believed to be tax and control reasons.

11 111. As part of moving Full Inc.'s business to Full Ltd., Full Inc. was to be issued 100% of
12 all outstanding ownership though Mahon structured this ownership as non-voting shares.

13 112. A large number of Full Ltd. shares were also issued to Intellectual Ltd., the result of
14 which diluted Full Inc.'s ownership of Full Ltd. by 50%.

15 113. Almost concurrently, 100,000,000 Preference A (non-ownership, full voting) shares in
16 Full Ltd. were issued to Intellectual Ltd. in further consideration of the Commercial License
17 Agreement by Intellectual Ltd. to Full Ltd.

18 114. At the time of these actions, Mahon was in control of all companies, owning 100% of
19 Intellectual Ltd., was the only voting shareholder in Full Ltd., and was the CEO, majority shareholder
20 and possessed voting power over all shares of the common stock of Full Inc.

21 115. This Commercial License Agreement was not disclosed to investors nor shareholders
22 of Full Inc. and benefited only Mahon, who approved it on both sides.

23 116. It was a non-arm's length agreement and enriched Mahon personally with 50% of gross
24 revenues received by Full Ltd., 50% direct ownership in Full Ltd. plus an additional 20% or more
25 non-direct ownership through his majority ownership in Full Inc. and 100% control of Full Ltd.,
26 allowing him to undertake and force any and all corporate actions through Full Ltd., with the full force
27 of appropriate corporate law.

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1 117. In or about April 2016, non-party Bastian was informed in an email that Full Inc. had
2 been diluted to only 38.6% ownership in Full Ltd. due to the additional stock issued to Intellectual
3 Ltd.

4 118. There was also a mention that NDA Ltd., had been given 2.5% share of Full Ltd., a
5 company, upon information and belief, owned 100% by Mahon.

6 119. In or about May 2016, Full Ltd. opened a Nedbank account in Isle of Man that included
7 prepaid credit cards for Mahon in both US Dollar and Sterling currencies. The initial and only funding
8 of this account occurred through the non-party Bastian investments.

9 120. Funds were requested to be transferred from Full Inc. to Nedbank as part of an
10 investment or stock exchange in Full Ltd. as detailed herein.

11 121. Mahon refused to transfer the funds, keeping the funds in a Full Inc. account with
12 Mahon keeping sole access and signing authority to the Full Inc. banking account.

13 122. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
14 thirty (30) to fifty (50) million pounds Sterling in investments from European sources.

15 123. Mahon then caused that aforementioned memo to be restricted from being shown to
16 USA citizens, thereby ensuring no Full Inc. investor would become aware of the fact that Mahon was
17 diluting their interests in, and profit from, Full Ltd.

18 **MAHON AGAIN ABANDONED HIS DUTY TO INVESTORS, CREATED FULL COLOR GAMES, N.A.,**
19 **INC., AND CONTINUED TO EMBEZZLE FUNDS FROM FULL LTD.**

20 124. On or about July 22, 2016, Mahon created Full Color Games, N.A., Inc. ("Full N.A.").
21 Full N.A. opens a Wells Fargo account with only signatory being Mahon. Full Ltd. funds were then
22 transferred into the Full N.A. account.

23 125. On or about August 1, 2016, Mahon directed Full Ltd. Isle of Man directors to transfer
24 \$100,000.00 from Full Ltd.'s Nedbank account to Jackpot LLC with no stated purpose or reason and
25 no director vote or minutes authorizing.

26 126. Mahon has also spent in excess of \$100,000.00 through the Nedbank credit card
27 accounts for which no full accounting has been presented.

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1 127. On or about August 17, 2016, Full Ltd. files for and receives confirmation of
2 application from the United Kingdom Gambling Commission ("UKGC") for gaming licenses naming
3 Mahon, Mr. Linham, and Mr. Munger as individuals, who also apply for individual Personal
4 Management Licenses ("PML") with the UKGC.

5 128. On or about September 9, 2016, Mahon directs Full Ltd. Directors to transfer another
6 \$50,000.00 from Full Ltd. to Jackpot LLC with no stated purpose or reason and no director vote or
7 minutes authorizing.

8 129. Upon information and belief, in or about 2016, Jackpot Inc. receives \$110,000.00 from
9 Full Inc. or Full N.A. with no stated purpose or reason.

10 130. In or about February 2017, Mahon opens a Full N.A. account to replace the Wells
11 Fargo bank accounts that Wells Fargo closed due to a series of threatening interactions between
12 Mahon and a Wells Fargo representative.

13 131. Wells Fargo subsequently closed all accounts with which Mahon was associated
14 forcing all Full Color Games and Mahon associated accounts to be moved. To date, there has been
15 no explanation or mention by Mahon to the investors and shareholders of Full Inc. as to the black
16 listing of Mahon and Full Color Games by Well Fargo.

17 132. On or about February 7, 2017, Full Color Games exhibits at the International Casino
18 Expo ("ICE") in London with marketing materials referencing only Full Color Games. No other
19 entities are mentioned.

20 133. On or about August, 2016 Mahon had a dispute with Mr. Newman over Mahon's use
21 of corporate resources. Mahon immediately removed Mr. Newman as a Director in Full Ltd. and
22 released Mr. Newman from any related management activities. Because Mr. Newman was still a
23 shareholder in Full Inc., through Mr. Newman's company, Cooper Blackstone LLC, Mahon spent
24 considerable time and Full Ltd. funds attempting contrive a scenario that would permit Mahon to
25 revoke those shares owned by Cooper Blackstone, LLC, in carrying forth a personal vendetta against
26 Mr. Newman. Mahon claimed verbally and in writing to shareholders that this was a requirement to
27 obtain a UK Gambling Commission license, which was a complete fabrication and not true.

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1 134. On or about April, 2017, Full Ltd. paid the registered agent on the Isle of Man for
2 annual filing and administration fees for Full Ltd., and for Mahon's personal companies Intellectual
3 Ltd., and NDA Ltd.

4 135. On or about April 3, 2017, Mahon requested \$20,000.00, most of the remaining funds
5 of Full Ltd., be transferred to Full N.A., and about this same time, Full Ltd. Directors Linham and
6 Murphy received a copy of a notice Mahon sent to Full Ltd Shareholder Davinci claiming a violation
7 of the Commercial License Agreement. Davinci was the only Full Ltd shareholder to receive the
8 notice though Mahon wrote he was to send it to 40+ Full Inc. investors the next day. Full Inc. investors
9 have never been notified of the violation.

10 136. Based on unilateral actions by Mahon, the transfer request was refused and the
11 remaining Directors in Full Ltd. resigned immediately from all Full Ltd. and Mahon's personal
12 companies.

13 137. On or about June 29, 2017, Howard sent investors an update stating that Full Inc. was
14 filing for dissolution and that the investors would be receiving final tax notices.

15 138. The notice also stated, among other items, that Full Ltd. was in the business of real
16 money gaming and that Full Ltd. defaulted on its application for gaming license by not providing
17 requested information to the UKGC while Mahon was CEO and the sole director thereby preventing
18 Full Ltd. from doing business in one of the largest real money gaming jurisdictions in the world.

19 **MAHON BREACHED HIS CONTRACT WITH MR. MUNGER**

20 139. On or about February 2017, Mahon stopped paying Mr. Munger for the work he
21 performed for Full Inc., Full Ltd. and Full N.A. Mr. Munger continued to perform work for the
22 company through April of 2017, for which he has yet to be paid.

23 **COMPLIANCE WITH NRCP 23.1**

24 140. Plaintiffs have been unable to obtain the desired action from Mr. Mahon and/or Full
25 Color Games, Inc. Any attempt to obtain the action Plaintiffs desire would be futile.

26 141. Specifically, Plaintiffs requested an accounting from Mr. Mahon and/or Full Color
27 Games, Inc., as well as requested that Mr. Mahon address the claims herein. Plaintiffs have received
28 no affirmative action by Mr. Mahon and/or Full Color Games, Inc., indicating any intent to comply

1 with these basic requests.

2 142. Plaintiffs are now forced to bring this derivative action to redress the fiduciary breaches
3 by Mr. Mahon and Mr. Howard and to prevent them from causing further irreparable harm to Full
4 Color Games, Inc.

5 **FIRST CLAIM FOR RELIEF**

6 **(BREACH OF FIDUCIARY DUTY/GROSS MISMANAGEMENT AGAINST MAHON ON BEHALF OF FULL**
7 **COLOR GAMES, INC.)**

8 143. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
9 Complaint as though fully set forth herein and incorporates the same herein by reference.

10 144. Mahon owed a fiduciary duty to Plaintiffs as the CEO and director of the defendant
11 corporations.

12 145. Mahon breached said fiduciary duty through misrepresentations to Plaintiffs,
13 embezzlement, theft, illegal business and accounting practices, systematic misappropriation of
14 investment funds, and overall gross mismanagement of defendant corporations.

15 146. On multiple occasions, Mahon misrepresented to investors that they would be
16 investing in a company that owned the intellectual property rights, patents, copyrights, and
17 trademarks, to the Full Color System and the games developed from said system. However, Mahon
18 knew at the time that these statements were false, as he himself owned the aforementioned intellectual
19 property rights.

20 147. Mahon used his position as CEO, sole director, majority shareholder and 100%
21 controller to make self-serving licensing agreements to the detriment of the shareholders.

22 148. Mahon mismanaged Full Inc. by acting in his own self-interest rather than for the good
23 of the company by embezzling funds for personal use and engaging in other illegal activities to the
24 detriment of the shareholders in Full Inc. and the associated companies, Full Ltd. and Full N.A.

25 149. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
26 thirty (30) to fifty (50) million pound Sterling in investments from European sources. Mahon then
27 caused that aforementioned memo be restricted from being shown to USA citizens thereby ensuring
28 no Full Inc. Investors would become aware of the fact that Mahon was (a) diluting their interests, (b)

1 providing them with no voting rights, (c) restricting the flow of revenues to Full Ltd., and (d) directly
2 profiting from, Full Ltd.

3 150. As a direct and proximate result of the aforementioned actions and/or omissions of
4 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

5 151. Defendants' actions have required Plaintiffs to retain the services of an attorney to
6 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
7 reasonable attorneys' fees and costs incurred in this action

8 **SECOND CLAIM FOR RELIEF**

9 **(AIDING AND ABETTING BREACH OF FIDUCIARY DUTY AGAINST GLENN HOWARD, ON BEHALF OF**
10 **FULL COLOR GAMES, INC.)**

11 152. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
12 Complaint as though fully set forth herein and incorporates the same herein by reference.

13 153. Mahon owed a fiduciary duty to Plaintiffs.

14 154. Mahon breached said fiduciary duty through misrepresentations to Plaintiffs,
15 embezzlement, theft, illegal business and accounting practices, systematic misappropriation of
16 investment funds, and overall gross mismanagement of defendant corporations.

17 155. Howard, under title of Full Inc. President, was aware of Mahon's breaching actions
18 during the time he was an investor and/or executive in Full Inc. and condoned, supported, and aided
19 Mahon in said behavior.

20 156. As a direct and proximate result of the aforementioned actions and/or omissions of
21 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

22 157. Defendants' actions have required Plaintiffs to retain the services of an attorney to
23 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
24 reasonable attorneys' fees and costs incurred in this action.

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1 **THIRD CLAIM FOR RELIEF**

2 **(TORTIOUS INTERFERENCE WITH BUSINESS RELATIONSHIP AGAINST**

3 **ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.)**

4 158. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
5 Complaint as though fully set forth herein and incorporates the same herein by reference.

6 159. Plaintiff Shareholders had a valid and enforceable contractual relationship with Full
7 Inc.

8 160. Mahon and his related entities knew of this contractual relationship.

9 161. Mahon formed Full Ltd. knowing and intending that its creation and illegal
10 ascertainment of Full Inc.'s assets and intellectual property would disrupt the contractual relationship
11 between the shareholders and Full Inc.

12 162. Mahon utilized the formation of Full Ltd. to directly profit, and to ensure that there
13 would be no transparency to shareholders in Full Inc.

14 163. In order to form Full N.A., Mahon transferred funds and assets from Full Ltd., of which
15 Full Inc. was a shareholder, to Full N.A.

16 164. As a direct and proximate result of the aforementioned actions and/or omissions of
17 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

18 165. Defendants' actions have required Plaintiffs to retain the services of an attorney to
19 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
20 reasonable attorneys' fees and costs incurred in this action.

21 **FOURTH CLAIM FOR RELIEF**

22 **(FRAUDULENT MISREPRESENTATION AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES,**

23 **INC. AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND**

24 **MOORE FAMILY TRUST)**

25 166. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
26 Complaint as though fully set forth herein and incorporates the same herein by reference.

27 167. Mahon made many and multiple misrepresentations to Plaintiffs regarding the
28 structure and management of defendant corporations as well as the ownership of the intellectual

1 property used to develop defendant corporation's products.

2 168. Mahon told or implied to potential investors, as well as plaintiff shareholders, that Full
3 Inc. owned the intellectual property rights to the Full Color System as well as the games that it was
4 used to develop on the following occasions: March or April of 2012; August 19, 2014, in an email to
5 investors and shareholders; September 29, 2014, at an investors' dinner; September 30 2014; June 15,
6 2015, in an email sent from Howard to investors and shareholders; June 17, 2015, at a casino night
7 for investors; February 2016, at an ICE exhibit in London; October 11, 2016, Investor Quarterly
8 Update; and February 7, 2017, at an ICE exhibit in London.

9 169. During the aforementioned occasions, Mahon either expressly told investors and
10 shareholders that Full Inc. owned the intellectual property rights to the Full Color System and
11 products, or implied the same by presenting the Full Color System and products in such a way that a
12 reasonable person would conclude that Full Color Inc. was the owner of the Full Color System and
13 products.

14 170. Mahon knew that these representations were false at the time they were made to
15 Plaintiffs.

16 171. Mahon made these misrepresentations with the intent to induce Plaintiffs into
17 investing, or continuing to invest, in defendant corporations.

18 172. Plaintiffs justifiably relied on these Mahon's representations as they reasonably
19 believed that he was acting in their best interests and lacked the means to independently verify
20 Mahon's claims.

21 173. Plaintiff shareholders would not have invested in Full Inc. had they known that Full
22 Inc. did not own the intellectual property rights to the Full Color System and resulting products
23 developed with investor monies, which is absolutely essential to Full Inc.'s existence and operation.
24 In fact, the only investor that Mahon told about the licensing agreement, non-party Bastian, forced
25 Mahon to provide Bastian a revenue share in the license holding company or Bastian would not invest
26 in Full Ltd.

27 174. It is further believed that Mahon was unsuccessful in soliciting investment from
28 European sources in Full Ltd. as the PPM disclosed that Full Ltd. did not directly own or control the

1 intellectual property. Mahon chose to provide European potential investors information he withheld
2 from Full Inc. investors.

3 175. As a direct and proximate result of the aforementioned actions and/or omissions of
4 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

5 176. Defendants' actions have required Plaintiffs to retain the services of an attorney to
6 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
7 reasonable attorneys' fees and costs incurred in this action.

8 **FIFTH CLAIM FOR RELIEF**

9 **(FRAUDULENT CONCEALMENT AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES, INC. AND**
10 **INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE**
11 **FAMILY TRUST)**

12 177. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
13 Complaint as though fully set forth herein and incorporates the same herein by reference.

14 178. Mahon concealed from Plaintiffs that he himself owned the intellectual property being
15 used by Full Ltd., Full Inc., and Full N.A.

16 179. Mahon purposely withheld the true ownership of the Full Color System while speaking
17 to investors and shareholders on the following occasions: March or April of 2012; August 19, 2014,
18 in an email to investors and shareholders; September 29, 2014, at an investors' dinner; September 30
19 2014; June 15, 2015, in an email sent from Howard to investors and shareholders; June 17, 2015, at a
20 casino night for investors; February 2016, at an ICE exhibit in London; October 11, 2016, Investor
21 Quarterly Update; and February 7, 2017, at an ICE exhibit in London.

22 180. This fact was material in that Plaintiffs would not have invested in the defendant
23 corporations had they known that said corporations had no ownership interest in the intellectual
24 property that was critical to the products they developed.

25 181. Mahon had a duty to Plaintiffs to disclose this information before they invested in the
26 defendant corporations.

27 182. Mahon intentionally concealed this fact with the intent to induce Plaintiffs into
28 investing into the defendant corporations.

1 183. Mahon intentionally concealed the structure and dealings of Full Ltd. from the
2 Plaintiffs and provided no transparency of any dealings of Full Ltd. to either the plaintiffs or the
3 shareholders of Full Inc.

4 184. As a direct and proximate result of the aforementioned actions and/or omissions of
5 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

6 185. Defendants' actions have required Plaintiffs to retain the services of an attorney to
7 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
8 reasonable attorneys' fees and costs incurred in this action.

9 **SIXTH CLAIM FOR RELIEF**

10 **(DECEPTIVE TRADE PRACTICES UNDER NRS 598.0915 AGAINST MAHON, ON BEHALF OF FULL**
11 **COLOR GAMES, INC. AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD.**

12 **3/26/2012, AND MOORE FAMILY TRUST)**

13 186. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
14 Complaint as though fully set forth herein and incorporates the same herein by reference.

15 187. NRS 598.0915 prohibits any person from advertising goods or services with the intent
16 not to sell or lease them as advertised.

17 188. It is a violation of NRS 598.0915 to knowingly make a false representation as to the
18 source, sponsorship, approval or certification of goods or services for investment purposes.

19 189. Defendant Mahon advertised an investment opportunity to Plaintiffs to induce
20 Plaintiffs to buy, sell, lease, dispose of, and/or utilize in order to create any interest in the companies
21 by deceptively stating that the intellectual property of the Defendant Mahon was actually the property
22 of the Defendant entities.

23 190. As a direct and proximate result of the aforementioned actions and/or omissions of
24 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

25 191. Defendants' actions have required Plaintiffs to retain the services of an attorney to
26 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
27 reasonable attorneys' fees and costs incurred in this action.

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1 **SEVENTH CLAIM FOR RELIEF**

2 **(UNJUST ENRICHMENT AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.)**

3 192. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
4 Complaint as though fully set forth herein and incorporates the same herein by reference.

5 193. Mahon unjustly benefited from the loan/investments that Munger provided him in
6 order to develop Full Ltd. and Full Inc. by accepting those loan/investments misusing or embezzling
7 a portion of those funds, and then failing to compensate Mr. Munger for the interest accrued on said
8 loans/investments.

9 194. Mahon unjustly benefited from the work and contributions that Mr. Munger has
10 provided to Full Inc., Full Ltd. and Full N.A. and has refused to pay Mr. Munger for said work and
11 contributions.

12 195. Mahon unjustly benefited from the contributions and investments of plaintiffs which
13 ultimately lead to the creation of the subject intellectual property but has refused to compensate
14 Plaintiffs for said contributions and investments.

15 196. Mahon & Howard started a new company, Full Color Games Group, Inc. ("Full
16 Group") and that Full Group has unjustly benefited from the Full Color System and products which
17 were developed and financed by Full Inc.

18 197. As a direct and proximate result of the aforementioned actions and/or omissions of
19 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

20 198. Defendants' actions have required Plaintiffs to retain the services of an attorney to
21 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
22 reasonable attorneys' fees and costs incurred in this action.

23 **EIGHTH CLAIM FOR RELIEF**

24 **(CONVERSION AGAINST MAHON AND HOWARD, ON BEHALF OF FULL COLOR GAMES, INC.)**

25 199. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
26 Complaint as though fully set forth herein and incorporates the same herein by reference.

27 200. Mahon is in the practice and tradition of systematically seeking investments for a
28 company through misrepresentation, using the investment funds for his own personal use and to

1 develop intellectual property that he refuses to release as product, declaring said company insolvent,
2 and then transferring the insolvent corporation's assets into a new company to begin the cycle anew.

3 201. Mahon wrongfully exerted dominion over Full Inc.'s assets, funds, and intellectual
4 property when he illegally transferred some of said property into Full Ltd. and his own personal use.
5 Certain cash assets were never transferred to Full Ltd. and remain at the personal control of Mahon.

6 202. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
7 thirty (30) to fifty (50) million pounds Sterling in investments from European sources. Mahon then
8 caused that aforementioned memo be restricted from being shown to USA citizens thereby ensuring
9 no Full Inc. investors would become aware of the fact that Mahon was diluting their interests in, and
10 profit from, Full Ltd.

11 203. This act effectively excluded or denied Plaintiffs and Full Inc. of their rights and
12 benefit of said property.

13 204. As a direct and proximate result of the aforementioned actions and/or omissions of
14 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

15 205. Defendants' actions have required Plaintiffs to retain the services of an attorney to
16 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
17 reasonable attorneys' fees and costs incurred in this action.

18 **NINTH CLAIM FOR RELIEF**

19 **(CIVIL CONSPIRACY AGAINST MAHON AND HOWARD, ON BEHALF OF FULL COLOR GAMES, INC.**
20 **AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND**
21 **MOORE FAMILY TRUST)**

22 206. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
23 Complaint as though fully set forth herein and incorporates the same herein by reference.

24 207. Mahon and Howard conspired, or acted in concert, with the intent to defraud and harm
25 plaintiffs in the manners previously alleged.

26 208. As a direct and proximate result of the aforementioned actions and/or omissions of
27 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

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1 209. Defendants' actions have required Plaintiffs to retain the services of an attorney to
2 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
3 reasonable attorneys' fees and costs incurred in this action.

4 **TENTH CLAIM FOR RELIEF**

5 **(ALTER EGO AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES, INC. AND INDIVIDUAL**
6 **PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE FAMILY**
7 **TRUST)**

8 210. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
9 Complaint as though fully set forth herein and incorporates the same herein by reference.

10 211. Mahon is the owner and operator of the Defendant entities, and each of them.

11 212. Mahon operated the various Defendant entities, and each of them, as if they were his
12 own personal piggy bank and wallet.

13 213. The various Defendant entities, both domestic and foreign, and each of them, were and
14 are alter egos of defendant Mahon, in that they all lacked sufficient capitalization and were merely
15 shells by which their common principal, defendant Mahon, could attempt to avoid liability and
16 personal taxes.

17 214. The various Defendant entities, and each of them, were and are alter egos of defendant
18 Mahon, in that they have disregarded their respective corporate forms by, among other things, paying
19 or attempting to pay the debts of one another without consideration, not being properly licensed and
20 comingling and/or transferring funds and assets among them.

21 215. The various Defendant entities, and each of them, were and are alter egos of defendant
22 Mahon, in that there is a unity of interest and ownership, are inseparable from each other, and have
23 lost their individuality, thereby abrogating separate corporate protection.

24 216. The various Defendant entities, and each of them, were and are alter egos of defendant
25 Mahon, in that they failed to maintain functioning corporate officers and/or directors.

26 217. The various Defendant entities, and each of them, were and are alter egos of defendant
27 Mahon, in that the alter egos are being used as a "façade" for the personal dealings of defendant
28 Mahon.

218. The various Defendant entities, and each of them, were and are alter egos of defendant Mahon, in that there is an absence and/or inaccuracy of corporate records for any of defendant Mahon's alter egos, including the various Defendant entities, and each of them.

219. The various Defendant entities, and each of them, were and are alter egos of defendant Mahon, in that defendant Mahon has failed to observe corporate formalities in terms of behavior and documentation for any of defendant Mahon's alter egos, including the various Defendant entities, and each of them.

220. The various Defendant entities, and each of them, were and are alter egos of defendant Mahon, in that defendant Mahon has failed to maintain an arm's length relationship with any of his alter egos, including the various Defendant entities, and each of them.

221. The assets, liabilities and debts of the various Defendant entities, and each of them, should thus be imputed to defendant Mahon individually as defendant Mahon's alter egos.

222. It would be manifestly unjust to recognize the corporate separateness of defendant Mahon and the various Defendant entities, and each of them.

223. The Court should therefore pierce the corporate veil and recognize the various Defendant entities, and each of them, as the alter ego of defendant Mahon.

224. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

225. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

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)**

226. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

227. Defendant has been moving money and other assets of the Defendant entities.

1 228. A fiduciary relationship exists between the Plaintiffs and Defendants.

2 229. The relationship between Plaintiffs and Defendants are founded in trust and
3 confidence.

230. Defendants have a duty to render an accounting to Plaintiffs to determine damages resulting from any misallocation of funds.

231. Because officers and directors are fiduciaries of a corporation, the duties they owe with respect to the exercise of their legal power over corporate property supervene their legal rights.

8 232. The court should require an accounting of all of the Defendant entities to determine
9 the extent of a misallocation of expenses and the damages resulting therefrom because of the fiduciary
10 relationship between the parties.

233. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

234. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

TWELFTH CLAIM FOR RELIEF

17 (APPOINTMENT OF SPECIAL MASTER, ON BEHALF OF FULL COLOR GAMES, INC. AND INDIVIDUAL
18 PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE FAMILY
19 TRUST)

20 235. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
21 Complaint as though fully set forth herein and incorporates the same herein by reference.

22 236. The appointment of a receiver is governed by statute and is appropriate only under
23 circumstances described in statute.

24 | 237. Any stockholder may apply if the corporation is insolvent.

25 238. Any holder of 1/10 of a corporation's issued and outstanding stock may apply for the
26 appointment of a receiver when a corporation has been mismanaged.

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28 |||

239. A holder of 1/10 of issued stock may apply for appointment of a receiver of a solvent corporation where the business is being conducted at a great loss, the operation is prejudicial to creditors or stockholders such that the business cannot be conducted with safety to the public.

240. A receiver may be appointed when a corporation is in imminent danger of insolvency.

241. Appointment of a receiver is appropriate when business property at issue is at risk of waste, loss of income, or is insufficient to secure a debt.

242. Mahon has removed the intellectual property and other assets of the companies in order to make the Defendant entities insolvent and has created other Defendant entities in order to prevent Plaintiffs and other investors from receiving a profit from their investments.

243. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

244. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

THIRTEENTH CLAIM FOR RELIEF

(DECLARATORY RELIEF 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)

245. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

246. This claim is for declaratory relief under the Uniform Declaratory Judgments Act, NRS 30.010, et seq., and arises from an actual controversy between plaintiffs, on the one hand, and defendants, on the other hand, regarding whether the various Defendant entities, and each of them, are alter egos of defendant Mahon.

247. Defendant Mahon is the owner and operator of Defendant entities, and each of them.

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248. A justiciable controversy has arisen between the parties in that plaintiffs have been harmed, and will continue to be harmed, in that the various Defendant entities, and each of them, are merely shells by which their common principal, defendant Mahon, could attempt to avoid liability, including to preclude recovery of damages against defendant Mahon by plaintiffs as injured parties.

249. Plaintiffs now contend that there is no basis in law or fact to recognize the corporate separateness of defendant Mahon and the various Defendant entities, and each of them, under Nevada law.

250. Plaintiffs are and will continue to be irreparably harmed unless this Court declares and resolves the dispute under Nevada law regarding whether the various Defendant entities, and each of them, are alter egos of defendant Mahon.

251. Plaintiffs seek and are entitled to a declaration from the Court stating that the subject intellectual property is the exclusive property of Full Inc.

252. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

253. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

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)**

254. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

255. Plaintiffs seek a temporary restraining order and/or preliminary/permanent injunction to prevent defendant Mahon and the Defendant entities from transferring the assets and/or intellectual property out of the Defendant entities to maintain the status quo until resolution of this lawsuit.

1111

256. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

257. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

FIFTEENTH CLAIM FOR RELIEF

(BREACH OF CONTRACT AGAINST MAHON, ON BEHALF OF INDIVIDUAL PLAINTIFF MUNGER)

258. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

259. Mr. Munger and Mahon entered into a series of valid and enforceable contracts concerning Mr. Munger's investments and involvement in the defendant corporations. Mahon promised Mr. Munger 2.5% stock in Full Ltd. in return for Mr. Munger's time, energy, and relationships and for being the only person who contributed to getting the product developed and into the market.

260. Mr. Munger fully performed all of his duties under the verbal agreement to Mahon by providing his funds for investment and devoting his time and efforts into the defendant corporations.

261. Mr. Munger worked, as needed, for Full Inc. from early 2015 to about January 2017, receiving paid expenses and a stipend for services.

262. Mahon has failed to pay Mr. Munger for his work from early 2015 to about January 2017, failed to provide Mr. Munger with the agreed upon compensation for his time and investments, and failed to award him 2.5% of company stock as promised.

263. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

264. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

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1 **SIXTEENTH CLAIM FOR RELIEF**

2 **(BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING AGAINST MAHON, ON**
3 **BEHALF OF INDIVIDUAL PLAINTIFF MUNGER)**

4 265. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
5 Complaint as though fully set forth herein and incorporates the same herein by reference.

6 266. Mr. Munger and Mahon entered into a series of valid and enforceable contracts
7 concerning Mr. Munger's investments and involvement in the defendant corporations creating a duty
8 of good faith that Mahon owed to Mr. Munger.

9 267. Mahon acted in a manner that was unfaithful to the purpose of the contract between
10 himself and shareholders by intentionally misleading them about the companies they were investing
11 in, and putting his own interests above those of the shareholders to their detriment.

12 268. Plaintiffs' just expectations for entering into a contract with Mahon were denied.
13 Plaintiffs reasonably expected that the defendant corporations owned the intellectual property to the
14 Full Color System that they were using to develop products, and that Mahon would act honestly,
15 reasonably, and legally in managing defendant companies.

16 269. As a direct and proximate result of the aforementioned actions and/or omissions of
17 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

18 270. Defendants' actions have required Plaintiffs to retain the services of an attorney to
19 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
20 reasonable attorneys' fees and costs incurred in this action.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiffs pray for judgment against defendants, and each of them, as follows:

23 1. For a judgment in favor of plaintiffs and against defendants, and each of them, on the
24 complaint and all claims for relief asserted therein;

25 2. For a declaration and determination under Nevada law that the various Defendant
26 entities, and each of them, are alter egos of Defendant Mahon.

27 3. For a return of the intellectual property to Full Color Games, Inc.

28 4. For a temporary restraining order and/or preliminary/permanent injunction to maintain

1 the status quo.

2 5. For an award of compensatory, consequential, statutory, exemplary, and punitive
3 damages in an amount in excess of \$15,000.00, to be proven at trial;

4 6. For an award of reasonable attorney's fees and costs incurred in this action; and

5 7. For such other and further relief as the Court may deem proper.

6 DATED this 11th day of August, 2017.

7 Respectfully submitted,

8 **MAIER GUTIERREZ & ASSOCIATES**

9
10 

11 JOSEPH A. GUTIERREZ, ESQ.
12 Nevada Bar No. 9046
13 STEPHEN G. CLOUGH, ESQ.
14 Nevada Bar No. 10549
15 8816 Spanish Ridge Avenue
16 Las Vegas, Nevada 89148
17 *Attorneys for Plaintiffs*
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19
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VERIFICATION

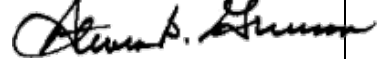
STATE OF NEVADA)
)ss:
COUNTY OF CLARK)

I, Mark Munger, declare:

I am the lead Plaintiff in this action. I am also a shareholder of Full Color Games, Inc. and have been during the relevant time period. I declare under penalty of perjury that I have read and reviewed the foregoing Verified Shareholder Derivative Complaint, and know the content thereof, and authorized its filing. Based upon my and my counsel's investigation, the contents of the Verified Shareholder Derivative Complaint are true to the best of my knowledge, information and belief.



MARK MUNGER



ACOM

JOSEPH A. GUTIERREZ, ESQ.

Nevada Bar No. 9046

STEPHEN G. CLOUGH, ESQ.

Nevada Bar No. 10549

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David's Hard Work Trust Ltd 3/26/2012,
Moore Family Trust, G. Bradford Solso,
David Eckles, Jeffrey Castaldo,
Mara H. Brazer, as Trustee for the
Mara H. Brazer Trust UTA 2/12/2004*

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.

Case No.: A-17-759862-B

Dept. No.: XIII

**AMENDED VERIFIED SHAREHOLDER
DERIVATIVE COMPLAINT**

AND

AMENDED COMPLAINT

DEMAND FOR JURY TRIAL

BUSINESS COURT REQUESTED

Arbitration Exemption:

- 1. Damages in Excess of \$50,000**
- 2. Action for Declaratory Relief**

1 INC., a Nevada corporation; JACKPOT
2 PRODUCTIONS, LLC, a Nevada limited liability
3 company; DOES I through X; and ROE
4 CORPORATIONS I through X, inclusive,

Defendants.

5 Plaintiffs MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD.
6 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; G. BRADFORD
7 SOLSO, an individual; DAVID ECKLES, an individual; JEFFREY CASTALDO; an individual;
8 MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, and individual
9 and all Plaintiffs as shareholders of FULL COLOR GAMES, INC. (collectively "Plaintiffs"), by and
10 through their attorneys of record, the law firm MAIER GUTIERREZ & ASSOCIATES, hereby demand a
11 trial by jury and complain and allege against defendants as follows:

12 **GENERAL ALLEGATIONS**

13 1. Plaintiff MARK MUNGER, is, and at all times pertinent hereto was, a resident of San
14 Diego County, California.

15 2. Plaintiff DAVID'S HARD WORK TRUST LTD. 3/26/2012 is a California Trust
16 established under the laws of California.

17 3. Plaintiff MOORE FAMILY TRUST is a California Trust established under the laws
18 of California.

19 4. Plaintiff G. BRADFORD SOLSO, is, and at all times pertinent hereto was, a resident
20 of California.

21 5. Plaintiff DAVID ECKLES is, and at all times pertinent hereto was, a resident of
22 California.

23 6. Plaintiff JEFFREY CASTALDO, is, and at all times pertinent hereto was, a resident
24 of California.

25 7. Plaintiff MARA H. BRAZER AS TRUSTEE FOR THE MARA H. BRAZER TRUST
26 UTA 2/12/2004, is a California Trust established under the laws of California.

27 8. Plaintiffs MARK MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012 and
28 MOORE FAMILY TRUST are shareholders of FULL COLOR GAMES, INC.

1 9. Plaintiff FULL COLOR GAMES INC. is, and at all times pertinent hereto was, a
2 corporation licensed to do business in Clark County, Nevada.

3 10. The true names and capacities, whether individual, corporate, associate, partnership or
4 otherwise, of the plaintiffs herein designated as DOES 1 through 10 and ROE Corporations 1 through
5 10, inclusive, are unknown to plaintiffs, who therefore sue under such fictitious names. Plaintiffs will
6 seek leave of the Court to insert the true names and capacities of such plaintiffs when the same have
7 been ascertained and will further seek leave to join said plaintiffs in these proceedings.

8 11. Upon information and belief, defendant DAVID MAHON (“Mahon”) is, and at all
9 times pertinent hereto was, a resident of Clark County, Nevada.

10 12. Upon information and belief, defendant GLEN HOWARD is, and at all times pertinent
11 hereto was, a resident of California.

12 13. Upon information and belief, defendant INTELLECTUAL PROPERTY HOLDINGS,
13 LLC, is, and at all times pertinent hereto was, a limited liability company doing business in Clark
14 County, Nevada.

15 14. Upon information and belief, defendant INTELLECTUAL PROPERTY HOLDINGS,
16 LTD., is, and at all times pertinent hereto was, a corporation doing business in Isle of Man.

17 15. Upon information and belief, defendant FULL COLOR GAMES, LLC, is, and at all
18 times pertinent hereto was, a limited liability company licensed to do business in Clark County,
19 Nevada.

20 16. Upon information and belief, defendants FULL COLOR GAMES, LTD., is, and at all
21 times pertinent hereto was, a corporation doing business in Isle of Man.

22 17. Upon information and belief, defendant FULL COLOR GAMES GROUP, INC., is,
23 and at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

24 18. Upon information and belief, defendants FULL COLOR GAMES N.A., INC., is and
25 at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

26 19. Upon information and belief, defendant JACKPOT PRODUCTIONS, LLC, is, and at
27 all times pertinent hereto was, a limited liability company licensed to do business in Clark County,
28 Nevada.

1 20. The true names and capacities, whether individual, corporate, associate, partnership or
2 otherwise, of the defendants herein designated as DOES I through X and ROE CORPORATIONS I
3 through X, inclusive, are unknown to plaintiffs, who therefore sue said defendants by such fictitious
4 names. Plaintiffs will seek leave of the Court to insert the true names and capacities of such defendants
5 when the same have been ascertained and will further seek leave to join said defendants in these
6 proceedings.

7 **MAHON DEVELOPS THE “FULL COLOR SYSTEM”**

8 21. On or about March 21, 2005, nonparty corporation Jackpot Productions, Inc. (“Jackpot
9 Inc.”), was created/organized by Mahon.

10 22. Upon information and belief, over a period of the next four years, as part of Jackpot
11 Inc., Mahon developed and filed United States patent applications disclosing the games “solitaire
12 bingo” and “bingo poker.”

13 23. During this time, Mahon also further developed the underlying concepts relating to a
14 bingo and poker game that utilized customized playing cards. These concepts were later modified
15 and continually developed to create new decks of playing cards using colors and numbers on the cards
16 instead of ranks and suits (the “Full Color System”) throughout the years of Mahon’s formation and
17 direction of the entities named herein as defendants.

18 24. The Full Color System has therefore become a highly valuable aspect of the intellectual
19 property as it is an essential part of the games that have been subsequently developed and has great
20 potential to be used to develop more games and innovate the way traditional card games are played.

21 **MAHON ORGANIZES FULL COLOR GAMES LLC, PROMISING INVESTORS THAT THE FULL COLOR**
22 **SYSTEM WILL BE USED TO DEVELOP MARKETABLE PRODUCTS WHILE ENSURING THAT HE**
23 **PERSONALLY HOLDS THE RIGHTS TO THE FULL COLOR SYSTEM**

24 25. On or about September 22, 2010, Mahon created/organized defendant Full Color
25 Games, LLC (“Full LLC”), a Nevada limited liability company.

26 26. In order to create/organize Full LLC, Mahon solicited funds from multiple investors
27 who were under the understanding that Full LLC would use the Intellectual Property to develop and
28 commercialize products based on the Full Color System.

1 27. Concurrently, on or about September 22, 2010, Mahon also created defendant
2 Intellectual Properties Holding, LLC (“Intellectual LLC”) and Jackpot Productions LLC (“Jackpot
3 LLC”), both of which are Nevada limited liability companies.

4 28. Upon information and belief, Mahon used funds from Full LLC to finance the
5 organization of Intellectual LLC and Jackpot LLC, though Mahon is the sole owner of Intellectual
6 LLC and Jackpot LLC.

7 29. Upon information and belief, Mahon created defendants Intellectual LLC and Jackpot
8 LLC to hold and license the rights to the Full Color System and associated games that Mahon
9 developed.

10 30. Currently, Intellectual LLC claims to hold the rights to all of the Intellectual Property,
11 including the Full Color System.

12 31. Intellectual LLC was named as a licensor in the licensing agreement between Full LLC
13 and Jackpot Productions LLC (“Jackpot LLC”) that allowed Full LLC to use the games that had been
14 developed at that point from the Full Color system.

15 32. Upon information and belief, during this time Mahon created and developed the
16 additional games known as “Full Color Poker” and “Full Color Slots.” Both games were developed
17 from the Full Color System but neither were owned by Full LLC.

18 33. Upon information and belief, Mahon abandoned his plans to commercialize casino
19 games and instead used Full LLC funds to create a Full Color Solitaire game and mobile app based
20 on the Full Color System.

21 **MAHON ABANDONS HIS OBLIGATIONS TO PREVIOUS INVESTORS, WHILE LYING TO THE**
22 **INVESTORS OF HIS NEW CORPORATION, FULL COLOR GAMES INC.**

23 34. On or about March of 2012, Full LLC’s investors grew weary of Mahon’s multiple
24 delays in releasing a product and Mahon’s lack of transparency of how the investment funds were
25 being spent, and refused to continue to invest in Full LLC.

26 35. On March 12, 2012, Mahon wrote to Full LLC investors informing them of pending
27 license termination.

28 ///

1 36. Without the support of investors, Mahon declared Full LLC insolvent and terminated
2 the license.

3 37. Mahon then did not dissolve Full LLC until 2016 and, upon information and belief,
4 did not follow standard business notification of the other owners.

5 38. A month later, on or about April 18, 2012, Mahon created defendant Full Color Games,
6 Inc. ("Full Inc."), of which Mahon claims he is inventor and CEO.

7 39. Mahon financed the creation of Full Inc. with funds from investors that totaled
8 approximately two million dollars (\$2,000,000.00) over approximately four (4) years of fund raising.

9 40. In order to entice the aforementioned investments, Mahon intentionally misrepresented
10 to investors that Full Inc. owned copyrights, patents, and trademarks, or the "trifecta" of intellectual
11 property as Mahon referred to it when pitching to potential investors, for the Full Color System and
12 the games that had been developed up unto that point with the Full Color System: "Bingo Poker,"
13 "Full Color Poker," and "Solitaire."

14 41. Mahon promised investors that Full Inc. would further develop and expand upon the
15 aforementioned intellectual property and commercialize those products.

16 42. Investors in Full Inc. were promised information, including: financial projections, 12-
17 18 months plan, written marketing and financial updates. Investors never received the promised
18 information and only received insincere expressions of compliance with the promises.

19 43. Mahon then used the initial investments to both further develop the games that were
20 existing games at the time and to create new games "Full Color Baccarat" and "21 or Nothing," which
21 were both finished in 2015. Despite having further developed existing games and creating these new
22 games as the CEO and sole director of Full Inc., Mahon deliberately withheld ownership of these new
23 developments and games from Full Inc. Yet, after the development of these products, Mahon solicited
24 further investments with the same fraudulent claim that Full Inc. owned all the intellectual property
25 rights to the Full Color System and the games that had been developed from it. In total, all investments
26 were approximately two million dollars (\$2,000,000.00).

27 44. Upon information and belief, Mahon was aware that these representations were false,
28 as he himself had directed the structuring of the company so that the intellectual property and rights

1 to the Full Color System and all games developed from it were withheld from Full Inc. and actually
2 owned by either Mahon himself or one of Mahon's solely owned companies, Jackpot LLC or
3 Intellectual LLC, and could only be used by Full Inc. with an easily revocable license that did not
4 permit further expansion of the Full Color System or commercialization of marketable products using
5 the Full Color System as Mahon claimed to investors.

6 45. Mahon fraudulently misrepresented, and/or failed to disclose, the limited scope and
7 nature of the license as well as the fact that neither the Full Color System, nor the games Mahon
8 showed to potential investors, were actually owned by Full Inc. In fact, Mahon structured the
9 agreements such that Full Inc. had no rights to the new developments or games developed while CEO
10 and sole director of Full Inc. and using Full Inc. investor monies.

11 46. Mahon intentionally presented various games to investors in such a way that would
12 lead a reasonable person to believe that Full Inc. owned the rights to those games and the Full Color
13 System used to develop them. These actions by Mahon constitute fraudulent misrepresentation, or at
14 the very least, an omission of a material fact. Had investors known that Full Inc. only held a revocable
15 license to the Full Color System and games, they would not have invested in Full Inc.

16 47. Additionally, Mahon required shareholders to sign a voting trust agreement assigning
17 their votes to him personally. The shareholders complied, assuming that Mahon would act as their
18 fiduciary in all matters.

19 48. As CEO, sole director and 100% controller of Full Inc., Mahon owed a fiduciary duty,
20 duty of care, duty of loyalty, and duty of disclosure to the shareholders.

21 49. Mahon breached his duties, abused his position, and committed gross mismanagement
22 of the company by leading Full Inc. into unconscionable licensing agreements for the Full Color
23 System and games. These agreements greatly benefited Mahon personally to the detriment of the
24 shareholders to whom Mahon owed a duty to act within their best interests.

25 **MAHON BREACHES HIS CONTRACT WITH INVESTOR MARK MUNGER**

26 50. On or about July 2, 2012, the plaintiff Mark Munger loaned Mahon and Full Inc.
27 \$10,000.00 on an agreement that it be used to develop Full Color Games product and that it be paid
28 back in the future.

1 51. Munger and Mahon had a relationship where Munger had been informally advising
2 Mahon on gaming and software development of Full Color Solitaire and Bingo Poker for about a year.

3 52. In July 2012, Mahon discussed making Munger's loan an investment and presented a
4 Net Profits Assignment Agreement ("NPA Agreement") in Full Color Games, Inc. (called "FCGI" in
5 agreement), dated July 31, 2012, to Munger, along with his business partner, non-party Jeremiah
6 Rutherford, to review. Multiple payments are made to FCGI pursuant to the schedule in the NPA
7 Agreement. Munger's participation is \$35,000.00.

8 53. The NPA Agreement states "FCGI has obtained rights to the Licensed IP from its
9 affiliated licensor in perpetuity on a worldwide royalty-free basis, subject to satisfaction of its
10 conditions. FCGI has the exclusive right to develop, own, distribute and otherwise commercially
11 exploit Full Color® Solitaire pursuant to said license rights." Based on this, Munger was aware of a
12 license agreement that is royalty free and allows Full Inc. to own and distribute product.

13 54. The NPA Agreement also lists the Licensed IP to include Trademarks, Patent, and
14 Copyrights for FULL COLOR CARDS, FULL COLOR SOLITAIRE, ANY WHITE CARD and
15 GAMING ELEMENTS AND GAME PLAY METHODS.

16 55. Mr. Munger made his last additional \$2,500.00 investment into Full Inc. on or about
17 March 13, 2013.

18 56. In 2016, Mahon converted the value of Mr. Munger's loans into an investment in the
19 company of approximately 0.225% of stock. Mahon also provided Mr. Munger with approximately
20 0.5% in stock for continuing to advise Mahon and the company.

21 57. In 2016, Munger introduced Mahon to non-party Sebastian Bastian, an entrepreneur
22 and casino owner in the Bahamas who Mr. Munger had become associated with through a contract
23 position as Lead Technical Advisor for The Gaming Board for The Bahamas.

24 58. Munger had positioned Full Inc. as a possible investment for Bastian. When Bastian
25 agreed to invest in Full Color Games Ltd. ("Full Ltd.") through his company Davinci Holdings Ltd
26 ("Davinci"), Mr. Munger had to leave his position due to the conflict of interest having Bastian as a
27 business partner.

28 ///

1 59. While holding his position at the gaming board, Mr. Munger made between twenty to
2 twenty-five thousand dollars (\$20,000.00 - \$25,000.00) per month

3 60. After leaving the board, Mr. Munger made only five thousand (\$5,000.00) per month
4 from Full Inc., however was also being paid by non-party Sebastian Bastian for work that benefited
5 both Full Inc. and Mr. Bastian's companies.

6 61. Mahon orally promised Mr. Munger that he would eventually be reimbursed for this
7 income discrepancy and be given 2.5% of the shares in Full Ltd. To date, Mr. Munger has not been
8 reimbursed nor received 2.5% of the shares

9 **MAHON RELEASES AND THEN ABANDONS FULL COLOR SOLITAIRE**

10 62. On or about November 7, 2012, Full Inc. releases its first commercial product "Full
11 Color Solitaire Version 1.0" into the Apple App store.

12 63. Full Inc. later released several subsequent versions of its Full Color Solitaire game into
13 the Apple App Store over the next few years.

14 64. Upon information and belief, on or about 2013, defendant Glen Howard ("Howard")
15 becomes involved in Full Inc.

16 65. On or about January of 2014, a programmer accidentally deleted files off of Full Color
17 Solitaire's server. This caused the game to be offline for a few days and lose a large portion of players.

18 66. Mr. Munger met with Mahon and one of his hired programmers on or about March 4,
19 2014, to discuss building Solitaire and distributing it worldwide. No references to any other games
20 were discussed at this meeting.

21 67. Upon information and belief, Howard made his first investment in Full Inc. on or about
22 February of 2014 and later becomes President of Full Inc. on or about late 2014 to early 2015.

23 68. On or about May 1, 2014, the first convertible notes were issued for Full Inc. with
24 approximately eight (8) investors totaling \$425,000.00.

25 69. On or about May 12, 2014, an email mentioning Full Color Games' "21 or Nothing"
26 game was first mentioned by Mahon to the investors.

27 70. On or about May 27, 2014, a Patent Application was submitted for, upon information
28 and belief, "21 or Nothing."

71. On or about June of 2014, Mahon began to divert his time and attention away from Full Color Solitaire to focus on new project games “21 or Nothing” and “Full Color Baccarat.” Full Inc. fully financed the development of these projects.

72. On or about August 11, 2014, the first draft of a table layout for “21 or Nothing” is shown to the Board of Advisors of Full Inc.

73. On or about August 19, 2014, Mahon sent an email to investors regarding “21 or Nothing” stating that Mahon was working tirelessly to perfect it as CEO and Inventor at Full Inc. No other company is mentioned in the email.

MAHON MISLEADS INVESTORS BY CLAIMING THAT FULL INC. OWNS THE INTELLECTUAL PROPERTY RIGHTS TO THE FULL COLOR SYSTEM

74. On or about September 23, 2014, Howard forwarded a questionnaire titled “FCG Seed Note – Investor Information” to the trustees of plaintiff Moore Family Trust (“Moore”). The form requested contact information and noted a May 7, 2014, closing date for the Convertible Note Financing.

75. On or about September 29, 2014, Moore sent the completed Investor Information form to Howard, and indicated an interest to invest \$50,000.00 into Full Inc. At that time the investment was to be made in the name of BL Moore Construction, Inc.

76. On or about September 29, 2014, Full Color Games holds an investor's dinner where 21 or Nothing and Baccarat are played with Full Color logos on the tables. No other parties or entities are mentioned to potential investors.

77. On or about September 30, 2014, Mahon again represented to perspective shareholders that Full Inc. had the “trifecta” (as Mahon stated it) of patents, trademarks and copyrights to its products. However, Mahon knew that this representation was false at the time he made it as Mahon himself had structured the licensing agreements in a manner which did not permit Full Inc. to commercialize the aforementioned intellectual property and games shown to investors.

78. Further, Mahon attempted to define that all intellectual property and tangible property developed or acquired with funds from investors would be owned by David Mahon, individually, directly or indirectly through Jackpot LLC or Intellectual LLC or another nominee corporation, owned

1 or controlled by David Mahon.

2 79. Mahon also represented to investors that Full Inc. may distribute worldwide real
3 money games and other products based on the Full Color System despite the fact that Mahon knew
4 that he himself, and not Full Inc., possessed the rights to do so.

5 80. Mahon's representations to perspective shareholders were deliberately false.
6 Specifically, that Full Inc. did not have the intellectual property rights to the Full Color System or its
7 games as Mahon had claimed.

8 81. Trustees of Moore visited Full Inc.'s office on several occasions throughout 2014 and
9 2015, meeting with Mahon and Howard. At no point during these multiple meetings did defendants
10 Mahon or Howard ever mention the other defendant corporations or the Full Inc.'s licensing
11 agreement.

12 82. On or about October 12, 2014, the documents were signed and executed for Moore's
13 \$50,000.00 investment into Full Inc. in the name of BL Moore Construction, Inc., though these
14 documents are all dated for September 19, 2014. These investment documents do not mention a
15 license agreement, revenue share, or limit for the Full Color System or the games used to develop it.

16 83. On or about May 27, 2015, Mahon applied for a patent, upon information and belief,
17 for "21 or Nothing."

18 84. On or about June 15, 2015, Howard sends the Board of Advisor an update stating Full
19 Inc. was approved by nonparty Microgaming and had received license agreements from Microgaming
20 to review that allowed Full Inc. games to be released on their systems.

21 85. The update listed Mahon as CEO of Full Color Games and Inventor. The update also
22 stated that Full Color Games has an extensive intellectual property portfolio. No other entity is
23 mentioned in the update.

24 86. On or about June 17, 2015, Full Inc. hosted a casino night for perspective investors
25 pitching Full Color Games. During the event, Mahon again shows various games including 21 or
26 Nothing and Full Color Baccarat, and repeats his previous claims that Full Inc. has the "trifecta" of
27 IP, and thereby has the ability to develop and commercialize the Full Color System. No other entity
28 is mentioned at the event.

1 87. In or about June 2015, Mr. David Eckles invests \$110,000.00 in Full Inc. through his
2 trust, DAVID'S HARD WORK TRUST Ltd. 3/26/2012 ("Eckles Trust").

3 88. In or about December 2015, Mr. David Eckles invests an additional \$50,000.00 in Full
4 Inc. through his trust, Eckles Trust.

5 89. On or about July 8, 2015, Full Inc. released Solitaire v2.0 into Apple App Store.

6 90. On or about January 25, 2016 a Patent Application is submitted for, upon information
7 and belief, "21 or Nothing."

8 91. On or about June 1, 2016, Mahon applied for a patent, upon information and belief, for
9 "21 or Nothing."

10 92. On or about June 30, 2016, an updated maturity date of the convertible seed notes is
11 released increasing the amount to be raised to two (2) million dollars.

12 93. In or about July 2016, non-party Richard Newman ("Mr. Newman"), an intellectual
13 property and patent attorney as well as shareholder in Full Inc., provided all patent and intellectual
14 property work for a five (5) percent revenue share of Intellectual LLC. Mahon and Mr. Newman then
15 converted the five (5) percent share to a five (5) percent share of stock in Full Inc. under Newman's
16 company Cooper Blackstone, LLC.

17 **MAHON EMBEZZLES COMPANY FUNDS FROM FULL INC. FOR HIS OWN PERSONAL USE**

18 94. In early 2016, Mahon created a new, off-shore company in Isle of Man and moved all
19 of the contracts, licensing and development into this new company, effectively closing down all
20 operation of Full Inc. and demoting Full Inc. to a shareholding entity in the new Isle of Man company.

21 95. Mahon claimed, in writing and on investor phone calls after creating these entities, that
22 he created the Isle of Man company upon business advice from KPMG and legal advice from DLA
23 Piper.

24 96. It is believed that none of this advice is formally documented and that DLA Piper was
25 never formally engaged through a letter of engagement or other client agreement. None of the advice
26 that was given to Mahon could be relied on as it was not formal or client engaged advice.

27 97. Mahon intentionally mislead investors with his false statements about stated advice.

28 98. Mahon also mislead investors by falsely stating that Mr. Bastian would not invest in

1 an USA based company, which Mr. Bastian has denied.

2 99. Mahon claimed in written communications and verbally that he took no salary or
3 income from Full Inc., Full Ltd., or Full N.A.

4 100. Upon information and belief, Mahon had no other source of regular income and made
5 regular statements that he had no money.

6 101. Despite claiming no salary or regular source of income, Mahon has managed to have
7 money for personal use, including paying for, furnishing and refurbishing his condo in Las Vegas, as
8 well as gambling, travel and living expenses, all of which are now believed to have been paid for as
9 improper corporate expenses.

10 102. The extent of Mahon's use of corporate funds as his personal piggy bank remains
11 unknown as Mahon is the sole person having access to Full Inc. and Full N.A. bank accounts and has
12 refused to provide shareholders details of monies spent.

13 103. It is believed that the only reason that Mahon did not have sole access to the off-shore
14 accounts for Full Ltd. in the Isle of Man was due to Isle of Man regulations not permitting sole access
15 to an off-shore account.

16 104. On or about September 15, 2015, a trustee of Moore wrote Howard about moving the
17 investment from BL Moore construction to Moore. Mahon consented to the transfer the next day.

18 105. In or about December 2015, Mahon flew to Vancouver, Canada, to spend the holidays
19 with his girlfriend, Victoria Cekan. Upon information and belief, Mahon payed for all of the expenses
20 for this trip using funds from Full Inc.

21 106. During and around this time, Mahon used funds from Full Inc. to pay the rent for an
22 apartment in Vancouver, Canada, in which Ms. Cekan resided.

23 107. Mahon also used Full Color Inc. funds to pay for attorney fees and deposits to help Ms.
24 Cekan obtain an education visa to enter the United States.

25 **MAHON AGAIN MISLEADS INVESTORS INTO BELIEVING THAT FULL INC. HOLDS THE**
26 **INTELLECTUAL PROPERTY RIGHTS TO THE FULL COLOR SYSTEM**

27 108. In or about February 2016, Full Color Games held an exhibit at ICE London conference
28 using all marketing material showing only Full Color Games logo and information.

1 109. On or about January 21, 2016, Full Ltd. is incorporated in the Isle of Man. No prior
2 notification was provided to the shareholders of Full Inc. of the new company or that their assets were
3 being moved out of the United States. The intellectual property was moved to the new entity as was
4 the software and other assets.

5 110. Mahon refused to transfer remaining cash assets of approximately \$300,000.00 that
6 was believed to have remained in Full Inc. against the direction of Full Ltd. Directors Martin Linham,
7 Lee Murphy and Newman, as Mahon did not agree that these cash funds should be transferred.

8 111. Mahon continued to use the funds of Full Inc. though the accumulated obligations had
9 been transferred to Full Ltd.

10 112. On or about March 10, 2016, Mahon applies for a patent application, upon information
11 and belief, for general concepts, including solitaire and poker.

12 **MAHON BREACHED HIS FIDUCIARY DUTY TO INVESTORS**

13 **AND ENTERED INTO A SELF-SERVING LICENSING AGREEMENT**

14 113. On or about April 11, 2016, Full Ltd. and Intellectual Property Holdings Limited
15 (“Intellectual Ltd.”) entered into a commercial license agreement entitling Intellectual Ltd. to 50% of
16 the gross revenue received by Full Ltd. (“Commercial License Agreement”).

17 114. Mahon, as CEO and controlling the shareholder votes of Full Inc., approved the
18 cancellation of the Commercial License Agreement between Intellectual LLC and Full Inc. Mahon
19 then caused a new commercial license agreement (“New Commercial License Agreement”), more
20 beneficial to Mahon, to be agreed to between Full Ltd. and Intellectual Ltd., an off-shore company
21 Mahon formed for what is believed to be tax and control reasons.

22 115. As part of moving Full Inc.’s business to Full Ltd., Full Inc. was to be issued 100% of
23 all outstanding ownership though Mahon structured this ownership as non-voting shares.

24 116. A large number of Full Ltd. shares were also issued to Intellectual Ltd., the result of
25 which diluted Full Inc.’s ownership of Full Ltd. by 50%.

26 117. Almost concurrently, 100,000,000 Preference A (non-ownership, full voting) shares in
27 Full Ltd. were issued to Intellectual Ltd. in further consideration of the Commercial License
28 Agreement by Intellectual Ltd. to Full Ltd.

1 118. At the time of these actions, Mahon was in control of all companies, owning 100% of
2 Intellectual Ltd., was the only voting shareholder in Full Ltd., and was the CEO, majority shareholder
3 and possessed voting power over all shares of the common stock of Full Inc.

4 119. This Commercial License Agreement was not disclosed to investors nor shareholders
5 of Full Inc. and benefited only Mahon, who approved it on both sides.

6 120. It was a non-arm's length agreement and enriched Mahon personally with 50% of gross
7 revenues received by Full Ltd., 50% direct ownership in Full Ltd. plus an additional 20% or more
8 non-direct ownership through his majority ownership in Full Inc. and 100% control of Full Ltd.,
9 allowing him to undertake and force any and all corporate actions through Full Ltd., with the full force
10 of appropriate corporate law.

11 121. In or about April 2016, non-party Bastian was informed in an email that Full Inc. had
12 been diluted to only 38.6% ownership in Full Ltd. due to the additional stock issued to Intellectual
13 Ltd.

14 122. There was also a mention that NDA Ltd., had been given 2.5% share of Full Ltd., a
15 company, upon information and belief, owned 100% by Mahon.

16 123. In or about May 2016, Full Ltd. opened a Nedbank account in Isle of Man that included
17 prepaid credit cards for Mahon in both US Dollar and Sterling currencies. The initial and only funding
18 of this account occurred through the non-party Bastian investments.

19 124. Funds were requested to be transferred from Full Inc. to Nedbank as part of an
20 investment or stock exchange in Full Ltd. as detailed herein.

21 125. Mahon refused to transfer the funds, keeping the funds in a Full Inc. account with
22 Mahon keeping sole access and signing authority to the Full Inc. banking account.

23 126. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
24 thirty (30) to fifty (50) million pounds Sterling in investments from European sources.

25 127. Mahon then caused that aforementioned memo to be restricted from being shown to
26 USA citizens, thereby ensuring no Full Inc. investor would become aware of the fact that Mahon was
27 diluting their interests in, and profit from, Full Ltd.

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**MAHON AGAIN ABANDONED HIS DUTY TO INVESTORS, CREATED FULL COLOR GAMES, N.A.,
INC., AND CONTINUED TO EMBEZZLE FUNDS FROM FULL LTD.**

128. On or about July 22, 2016, Mahon created Full Color Games, N.A., Inc. ("Full N.A."). Full N.A. opens a Wells Fargo account with only signatory being Mahon. Full Ltd. funds were then transferred into the Full N.A. account.

129. On or about August 1, 2016, Mahon directed Full Ltd. Isle of Man directors to transfer \$100,000.00 from Full Ltd.'s Nedbank account to Jackpot LLC with no stated purpose or reason and no director vote or minutes authorizing.

130. Mahon has also spent in excess of \$100,000.00 through the Nedbank credit card accounts for which no full accounting has been presented.

131. On or about August 17, 2016, Full Ltd. files for and receives confirmation of application from the United Kingdom Gambling Commission ("UKGC") for gaming licenses naming Mahon, Mr. Linham, and Mr. Munger as individuals, who also apply for individual Personal Management Licenses ("PML") with the UKGC.

132. On or about September 9, 2016, Mahon directs Full Ltd. Directors to transfer another \$50,000.00 from Full Ltd. to Jackpot LLC with no stated purpose or reason and no director vote or minutes authorizing.

133. Upon information and belief, in or about 2016, Jackpot Inc. receives \$110,000.00 from Full Inc. or Full N.A. with no stated purpose or reason.

134. In or about February 2017, Mahon opens a Full N.A. account to replace the Wells Fargo bank accounts that Wells Fargo closed due to a series of threatening interactions between Mahon and a Wells Fargo representative.

135. Wells Fargo subsequently closed all accounts with which Mahon was associated forcing all Full Color Games and Mahon associated accounts to be moved. To date, there has been no explanation or mention by Mahon to the investors and shareholders of Full Inc. as to the black listing of Mahon and Full Color Games by Well Fargo.

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1 136. On or about February 7, 2017, Full Color Games exhibits at the International Casino
2 Expo ("ICE") in London with marketing materials referencing only Full Color Games. No other
3 entities are mentioned.

4 137. On or about August, 2016 Mahon had a dispute with Mr. Newman over Mahon's use
5 of corporate resources. Mahon immediately removed Mr. Newman as a Director in Full Ltd. and
6 released Mr. Newman from any related management activities. Because Mr. Newman was still a
7 shareholder in Full Inc., through Mr. Newman's company, Cooper Blackstone LLC, Mahon spent
8 considerable time and Full Ltd. funds attempting contrive a scenario that would permit Mahon to
9 revoke those shares owned by Cooper Blackstone, LLC, in carrying forth a personal vendetta against
10 Mr. Newman. Mahon claimed verbally and in writing to shareholders that this was a requirement to
11 obtain a UK Gambling Commission license, which was a complete fabrication and not true.

12 138. On or about April, 2017, Full Ltd. paid the registered agent on the Isle of Man for
13 annual filing and administration fees for Full Ltd., and for Mahon's personal companies Intellectual
14 Ltd., and NDA Ltd.

15 139. On or about April 3, 2017, Mahon requested \$20,000.00, most of the remaining funds
16 of Full Ltd., be transferred to Full N.A., and about this same time, Full Ltd. Directors Linham and
17 Murphy received a copy of a notice Mahon sent to Full Ltd Shareholder Davinci claiming a violation
18 of the Commercial License Agreement. Davinci was the only Full Ltd shareholder to receive the
19 notice though Mahon wrote he was to send it to 40+ Full Inc. investors the next day. Full Inc. investors
20 have never been notified of the violation.

21 140. Based on unilateral actions by Mahon, the transfer request was refused and the
22 remaining Directors in Full Ltd. resigned immediately from all Full Ltd. and Mahon's personal
23 companies.

24 141. On or about June 29, 2017, Howard sent investors an update stating that Full Inc. was
25 filing for dissolution and that the investors would be receiving final tax notices.

26 142. The notice also stated, among other items, that Full Ltd. was in the business of real
27 money gaming and that Full Ltd. defaulted on its application for gaming license by not providing
28 requested information to the UKGC while Mahon was CEO and the sole director thereby preventing

1 Full Ltd. from doing business in one of the largest real money gaming jurisdictions in the world.

2 **MAHON BREACHED HIS CONTRACT WITH MR. MUNGER**

3 143. On or about February 2017, Mahon stopped paying Mr. Munger for the work he
4 performed for Full Inc., Full Ltd. and Full N.A. Mr. Munger continued to perform work for the
5 company through April of 2017, for which he has yet to be paid.

6 **COMPLIANCE WITH NRCP 23.1**

7 144. Plaintiffs have been unable to obtain the desired action from Mr. Mahon and/or Full
8 Color Games, Inc. Any attempt to obtain the action Plaintiffs desire would be futile.

9 145. Specifically, Plaintiffs requested an accounting from Mr. Mahon and/or Full Color
10 Games, Inc., as well as requested that Mr. Mahon address the claims herein. Plaintiffs have received
11 no affirmative action by Mr. Mahon and/or Full Color Games, Inc., indicating any intent to comply
12 with these basic requests.

13 146. Plaintiffs are now forced to bring this derivative action to redress the fiduciary breaches
14 by Mr. Mahon and Mr. Howard and to prevent them from causing further irreparable harm to Full
15 Color Games, Inc.

16 **FIRST CLAIM FOR RELIEF**

17 **(BREACH OF FIDUCIARY DUTY/GROSS MISMANAGEMENT AGAINST MAHON ON BEHALF OF FULL**
18 **COLOR GAMES, INC.)**

19 147. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
20 Complaint as though fully set forth herein and incorporates the same herein by reference.

21 148. Mahon owed a fiduciary duty to Plaintiffs as the CEO and director of the defendant
22 corporations.

23 149. Mahon breached said fiduciary duty through misrepresentations to Plaintiffs,
24 embezzlement, theft, illegal business and accounting practices, systematic misappropriation of
25 investment funds, and overall gross mismanagement of defendant corporations.

26 150. On multiple occasions, Mahon misrepresented to investors that they would be
27 investing in a company that owned the intellectual property rights, patents, copyrights, and
28 trademarks, to the Full Color System and the games developed from said system. However, Mahon

1 knew at the time that these statements were false, as he himself owned the aforementioned intellectual
2 property rights.

3 151. Mahon used his position as CEO, sole director, majority shareholder and 100%
4 controller to make self-serving licensing agreements to the detriment of the shareholders.

5 152. Mahon mismanaged Full Inc. by acting in his own self-interest rather than for the good
6 of the company by embezzling funds for personal use and engaging in other illegal activities to the
7 detriment of the shareholders in Full Inc. and the associated companies, Full Ltd. and Full N.A.

8 153. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
9 thirty (30) to fifty (50) million pound Sterling in investments from European sources. Mahon then
10 caused that aforementioned memo be restricted from being shown to USA citizens thereby ensuring
11 no Full Inc. Investors would become aware of the fact that Mahon was (a) diluting their interests, (b)
12 providing them with no voting rights, (c) restricting the flow of revenues to Full Ltd., and (d) directly
13 profiting from, Full Ltd.

14 154. As a direct and proximate result of the aforementioned actions and/or omissions of
15 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

16 155. Defendants' actions have required Plaintiffs to retain the services of an attorney to
17 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
18 reasonable attorneys' fees and costs incurred in this action

19 **SECOND CLAIM FOR RELIEF**

20 **(AIDING AND ABETTING BREACH OF FIDUCIARY DUTY AGAINST GLENN HOWARD, ON BEHALF OF**
21 **FULL COLOR GAMES, INC.)**

22 156. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
23 Complaint as though fully set forth herein and incorporates the same herein by reference.

24 157. Mahon owed a fiduciary duty to Plaintiffs.

25 158. Mahon breached said fiduciary duty through misrepresentations to Plaintiffs,
26 embezzlement, theft, illegal business and accounting practices, systematic misappropriation of
27 investment funds, and overall gross mismanagement of defendant corporations.

28 ///

159. Howard, under title of Full Inc. President, was aware of Mahon's breaching actions during the time he was an investor and/or executive in Full Inc. and condoned, supported, and aided Mahon in said behavior.

160. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

161. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

THIRD CLAIM FOR RELIEF

(TORTIOUS INTERFERENCE WITH BUSINESS RELATIONSHIP AGAINST

ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.)

162. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

163. Plaintiff Shareholders had a valid and enforceable contractual relationship with Full Inc.

164. Mahon and his related entities knew of this contractual relationship.

165. Mahon formed Full Ltd. knowing and intending that its creation and illegal ascertainment of Full Inc.'s assets and intellectual property would disrupt the contractual relationship between the shareholders and Full Inc.

166. Mahon utilized the formation of Full Ltd. to directly profit, and to ensure that there would be no transparency to shareholders in Full Inc.

167. In order to form Full N.A., Mahon transferred funds and assets from Full Ltd., of which Full Inc. was a shareholder, to Full N.A.

168. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

169. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

1 **FOURTH CLAIM FOR RELIEF**

2 **(FRAUDULENT MISREPRESENTATION AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES,**
3 **INC. AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND**
4 **MOORE FAMILY TRUST)**

5 170. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
6 Complaint as though fully set forth herein and incorporates the same herein by reference.

7 171. Mahon made many and multiple misrepresentations to Plaintiffs regarding the
8 structure and management of defendant corporations as well as the ownership of the intellectual
9 property used to develop defendant corporation's products.

10 172. Mahon told or implied to potential investors, as well as plaintiff shareholders, that Full
11 Inc. owned the intellectual property rights to the Full Color System as well as the games that it was
12 used to develop on the following occasions: March or April of 2012; August 19, 2014, in an email to
13 investors and shareholders; September 29, 2014, at an investors' dinner; September 30 2014; June 15,
14 2015, in an email sent from Howard to investors and shareholders; June 17, 2015, at a casino night
15 for investors; February 2016, at an ICE exhibit in London; October 11, 2016, Investor Quarterly
16 Update; and February 7, 2017, at an ICE exhibit in London.

17 173. During the aforementioned occasions, Mahon either expressly told investors and
18 shareholders that Full Inc. owned the intellectual property rights to the Full Color System and
19 products, or implied the same by presenting the Full Color System and products in such a way that a
20 reasonable person would conclude that Full Color Inc. was the owner of the Full Color System and
21 products.

22 174. Mahon knew that these representations were false at the time they were made to
23 Plaintiffs.

24 175. Mahon made these misrepresentations with the intent to induce Plaintiffs into
25 investing, or continuing to invest, in defendant corporations.

26 176. Plaintiffs justifiably relied on these Mahon's representations as they reasonably
27 believed that he was acting in their best interests and lacked the means to independently verify
28 Mahon's claims.

1 177. Plaintiff shareholders would not have invested in Full Inc. had they known that Full
2 Inc. did not own the intellectual property rights to the Full Color System and resulting products
3 developed with investor monies, which is absolutely essential to Full Inc.'s existence and operation.
4 In fact, the only investor that Mahon told about the licensing agreement, non-party Bastian, forced
5 Mahon to provide Bastian a revenue share in the license holding company or Bastian would not invest
6 in Full Ltd.

7 178. It is further believed that Mahon was unsuccessful in soliciting investment from
8 European sources in Full Ltd. as the PPM disclosed that Full Ltd. did not directly own or control the
9 intellectual property. Mahon chose to provide European potential investors information he withheld
10 from Full Inc. investors.

11 179. As a direct and proximate result of the aforementioned actions and/or omissions of
12 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

13 180. Defendants' actions have required Plaintiffs to retain the services of an attorney to
14 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
15 reasonable attorneys' fees and costs incurred in this action.

16 **FIFTH CLAIM FOR RELIEF**

17 **(FRAUDULENT CONCEALMENT AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES, INC. AND**
18 **INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE**
19 **FAMILY TRUST)**

20 181. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
21 Complaint as though fully set forth herein and incorporates the same herein by reference.

22 182. Mahon concealed from Plaintiffs that he himself owned the intellectual property being
23 used by Full Ltd., Full Inc., and Full N.A.

24 183. Mahon purposely withheld the true ownership of the Full Color System while speaking
25 to investors and shareholders on the following occasions: March or April of 2012; August 19, 2014,
26 in an email to investors and shareholders; September 29, 2014, at an investors' dinner; September 30
27 2014; June 15, 2015, in an email sent from Howard to investors and shareholders; June 17, 2015, at a
28 casino night for investors; February 2016, at an ICE exhibit in London; October 11, 2016, Investor

Quarterly Update; and February 7, 2017, at an ICE exhibit in London.

184. This fact was material in that Plaintiffs would not have invested in the defendant corporations had they known that said corporations had no ownership interest in the intellectual property that was critical to the products they developed.

185. Mahon had a duty to Plaintiffs to disclose this information before they invested in the defendant corporations.

186. Mahon intentionally concealed this fact with the intent to induce Plaintiffs into investing into the defendant corporations.

187. Mahon intentionally concealed the structure and dealings of Full Ltd. from the Plaintiffs and provided no transparency of any dealings of Full Ltd. to either the plaintiffs or the shareholders of Full Inc.

188. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

189. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

SIXTH CLAIM FOR RELIEF

(DECEPTIVE TRADE PRACTICES UNDER NRS 598.0915 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)

190. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

191. NRS 598.0915 prohibits any person from advertising goods or services with the intent not to sell or lease them as advertised.

192. It is a violation of NRS 598.0915 to knowingly make a false representation as to the source, sponsorship, approval or certification of goods or services for investment purposes.

193. Defendant Mahon advertised an investment opportunity to Plaintiffs to induce Plaintiffs to buy, sell, lease, dispose of, and/or utilize in order to create any interest in the companies

1 by deceptively stating that the intellectual property of the Defendant Mahon was actually the property
2 of the Defendant entities.

3 194. As a direct and proximate result of the aforementioned actions and/or omissions of
4 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

5 195. Defendants' actions have required Plaintiffs to retain the services of an attorney to
6 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
7 reasonable attorneys' fees and costs incurred in this action.

8 **SEVENTH CLAIM FOR RELIEF**

9 **(UNJUST ENRICHMENT AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.)**

10 196. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
11 Complaint as though fully set forth herein and incorporates the same herein by reference.

12 197. Mahon unjustly benefited from the loan/investments that Munger provided him in
13 order to develop Full Ltd. and Full Inc. by accepting those loan/investments misusing or embezzling
14 a portion of those funds, and then failing to compensate Mr. Munger for the interest accrued on said
15 loans/investments.

16 198. Mahon unjustly benefited from the work and contributions that Mr. Munger has
17 provided to Full Inc., Full Ltd. and Full N.A. and has refused to pay Mr. Munger for said work and
18 contributions.

19 199. Mahon unjustly benefited from the contributions and investments of plaintiffs which
20 ultimately lead to the creation of the subject intellectual property but has refused to compensate
21 Plaintiffs for said contributions and investments.

22 200. Mahon & Howard started a new company, Full Color Games Group, Inc. ("Full
23 Group") and that Full Group has unjustly benefited from the Full Color System and products which
24 were developed and financed by Full Inc.

25 201. As a direct and proximate result of the aforementioned actions and/or omissions of
26 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

27 202. Defendants' actions have required Plaintiffs to retain the services of an attorney to
28 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of

1 reasonable attorneys' fees and costs incurred in this action.

2 **EIGHTH CLAIM FOR RELIEF**

3 **(CONVERSION AGAINST MAHON AND HOWARD, ON BEHALF OF FULL COLOR GAMES, INC.)**

4 203. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
5 Complaint as though fully set forth herein and incorporates the same herein by reference.

6 204. Mahon is in the practice and tradition of systematically seeking investments for a
7 company through misrepresentation, using the investment funds for his own personal use and to
8 develop intellectual property that he refuses to release as product, declaring said company insolvent,
9 and then transferring the insolvent corporation's assets into a new company to begin the cycle anew.

10 205. Mahon wrongfully exerted dominion over Full Inc.'s assets, funds, and intellectual
11 property when he illegally transferred some of said property into Full Ltd. and his own personal use.
12 Certain cash assets were never transferred to Full Ltd. and remain at the personal control of Mahon.

13 206. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
14 thirty (30) to fifty (50) million pounds Sterling in investments from European sources. Mahon then
15 caused that aforementioned memo be restricted from being shown to USA citizens thereby ensuring
16 no Full Inc. investors would become aware of the fact that Mahon was diluting their interests in, and
17 profit from, Full Ltd.

18 207. This act effectively excluded or denied Plaintiffs and Full Inc. of their rights and
19 benefit of said property.

20 208. As a direct and proximate result of the aforementioned actions and/or omissions of
21 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

22 209. Defendants' actions have required Plaintiffs to retain the services of an attorney to
23 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
24 reasonable attorneys' fees and costs incurred in this action.

25 **NINTH CLAIM FOR RELIEF**

26 **(CIVIL CONSPIRACY AGAINST MAHON AND HOWARD, ON BEHALF OF FULL COLOR GAMES, INC.**

27 **AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND**

28 **MOORE FAMILY TRUST)**

210. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

211. Mahon and Howard conspired, or acted in concert, with the intent to defraud and harm plaintiffs in the manners previously alleged.

212. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

213. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

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)

214. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

215. Mahon is the owner and operator of the Defendant entities, and each of them.

216. Mahon operated the various Defendant entities, and each of them, as if they were his own personal piggy bank and wallet.

217. The various Defendant entities, both domestic and foreign, and each of them, were and are alter egos of defendant Mahon, in that they all lacked sufficient capitalization and were merely shells by which their common principal, defendant Mahon, could attempt to avoid liability and personal taxes.

218. The various Defendant entities, and each of them, were and are alter egos of defendant Mahon, in that they have disregarded their respective corporate forms by, among other things, paying or attempting to pay the debts of one another without consideration, not being properly licensed and comingling and/or transferring funds and assets among them.

219. The various Defendant entities, and each of them, were and are alter egos of defendant Mahon, in that there is a unity of interest and ownership, are inseparable from each other, and have

1 lost their individuality, thereby abrogating separate corporate protection.

2 220. The various Defendant entities, and each of them, were and are alter egos of defendant
3 Mahon, in that they failed to maintain functioning corporate officers and/or directors.

4 221. The various Defendant entities, and each of them, were and are alter egos of defendant
5 Mahon, in that the alter egos are being used as a “façade” for the personal dealings of defendant
6 Mahon.

7 222. The various Defendant entities, and each of them, were and are alter egos of defendant
8 Mahon, in that there is an absence and/or inaccuracy of corporate records for any of defendant
9 Mahon’s alter egos, including the various Defendant entities, and each of them.

10 223. The various Defendant entities, and each of them, were and are alter egos of defendant
11 Mahon, in that defendant Mahon has failed to observe corporate formalities in terms of behavior and
12 documentation for any of defendant Mahon’s alter egos, including the various Defendant entities, and
13 each of them.

14 224. The various Defendant entities, and each of them, were and are alter egos of defendant
15 Mahon, in that defendant Mahon has failed to maintain an arm’s length relationship with any of his
16 alter egos, including the various Defendant entities, and each of them.

17 225. The assets, liabilities and debts of the various Defendant entities, and each of them,
18 should thus be imputed to defendant Mahon individually as defendant Mahon’s alter egos.

19 226. It would be manifestly unjust to recognize the corporate separateness of defendant
20 Mahon and the various Defendant entities, and each of them.

21 227. The Court should therefore pierce the corporate veil and recognize the various
22 Defendant entities, and each of them, as the alter ego of defendant Mahon.

23 228. As a direct and proximate result of the aforementioned actions and/or omissions of
24 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

25 229. Defendants’ actions have required Plaintiffs to retain the services of an attorney to
26 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
27 reasonable attorneys’ fees and costs incurred in this action.

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1 240. The appointment of a receiver is governed by statute and is appropriate only under
2 circumstances described in statute.

3 241. Any stockholder may apply if the corporation is insolvent.

4 242. Any holder of 1/10 of a corporation's issued and outstanding stock may apply for the
5 appointment of a receiver when a corporation has been mismanaged.

6 243. A holder of 1/10 of issued stock may apply for appointment of a receiver of a solvent
7 corporation where the business is being conducted at a great loss, the operation is prejudicial to
8 creditors or stockholders such that the business cannot be conducted with safety to the public.

9 244. A receiver may be appointed when a corporation is in imminent danger of insolvency.

10 245. Appointment of a receiver is appropriate when business property at issue is at risk of
11 waste, loss of income, or is insufficient to secure a debt.

12 246. Mahon has removed the intellectual property and other assets of the companies in
13 order to make the Defendant entities insolvent and has created other Defendant entities in order to
14 prevent Plaintiffs and other investors from receiving a profit from their investments.

15 247. As a direct and proximate result of the aforementioned actions and/or omissions of
16 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

17 248. Defendants' actions have required Plaintiffs to retain the services of an attorney to
18 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
19 reasonable attorneys' fees and costs incurred in this action.

20 **THIRTEENTH CLAIM FOR RELIEF**

21 **(DECLARATORY RELIEF AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.**
22 **AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND**
23 **MOORE FAMILY TRUST)**

24 249. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
25 Complaint as though fully set forth herein and incorporates the same herein by reference.

26 250. This claim is for declaratory relief under the Uniform Declaratory Judgments Act, NRS
27 30.010, et seq., and arises from an actual controversy between plaintiffs, on the one hand, and
28 defendants, on the other hand, regarding whether the various Defendant entities, and each of them,

1 are alter egos of defendant Mahon.

2 251. Defendant Mahon is the owner and operator of Defendant entities, and each of them.

3 252. A justiciable controversy has arisen between the parties in that plaintiffs have been
4 harmed, and will continue to be harmed, in that the various Defendant entities, and each of them, are
5 merely shells by which their common principal, defendant Mahon, could attempt to avoid liability,
6 including to preclude recovery of damages against defendant Mahon by plaintiffs as injured parties.

7 253. Plaintiffs now contend that there is no basis in law or fact to recognize the corporate
8 separateness of defendant Mahon and the various Defendant entities, and each of them, under Nevada
9 law.

10 254. Plaintiffs are and will continue to be irreparably harmed unless this Court declares and
11 resolves the dispute under Nevada law regarding whether the various Defendant entities, and each of
12 them, are alter egos of defendant Mahon.

13 255. Plaintiffs seek and are entitled to a declaration from the Court stating that the subject
14 intellectual property is the exclusive property of Full Inc.

15 256. As a direct and proximate result of the aforementioned actions and/or omissions of
16 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

17 257. Defendants' actions have required Plaintiffs to retain the services of an attorney to
18 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
19 reasonable attorneys' fees and costs incurred in this action.

20 **FOURTEENTH CLAIM FOR RELIEF**

21 **(TEMPORARY RESTRAINING ORDER, PRELIMINARY AND PERMANENT INJUNCTION**
22 **AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC. AND INDIVIDUAL**
23 **PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE FAMILY**
24 **TRUST)**

25 258. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
26 Complaint as though fully set forth herein and incorporates the same herein by reference.

27 259. Plaintiffs seek a temporary restraining order and/or preliminary/permanent injunction
28 to prevent defendant Mahon and the Defendant entities from transferring the assets and/or intellectual

1 property out of the Defendant entities to maintain the status quo until resolution of this lawsuit.

2 260. As a direct and proximate result of the aforementioned actions and/or omissions of
3 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

4 261. Defendants' actions have required Plaintiffs to retain the services of an attorney to
5 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
6 reasonable attorneys' fees and costs incurred in this action.

7 **FIFTEENTH CLAIM FOR RELIEF**

8 **(BREACH OF CONTRACT AGAINST MAHON, ON BEHALF OF INDIVIDUAL PLAINTIFF MUNGER)**

9 262. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
10 Complaint as though fully set forth herein and incorporates the same herein by reference.

11 263. Mr. Munger and Mahon entered into a series of valid and enforceable contracts
12 concerning Mr. Munger's investments and involvement in the defendant corporations. Mahon
13 promised Mr. Munger 2.5% stock in Full Ltd. in return for Mr. Munger's time, energy, and
14 relationships and for being the only person who contributed to getting the product developed and into
15 the market.

16 264. Mr. Munger fully performed all of his duties under the verbal agreement to Mahon by
17 providing his funds for investment and devoting his time and efforts into the defendant corporations.

18 265. Mr. Munger worked, as needed, for Full Inc. from early 2015 to about January 2017,
19 receiving paid expenses and a stipend for services.

20 266. Mahon has failed to pay Mr. Munger for his work from early 2015 to about January
21 2017, failed to provide Mr. Munger with the agreed upon compensation for his time and investments,
22 and failed to award him 2.5% of company stock as promised.

23 267. As a direct and proximate result of the aforementioned actions and/or omissions of
24 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

25 268. Defendants' actions have required Plaintiffs to retain the services of an attorney to
26 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
27 reasonable attorneys' fees and costs incurred in this action.

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1 **SIXTEENTH CLAIM FOR RELIEF**

2 **(BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING AGAINST MAHON, ON**
3 **BEHALF OF INDIVIDUAL PLAINTIFF MUNGER)**

4 269. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
5 Complaint as though fully set forth herein and incorporates the same herein by reference.

6 270. Mr. Munger and Mahon entered into a series of valid and enforceable contracts
7 concerning Mr. Munger's investments and involvement in the defendant corporations creating a duty
8 of good faith that Mahon owed to Mr. Munger.

9 271. Mahon acted in a manner that was unfaithful to the purpose of the contract between
10 himself and shareholders by intentionally misleading them about the companies they were investing
11 in, and putting his own interests above those of the shareholders to their detriment.

12 272. Plaintiffs' just expectations for entering into a contract with Mahon were denied.
13 Plaintiffs reasonably expected that the defendant corporations owned the intellectual property to the
14 Full Color System that they were using to develop products, and that Mahon would act honestly,
15 reasonably, and legally in managing defendant companies.

16 273. As a direct and proximate result of the aforementioned actions and/or omissions of
17 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

18 274. Defendants' actions have required Plaintiffs to retain the services of an attorney to
19 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
20 reasonable attorneys' fees and costs incurred in this action.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiffs pray for judgment against defendants, and each of them, as follows:

23 1. For a judgment in favor of plaintiffs and against defendants, and each of them, on the
24 complaint and all claims for relief asserted therein;

25 2. For a declaration and determination under Nevada law that the various Defendant
26 entities, and each of them, are alter egos of Defendant Mahon.

27 3. For a return of the intellectual property to Full Color Games, Inc.

28 4. For a temporary restraining order and/or preliminary/permanent injunction to maintain

1 the status quo.

2 5. For an award of compensatory, consequential, statutory, exemplary, and punitive
3 damages in an amount in excess of \$15,000.00, to be proven at trial;

4 6. For an award of reasonable attorney's fees and costs incurred in this action; and

5 7. For such other and further relief as the Court may deem proper.

6 DATED this 30th day of August, 2017.

7 Respectfully submitted,

8 **MAIER GUTIERREZ & ASSOCIATES**

9
10 /s/ Joseph A. Gutierrez

11 JOSEPH A. GUTIERREZ, ESQ.

12 Nevada Bar No. 9046

13 STEPHEN G. CLOUGH, ESQ.

14 Nevada Bar No. 10549

15 8816 Spanish Ridge Avenue

16 Las Vegas, Nevada 89148

17 *Attorneys for Plaintiffs Mark Munger,*

18 *David's Hard Work Trust Ltd 3/26/2012,*

19 *Moore Family Trust, G. Bradford Solso,*

20 *David Eckles, Jeffrey Castaldo, Mara H.*

21 *Brazer, as Trustee for the Mara H. Brazer*

22 *Trust UTA 2/12/2004*

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VERIFICATION

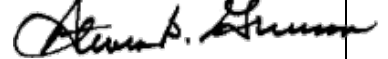
STATE OF NEVADA)
)ss:
COUNTY OF CLARK)

I, Mark Munger, declare:

I am the lead Plaintiff in this action. I am also a shareholder of Full Color Games, Inc. and have been during the relevant time period. I declare under penalty of perjury that I have read and reviewed the foregoing Amended Verified Shareholder Derivative Complaint, and know the content thereof, and authorized its filing. Based upon my and my counsel's investigation, the contents of the Amended Verified Shareholder Derivative Complaint are true to the best of my knowledge, information and belief.



MARK MUNGER



1 **OMSJ**

JOSEPH A. GUTIERREZ, ESQ.

2 Nevada Bar No. 9046

STEPHEN G. CLOUGH, ESQ.

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7 *Attorneys for Plaintiffs Mark Munger,*
8 *David's Hard Work Trust Ltd 3/26/2012,*
9 *Moore Family Trust, G. Bradford Solso,*
10 *David Eckles, Jeffrey Castaldo,*
11 *Mara H. Brazer, as Trustee for the*
12 *Mara H. Brazer Trust UTA 2/12/2004*

11 **DISTRICT COURT**

12 **CLARK COUNTY, NEVADA**

13
14 In re: FULL COLOR GAMES, INC.

Case No.: A-17-759862-B

Dept. No.: XIII

15 MARK MUNGER, an individual; DAVID'S
16 HARD WORK TRUST LTD. 3/26/2012, a
17 California Trust; MOORE FAMILY TRUST, a
18 California Trust; G. BRADFORD SOLSO, an
19 individual; DAVID ECKLES, an individual;
20 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' OPPOSITION TO
DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT ON ALL
DERIVATIVE CLAIMS SET FORTH IN
THE AMENDED VERIFIED
SHAREHOLDER DERIVATIVE
COMPLAINT AND COUNTER-
MOTION FOR LEAVE TO FILE AN
AMENDED COMPLAINT**

Hearing Date: December 14, 2017

Hearing Time: 9:00 a.m.

21 Plaintiffs,

22 vs.

23 DAVID MAHON, an individual; GLEN
24 HOWARD, an individual; INTELLECTUAL
25 PROPERTY HOLDINGS, LLC, a Nevada limited
26 liability company; INTELLECTUAL
27 PROPERTY HOLDINGS, LTD, an Isle of Man
28 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.

1 INC., a Nevada corporation; JACKPOT
2 PRODUCTIONS, LLC, a Nevada limited liability
3 company; DOES I through X; and ROE
4 CORPORATIONS I through X, inclusive,

Defendants.

5 Plaintiffs MARK MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, MOORE
6 FAMILY TRUST, G. BRADFORD SOLSO, DAVID ECKLES, JEFFREY CASTALDO, and
7 MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, individually
8 and as shareholders of FULL COLOR GAMES, INC. (collectively referred to as "Plaintiffs"), by and
9 through their counsel of record, MAIER GUTIERREZ AND ASSOCIATES, hereby submits this opposition
10 to defendants' motion for summary judgment on all derivative claims set forth in the amended verified
11 shareholder derivative complaint ("Motion").

12 This motion is based upon the Points and Authorities set forth herein, the attached exhibits,
13 the papers and pleadings on file, and any argument permitted by the court at the time of hearing.

14 DATED this 27th day of November, 2017.

15 Respectfully submitted,

16 **MAIER GUTIERREZ & ASSOCIATES**

17 /s/ Joseph A. Gutierrez

18 JOSEPH A. GUTIERREZ, ESQ.

Nevada Bar No. 9046

19 STEPHEN CLOUGH, ESQ.

Nevada Bar No. 10549

8816 Spanish Ridge Avenue

Las Vegas, Nevada 89148

20 *Attorneys for Plaintiffs Mark Munger,*

21 *David's Hard Work Trust Ltd 3/26/2012,*

Moore Family Trust, G. Bradford Solso,

22 *David Eckles, Jeffrey Castaldo,*

Mara H. Brazer, as Trustee for the

23 *Mara H. Brazer Trust UTA 2/12/2004*

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiffs, individually and as shareholders of Full Color Games, Inc. (“Company” or “FCGI”)
4 have filed litigation against David Mahon, Glen Howard, Intellectual Property Holdings, LLC,
5 Intellectual Property Holdings, Ltd, Full Color Games, LLC; Full Color Games Ltd., Full Color
6 Games N.A., Inc., Full Color Games Group, Inc., and Jackpot Productions, LLC (collectively
7 “Defendants”) due to the diversion and misappropriation of the funds and assets of the Company, the
8 misrepresentations and concealment of material facts regarding the true ownership of the Company’s
9 intellectual property assets, and the breach of fiduciary duties and self-dealing of the managing
10 members of the Company, David Mahon (“Mahon”) and Glen Howard (“Howard”).

11 This case is about Mahon and Howard’s fraudulent representations to the Company
12 shareholders regarding the ownership of the intellectual property assets of the Company in order to
13 induce them to invest millions of dollars into a company with no actual assets. Mahon and Howard’s
14 plan was to induce investors through what Mahon sold as a “*trifecta of intellectual property*” owned
15 by the Company, only to leave the shareholders out to dry while he created a new company that he
16 fully controlled and used to hold all of the valuable intellectual property.

17 From 2012 through 2017, Mahon solicited multiple investors, including the named Plaintiffs
18 in this action, and informed them that the Company would be using its intellectual property to develop
19 and commercialize gaming products based on Mahon’s Full Color System. As discovery will reveal,
20 Mahon used the shareholders’ money that was entrusted to him for his own personal use and he
21 siphoned off the assets and money from the Company for use in a new entity controlled solely by
22 Mahon. Discovery will also reveal that Mahon’s embezzlement of investor funds to purchase assets
23 that he eventually transferred to unrelated entities under his control is a pattern and practice of fraud
24 that he has perpetrated on many other innocent shareholders.

25 **II. SUMMARY OF ARGUMENT**

26 Defendants’ Motion is seeking summary judgment on Plaintiffs’ claims through a 30 page
27 brief that contains over 640 pages of exhibits. However, Defendants’ actual legal argument in support
28 of their Motion is contained in less than 5 pages of their brief and can be summed up with one issue:

1 Whether Plaintiffs' amended complaint alleges that Mr. Munger "was a shareholder or
2 member at the time of the transaction of which the plaintiff complains or that the
3 plaintiff's share or membership thereafter devolved on the plaintiff by operation of law."
4 *See* NRCP 23.1.

5 Clearly, Plaintiffs' amended complaint is verified by Mr. Munger and properly alleges that
6 Mr. Munger was a shareholder of the Company at all times during the transactions that give rise to
7 the shareholder claims. *See* amended complaint and signed verification by Mr. Munger on file.
8 Defendants do not dispute this issue in their Motion. Instead, in an attempt to avoid the consequences
9 of discovery and revelations of a pattern of financial fraud by Mahon and Howard, Defendants have
10 rushed to file summary judgment prior to discovery beginning and before they have filed their answer
11 with the hopes of continuing to conceal their fraud.

12 As Plaintiffs' opposition will show, Defendants' Motion fails as a matter of law because even
13 under Defendants' claim that Mr. Munger's interest were unilaterally terminated on June 5, 2017, Mr.
14 Munger would have been a shareholder of the Company at all times during the transactions that give
15 rise to the shareholder claims.

16 Further, there are numerous issues of fact to warrant the denial of Defendants' Motion and to
17 move this case on to discovery. Plaintiffs' opposition will provide the following evidence to support
18 the fact that Mr. Munger has legal standing to pursue this derivative action on behalf of the Company
19 shareholders and that Mahon's fraudulent concealment of the Company's assets warrants this case to
20 proceed to a trial on the merits:

- 21 • Declaration of Martin Linham putting the authenticity of the Defendant's exhibits into dispute,
22 discussing the actions by Mahon to defraud the investors of the Company; discussing the
23 accounting irregularities Mahon caused with the Company; and refuting the claim that there
24 was a meeting of the ARCC in May of 2017 because the Company was effectively frozen due
25 to the resignation of all local directors and officers and the registered agent.
- 26 • Declaration of G. Bradford Solso stating that Mahon induced him to invest in FCGI through
27 the false representation that the Company owned an extensive intellectual property portfolio
28 that will "disrupt the casino gaming industry".

- 1 • Declaration of Mara Brazer stating that she was never informed about any details regarding a
2 license agreement and was not provided with investor reports or financial information on the
3 status of the Company.
- 4 • Declaration of David Eckles stating that Mahon never told him about the Isle of Man
5 investment, never provided investor updates, and attempted to get him to release all claims
6 against Defendants in exchange for ownership in a new company.
- 7 • Declaration of Eric Kagan stating that Mahon told him that the intellectual property was fully
8 protected and that the Company had one of the best intellectual property lawyers in the gaming
9 industry as counsel. Mr. Kagan has also testified that Mahon left him completely in the dark
10 with the details of the Isle of Man transactions.
- 11 • Declaration of Brian Marcus stating that Howard explained the details of the casino games
12 that the Company owned to him, and at no point did Mahon or Howard ever tell him anything
13 about a license when he was making the decision to invest.

14 Defendants' argument rests on the premise that Mr. Munger does not have standing to pursue
15 this claim on behalf of the shareholders because he is not a "current shareholder" of the Company.
16 Defendants, however, have failed to provide any evidence that they "repurchased" Mr. Munger's
17 shares outside of Mahon's own self-serving testimony.

18 Further, Defendants' argument that Mr. Munger is not a current shareholder rests entirely on
19 their self-serving claim that they decided to unilaterally re-purchase the entirety of his shares for one
20 dollar because of his alleged "failures and breaches of fiduciary duty". See Motion at p. 19. This
21 alleged transaction is not only absurd on its face but the timing is very convenient for Defendants and
22 one that is not supported by any evidence or testimony outside of Mahon himself.

23 In fact, the evidence will show that Mahon and Howard were winding the Company down
24 during this timeframe and there was not even a Board of Directors present to make this type of
25 decision. The validity of the supposed Audit Risk and Compliance Committee report ("ARCC
26 report") is laughable and one that discovery will reveal is Mahon extending his fraud to this Court.

27 Finally, Defendants argue that Mr. Munger cannot "fairly and adequately represent the
28 interests of the shareholders". This argument screams for a factual dispute and is one that is only

1 supported by Mahon's self-serving declaration. Despite Defendants claims that Mr. Munger
2 "breached his fiduciary duty as a corporate officer", Defendants fail to produce any evidence to show
3 that Mr. Munger was even a corporate officer. Defendants had ever opportunity to produce corporate
4 documents or financial information to support these claims but in over 640 pages of exhibits they have
5 included nothing to show that Mr. Munger was more than just a shareholder and technical consultant
6 for the Company.

7 **III. STATEMENT OF FACTS**

8 **1. STATEMENT OF UNDISPUTED FACTS**

9 On or about September 22, 2010, Mahon created/organized defendant Full Color Games, LLC
10 ("Full LLC. In order to create/organize Full LLC, Mahon solicited funds from multiple investors who
11 were under the understanding that Full LLC would use the intellectual property to develop and
12 commercialize products based on the Full Color System.

13 On or about March of 2012, Full LLC's investors grew weary of Mahon's multiple delays in
14 releasing a product and Mahon's lack of transparency of how the investment funds were being spent,
15 and refused to continue to invest in Full LLC. When Full LLC investors began questioning Mahon,
16 Mahon declared Full LLC insolvent and terminated the license. Thereafter, Mahon financed the
17 creation of FCGI with funds from investors that totaled approximately two million dollars
18 (\$2,000,000.00) over approximately four (4) years of fund raising.

19 In order to entice the aforementioned investments in FCGI, Mahon misrepresented to investors
20 that FCGI owned copyrights, patents, and trademarks, or the "*trifecta of intellectual property*" as
21 Mahon referred to it, when pitching the investment. The Full Color System being used as part of the
22 investment solicitation included full or partial games that had been developed up unto that point
23 including, "Bingo Poker," "Full Color Poker," and "Solitaire."

24 Mahon misrepresented to FCGI investors that the Company had developed the games, instead
25 Mahon only provided a revocable license to the Full Color System and the games to FCGI and failed
26 to disclose this material fact to the Company investors. Had the investors known of this fraudulent
27 concealment they would never invested in FCGI. The Company investors were promised financial
28 projections, 12-18 months plan, written marketing, and financial updates, however, the *investors*

1 *never received the promised information.* Mahon then used the initial investments to develop the
2 games that were existing games at the time and to create new games “Full Color Baccarat” and “21
3 or Nothing,” which were both finished in 2015.

4 Despite having further developed existing games and creating new games as the CEO and sole
5 director of FCGI, Mahon deliberately withheld ownership of these new developments and games from
6 FCGI. Yet, after the development of these products, Mahon solicited further investments with the
7 same fraudulent claim *that FCGI owned all the intellectual property rights to the Full Color System*
8 and the games that had been developed from it.

9 In total, all investments in the Company were approximately two million dollars. Mahon was
10 aware that his representations were false, as he directed the structuring of the Company so that the
11 intellectual property and rights to the Full Color System and all games developed from it were not
12 assets of FCGI as represented. Mahon owned, either individually or through one of his solely owned
13 companies, the intellectual property and rights to the Full Color System. FCGI only held a revocable
14 license to the intellectual property and rights to the Full Color System from Mahon, Jackpot
15 Productions, LLC and/or Intellectual Property Holdings, LLC.

16 The intellectual property and rights to the Full Color System could only be utilized by FCGI
17 with an easily revocable license that did not permit further expansion of the Full Color System or
18 commercialization of marketable products using the Full Color System as Mahon claimed to investors.

19 In addition to these events, there were many other times in which Mahon fraudulently
20 misrepresented various aspects of the Company to investors and anyone else involved with Full Color
21 System. Mahon represented to investors that FCGI may distribute worldwide real money games and
22 other products based on the Full Color System despite the fact that Mahon knew that he himself and
23 not FCGI, possessed the rights to do so.

24 There were also misrepresentations as to how the investors’ money was spent. Despite
25 claiming no salary or regular source of income, Mahon managed to have large sums of money for
26 personal use, including paying for, furnishing, and refurbishing his condo in Las Vegas, as well as
27 gambling, travel and living expenses, all of which are now believed to have been paid for as improper
28 corporate expenses. Mahon also used the investors’ funds to fly to Vancouver, Canada to see his

girlfriend and to pay for her condo. Mahon also spent in excess of \$100,000 through the Nedbank credit card accounts for which no full accounting has been presented.

Recently, Mahon and Howard started a new company, Full Color Games Group, Inc. (“Full Group”) and that Full Group has unjustly benefited from the Full Color System and products which were developed and financed by FCGI. This new company is a way for Mahon to take the money from FCGI and its investors to transfer it to a new company free from any liabilities. Mahon unjustly benefited from the investments of Plaintiffs which ultimately lead to the creation of the subject intellectual property but has refused to compensate Plaintiffs for their contributions and investments.

2. STATEMENT OF DISPUTED FACTS

- Whether Mr. Munger was a shareholder at the time of the actions and inactions that give rise to the causes of action. *See* declaration of Mark Munger at ¶3 and 12 attached as **Exhibit “1”**.
- Whether the Audit, Risk and Compliance Committee had the authority to meet and create the ARCC report on May 27, 2017. *See* declaration of Martin Linham at ¶33-39 and at ¶103 and 107 attached as **Exhibit “2”**; *see* also declaration of Munger at ¶14; 57-69.
- Whether Full Color Games, Ltd. was without a registered agent as required by the IOM Companies Act of 2006, thereby not allowing the ARCC to meet and create the alleged report. *See* Ex. “2”; declaration of Linham at ¶33-39; and at ¶103. *See* also Ex. “1”; declaration of Munger at ¶57-69.
- Whether FCGI rightfully bought back Mr. Munger’s shares in the Company. *See* declaration of Mr. Munger; Ex. “1” at ¶12-17.
- Whether Mr. Munger was an officer and/or manager of FCGI. *Id.* at ¶6 and 8 and 51-56.
- Whether Mr. Munger was an employee or a Technical Advisor to FCGI and/or owed fiduciary duties to the Company. *Id.* at ¶4 and 51-56.
- Whether Mr. Munger was promoting his own business interests ahead of FCGI. *Id.* at ¶9, 13, and 57-69.
- Whether members of FCGI, including but not limited to Mahon, had knowledge of Mr. Munger working for other companies. *Id.* at ¶54-56.
- Whether the other companies Mr. Munger worked for were adverse to FCGI. *Id.* at ¶53-56.

- 1 • Whether Mr. Munger had intimate knowledge and involvement with the business activities of
2 FCGI. *See* declaration of Linham, Ex “2” at ¶21 through 24. *See* also declaration of Munger
3 Ex. “1” at ¶27-28.
- 4 • Whether the Board of Advisors acted as a Board of Directors and who was involved with the
5 Board of Advisors. *Id.* at ¶24-26.
- 6 • Whether Mr. Munger was informed of the details of the move of FCGI to the Isle of Man. *See*
7 declaration of Linham Ex. “2” at ¶24 -33; and ¶111. *See* also declaration of Munger, Ex. “1”
8 at ¶27-28.
- 9 • The reason behind moving FCGI to the Isle of Man and what information was provided to
10 investors regarding the move. *See* declaration of Eric Kagan, **Exhibit “9”** at ¶13. *See* also
11 declaration of Brian Marcus, **Exhibit “3”** at ¶13. *See* declaration of Martin Linham, Ex. “2”
12 at ¶33.
- 13 • The knowledge the investors in FCGI had of the Master License Agreement. *See* declaration
14 of G. Bradford Solso, **Exhibit “5”** at ¶4 and 10. *See* also declaration of Eric Kagan, Ex “9”
15 at ¶7-12. *See* also declaration of Mara Brazer, **Exhibit “4”** at ¶9. *See* also declaration of Brian
16 Marcus, Ex. “3” at ¶7. *See* also declaration of Teresa Moore, **Exhibit “7”** at ¶15-16. *See* also
17 declaration of Larry Moore, **Exhibit “8”** at ¶15-16. *See* also declaration of Linham, Ex. “2”
18 at ¶33; ¶40-46. *See* also declaration of Munger, Ex. “1” at ¶34-37.
- 19 • Whether the investors ever requested or received a copy of the Master License Agreement.
20 *See* declaration of Eric Kagan, Ex. “9” at ¶10. *See* also declaration of Brian Marcus, Ex. “3”
21 at ¶10. *See* declaration of Linham, Ex. “2” at ¶44-46. *See* also declaration of Munger, Ex. “1”
22 at ¶34-37.
- 23 • Whether Mr. Munger was the sole contact for any investors and/or whether Mr. Munger had
24 detailed knowledge the investments. *See* declaration of G. Bradford Solso, **Exhibit “5”** at ¶5.
25 *See* also declaration of Kagan, Ex. “9” at ¶6. *See* also declaration of Eckles, **Exhibit “6”** at
26 ¶7. *See* also declaration of Brazer, Ex. “4” at ¶5. *See* also declaration of Marcus, Ex. “3” at
27 ¶3-6. *See* also declaration of Teresa Moore, Ex. “7” at ¶8-14. *See* also declaration of Larry
28 Moore, Ex. “8” at ¶15-16. *See* also declaration of Munger, Ex. “1” at ¶29-33; 46-50.

- 1 • Whether Mahon informed the investors that FCGI “owned” the “IP trifecta” (Patent,
2 Trademark, and Copyright). *See* declaration of Solso, Ex. “6” at ¶20. *See* also declaration of
3 Brazer, Ex. “4” at ¶13-14. *See* also declaration of Marcus, Ex. “3” at ¶9. *See* also declaration
4 of Teresa Moore, Ex. “7” at ¶15. *See* also declaration of Larry Moore, Ex. “8” at ¶15-16.
- 5 • Whether and why Mahon initiated the move of FCGI to the Isle of Man. *See* declaration of
6 Linham, Ex. “2” at ¶20; 111.
- 7 • Whether any investors were provided updates or financial information regarding FCGI. *See*
8 declaration of Solso, Ex. “5” at ¶16-20; 27-29. *See* also declaration of Kagan, Ex. “9” at ¶13.
9 *See* also declaration of Eckles, Ex. “6” at ¶9. *See* also declaration of Brazer, Ex. “4” at ¶8.
10 *See* also declaration of Marcus, Ex. “3” at ¶12. *See* also declaration of Linham, Ex. “2” at ¶33.
- 11 • Whether Mahon kept the details of the move to the Isle of Man from the United States
12 investors. *See* declaration of Eckles, Ex. “6” at ¶14. *See* also declaration of Brazer, Ex. “4”
13 at ¶11. *See* also declaration of Marcus, Ex. “3” at ¶13. *See* also declaration of Linham, Ex.
14 “2” at ¶20 and 111.
- 15 • Whether Mr. Munger was involved in the transaction to transfer FCGI’s assets to Full Color
16 Games, Ltd. *See* declaration of Linham, Ex. “2” at ¶111. *See* declaration of Munger, Ex. “1”
17 at ¶15.
- 18 • Whether the C-Notes holders were fully informed of the transfer of the assets of FCGI to Full
19 Color Games, Ltd. *See* declaration of Kagan, Ex. “9” at ¶13. *See* also declaration of Eckles,
20 Ex. “6” at ¶14. *See* declaration of Linham, Ex. “2” at ¶33. *See* declaration of Linham at ¶111.
- 21 • Whether the shareholders were informed that the transaction of moving FCGI to the Isle of
22 Man also included the knowledge of granting IPH Ltd, a 50% interest in Full Color Games,
23 Ltd. and a 50% revenue share in exchange for the new licensing agreement for the IP. *See*
24 declaration of Kagan, Ex. “9” at ¶16. *See* declaration of Linham, Ex. “2” at ¶33 and 111.
- 25 • Whether Mr. Munger had any knowledge of the transaction/investment of Sebastian Bastian.
26 *See* declaration of Munger, Ex. “1” at ¶33.
- 27 • What information was provided to the UKGC and whether Mr. Munger was only working for
28 FCGI at the time of the application? *Id.* at ¶18-21; 56.

- Who was the party responsible for providing a full response to the UKCG letters and email requests regarding the application? *See* declaration of Linham, Ex. “2” at ¶¶77-81.
- Whether Defendants conspired between themselves to entice other investors into signing the general release that prevented other investors from suing FCGI. *See* declaration of Eckles, Ex. “6” at ¶33. *See* declaration of Munger, Ex. 2 at ¶¶41-47.
- Whether funds from FCGI were used for the formation of Full Color Games, Ltd. *See* declaration of Linham, Ex. “2” at ¶31.
- Whether Mahon was acting as a fiduciary of Full Color Games and/or engaged in self-dealing. *Id.* at ¶¶39-41, 48-50; 61-68; 82-104.
- Whether the documents attached to Defendants’ Motion are true and accurate documents. *Id.* at ¶¶106-108.
- A full accounting of the Company funds and assets by an independent forensic auditor in order to determine (1) what representations Mahon made to induce investors, and (2) what Mahon did with the investors’ money after inducing them to invest in FCGI.

IV. LEGAL ARGUMENT

Defendants argue that Mr. Munger is not the appropriate representative of the class of shareholders because he is “*not a current shareholder*” of the Company. However, under Defendants’ own theory, they wrongfully and intentionally ousted Mr. Munger as a shareholder with an alleged ‘buyback’ his shares in the Company on June 5, 2017. Regardless of the validity or truthfulness of the alleged buyback of Mr. Munger’s shares, NRCP 23.1 only requires that the Plaintiff “was a shareholder or member at the time of the transaction of which the plaintiff complains.” Therefore, Mr. Munger is a proper Plaintiff in this matter.

Defendants claim to have sent notices to Mr. Munger and to have re-purchased his shares, however, *Defendants provide no proof that this transaction ever occurred.* Defendants have provided documents that say they sent the information, but no such evidence has yet been produced.

Defendants also state they initiated the re-purchase based on claims from a fabricated ARCC report. Since the ARCC report could not have been prepared by the ARCC at the time of the report’s alleged creation, the only logical reason for the re-purchase of the shares was to discredit and harass

1 Mr. Munger in their Motion. At that time of the alleged ARCC report, Full Color Games, Ltd. was
2 without a registered agent as required by IOM Companies Act 2006 as the registered agent, Lee
3 Murphy, provided notice of resignation on April 21, 2017. The company was in a frozen state and
4 not able to conduct business as it was in process of dissolution and being struck from the IOM
5 Companies registry. Moreover, it is illogical for a company that is in the process of dissolving to take
6 the time and money to re-purchase the shares of only one minority shareholder.

7 Next, Mr. Munger can fairly and adequately represent the interests of the shareholders. Mr.
8 Munger was never an officer of any of the Full Color Games entities. Mr. Munger was specifically
9 excluded from any meetings or discussions regarding the financial or business side of Full Color
10 Games by Mahon. Mr. Munger was never given nor did he sign any documents nominating or
11 accepting a corporate officer position. Mr. Munger did not have any signatory or other abilities in the
12 Company normally attributed to a corporate officer.

13 Finally, Mr. Munger never received a copy of the Master License Agreement (“MLA”).
14 Defendants provide no evidence or proof of this allegedly undisputed fact. Had Mr. Munger actually
15 received a copy of the MLA, Defendants surely would have produced an email or other proof in the
16 Motion with over 640 pages of exhibits. Moreover, Mahon has been referring to the MLA as a
17 “Limited” license agreement. Up and until this Motion, Mahon has refused every request to provide
18 the MLA to the shareholders.

19 **1. MAHON’S SUBMISSION OF THE ALLEGED ARCC REPORT” IS FRAUD UPON THIS COURT**
20 **AS IT IS LEGALLY IMPOSSIBLE FOR IT TO HAVE BEEN CREATED**

21 Defendants claim that an Audit, Risk and Compliance Committee (“ARCC”) for Full Color
22 Games Ltd. met on May 27, 2017 and produced a report against Mr. Munger. Since the ARCC did
23 not have any members, the meeting was an impossibility and any actions taken by the ARCC should
24 be discarded by this Court. *See* declaration of Martin Linham attached as Exh. “2”.

25 ARCC was formed sometime in late 2015/early 2016 with two (2) Members, Richard
26 Newman, Esq. and Martin Linham, the Committee Chairman. On August 26, 2016, Mr. Newman
27 was terminated as a director in Full Color Games, Ltd. At that time, the ARCC only had 1 member,
28 Mr. Linham, and was effectively in hiatus status until a second, qualified member could be added.

1 On April 3, 2017, Mahon, as CEO Full Color Games, Ltd., sent official notice to Full Color
2 Games, Ltd.'s shareholder, Davinci Holding, informing them that Full Color Games, Ltd. was in "a
3 *state of inescapable insolvency.*" The company at that time was not in a position to have operational
4 committee meetings. Mr. Linham, the chairman and only member of the ARCC resigned from Full
5 Color Games, Ltd on April 7, 2017. ***With no members, the ARCC was not active.***

6 At that time of the alleged ARCC report, Full Color Games, Ltd. was without a registered
7 agent as required by IOM Companies Act 2006. The registered agent, Lee Murphy, provided notice
8 of resignation on April 21, 2017. This is recorded in the Isle of Man Government Companies Registry
9 and public record. The company was in a frozen state and not able to conduct business as it was in
10 process of dissolution and being struck from the IOM Companies registry. Since the ARCC did not
11 exist at that time of the report as it had no members, the company had no registered agent or no
12 registered agent location to record the minutes of a meeting as required by IOM Companies Act.

13 Mahon has proven he will go to no end to get this case dismissed and avoid the revelations of
14 discovery. Mahon's submission of the ARCC report is fraud upon this Court and his testimony in his
15 declaration is false when he states on ¶ 88 that the ARCC met and produced the report.

16 Mahon would have full knowledge that no such committee was operational and had no active
17 members. ***This is the first in a series of lies Mahon creates in an attempt to defraud Mr. Munger***
18 ***of his shares and to discredit Mr. Munger as the lead shareholder for the derivative complaint.***

19 Tellingly, Defendants have only attached the first 51 pages of the ARCC report that Mahon
20 claims is a total of 1250 page report. On ¶ 88 in his declaration, Mahon states there was a meeting of
21 the ARCC on May 27, 2017 and claims a 1250 page report was prepared on that day concerning Mr.
22 Munger. However, page 21 of the Motion states the ARCC report is 1,411 pages with 216 exhibits.

23 One of these statements has to be false and since it is doubtful such a report exists with all the
24 exhibits, these are made up numbers to bolster the case. Moreover, Defendants attach the claimed
25 ARCC report from pages 1 to 55 but fail to attach any exhibits which may provide proof and factual
26 support for or against any alleged issues. It is doubtful that these exhibits actually exist.

27 There are numerous questions of fact regarding the authenticity and alleged creation of the
28 ARCC report, the individuals that researched and created it, when it was created, and what is in 1250

1 pages. However, none of that is relevant as the ARCC was not operational as of May 27, 2017 and
2 could not have produced the ARCC report. It appears to be a fabricated lie by Mahon and part of a
3 series of lies to defraud Mr. Munger of his shares in the Company and avoid discovery.

4 Defendants' exhibit WW is a letter to Mr. Munger from Mahon as CEO/Sole Director of FCGI
5 and references the ARCC of FCGI giving a report to the Company Board. However, FCGI has no
6 such committee and could not have produced the report. It can be assumed that Mahon means the
7 Full Color Games, Ltd. committee but then why would FCGI take action without any due process of
8 its own to review the information?

9 There is no "Non-Compliance" event to cause FCGI to repurchase Mr. Munger's shares.
10 There was never any UKGC communication that ever mentioned Mr. Munger's ownership as an issue.
11 And none of the other Defendants' claims of Mr. Munger interference have been proven with factual
12 evidence in their response. With the event never taking place, there is no justification for Mr.
13 Munger's shares to be re-purchased by FCGI and therefore he has standing as a shareholder to pursue
14 this shareholder derivative action on behalf of Plaintiffs.

15 **2. EVIDENCE OF MAHON'S CONCEALMENT OF THE OWNERSHIP OF THE COMPANY'S** 16 **INTELLECTUAL PROPERTY ASSETS**

17 On July 1, 2014, FCGI had a 409a valuation conducted by BDO Consulting based on
18 information provided by Mahon and BDO's own research. On page 6 of the valuation it states
19 *"Through the Company's proprietary deck of cards, Full Color Games has developed a number of*
20 *casino-style games, including roulette, poker, slots, and baccarat."*

21 This leads any reader, including current and future investors, to believe that a) FCGI owned
22 the deck of cards and b) FCGI developed casino games. The information was supplied by Mahon and
23 FCGI (of which, Mahon was the only director, the CEO and signed off on the valuation).

24 Further, FCGI, with Mahon as Director and CEO, had a 409a valuation done by eShares on
25 October 9, 2017. In the October 9, 2017 valuation, it was noted that a "Material Event" was the
26 license agreement entered into on April 18, 2012. This material event was not mentioned in the 2014
27 report though it was known to Mahon for over 2 years. It was a material event only after shareholders
28 became aware of it in 2017. Moreover, these are definitely not "undisputed facts" as claimed in

1 Defendants' Motion. These "facts" are part of a series of lies in which Mahon is attempting to defraud
2 and discredit Mr. Munger.

3 **3. THE ALLEGED BUYBACK OF MR. MUNGER'S SHARES IN THE COMPANY**

4 Defendants appear to make an issue regarding the alleged re-purchase agreement regarding
5 Mr. Munger's shares. However, this re-purchase arrangement was no different than the re-purchase
6 arrangement in any of the other shareholders' agreements. The only difference is that Defendants
7 have allegedly used this arrangement to attempt to re-purchase Mr. Munger's shares in an attempt to
8 create a standing issue to defeat the shareholder derivative complaint filed with this Court.

9 The eShares Valuation report indicates that on June 1, 2017, Full Color Games, Ltd. "...ceased
10 all operations and began to wind up its operations." *See* Defendants' Ex. XX at pg. 9. Yet on June 5,
11 2017, Mahon supposedly acted as 100% of the FCGI Board of Directors to meet and decide to
12 repurchase Mr. Munger's shares based on the ARCC report. It even states the action is from an ARCC
13 committee of Full Inc., when no such committee exists. *See* Defendants' Exhibit VV. In his haste to
14 create these documents, Mahon could not even keep this information straight. Although this is a
15 possible action of the Board of Directors, this is not a logical action of a company winding up and
16 ceasing operations where the shares are alleged to be worthless. This is another in a series of issues
17 of fact that warrants discovery.

18 Any alleged actions taken from the claimed report are not legal, valid, or even logical. The
19 entire activity of buying back Mr. Munger's shares has no basis. It has been fabricated by Mahon
20 solely to discredit Mr. Munger and avoid discovery. However, Mahon's own argument on this issue
21 raises several material issues of fact:

- 22 • Mahon's own signature on Defendants' Exhibit VV claims the ARCC met and over 5
23 weeks during a period which Full Color Games, Ltd. was unable to conduct business
24 due to the registered agent's notice of resignation;
- 25 • Defendants claim to have sent notices to Mr. Munger and to have re-purchased his
26 shares, yet no proof exists that this transaction occurred;
- 27 • Defendants claim they initiated the re-purchase based on claims from the fabricated
28 ARCC report above, which was legally impossible;

- Defendants claim there were meetings and notices after June 1, 2017 when the *Company was in process of ceasing operation* according to a “Full Color Games, Inc. Investor Update” sent by Howard in June 2017.
- The “Full Color Games, Inc. Investor Update” stated that FCGI’s share value has a current effective null value as a result of FCGL’s condition; FCGI has no monetizable assets; FCGI has “minimal operating capital”.

The action of buying back one shareholder’s shares for any reason at this stage of the Company’s condition is not logical. Mr. Munger received no notice as stated by Defendants either in USPS mail or electronic mail. Defendants claim all notices were sent standard USPS or electronic mail with no registered or return receipt verification provided. Defendants claim they mailed cash via USPS in the form of a \$1 bill to purchase the shares. This was never received by Mr. Munger and is just another false statement by Defendants.

4. MR. MUNGER CAN FAIRLY AND ADEQUATELY REPRESENT THE SHAREHOLDERS

Next, Defendants argue Mr. Munger is not a proper representative of the class because he has additional direct claims against Defendants. This is not a legal bar from Mr. Munger serving as a representative of the shareholder class. Other shareholders may have claims that are additional to Mr. Munger, but this does not exclude Mr. Munger from being part of, or a representative of the class.

In addition to being a shareholder of the Company, Mr. Munger was also a technical consultant for the Company. Defendants claim that Mr. Munger had additional knowledge that other shareholders did not have, which would warrant his exclusion as a class representative. Mr. Munger flat out denies this claim by Defendants. Yet again, this is another material issue of fact that cannot be decided at this stage in the litigation.

Mr. Munger, along with other shareholders and members of the Company were kept from knowledge about business entity agreements and licenses at the direction of Mahon. *See* affidavits from the CFO and other persons who were involved with meetings attached hereto as Exh. “1” and “2”. Mr. Munger was around at the inception of the Company and was not a C-Note holder at that time. Most of the shareholders had limited or no knowledge of a license agreement regarding the intellectual property as it was concealed from the shareholders by Mahon.

1 Mr. Munger is a current shareholder and was a shareholder at the time of the transactions at
2 issue. This is in full compliance with NRCP 23.1. Mr. Munger was never an employee and has never
3 disparaged the Full Color Gaming system. Mr. Munger was and continues to be one of the Full Color
4 Gaming systems' biggest proponents. Defendants alleged that Mr. Munger is vindictive toward the
5 Company but support this claim with no actual evidence, only innuendo and false allegations.

6 Mr. Munger was never an officer of the Company. Mr. Munger was provided a title of Chief
7 Technical Officer by Mahon, but this "officer" has no basis in corporate law. Mr. Munger never held
8 himself out as an officer in FCGI.

9 On September 22, 2015, Mr. Munger sent Mahon an email with several Full Color Games
10 items. See email attached hereto as **Exhibit "12"**. Item #1 was "*TITLE: I was going to change my*
11 *title for emails and communications to something like CIO, CTO or something to denote technology*
12 *lead at Full Color. Let me know what you would prefer?"* Mahon's response was to use CTO. With
13 that decision by Mahon, he printed business cards with that title to use at the G2E conference a few
14 weeks later. The title stayed CTO, but this was not a decision by the Board of Advisors.

15 Mr. Munger was never given nor did he sign any documents nominating or accepting a
16 corporate officer position. Mr. Munger did not have any signatory or other abilities in the corporation
17 normally attributed to a corporate officer. Therefore, these issues are all red-herrings raised to distract
18 from the actions and concealment by Mahon and Howard.

19 **5. MR. MUNGER'S ALLEGED "COLLUSION" REGARDING FULL COLOR GAMES**

20 Next, Defendants claim that Mr. Munger was "[p]romoting his own business interests ahead
21 of the company." This is an absolute false statement. The fact that Mr. Munger was involved in other
22 businesses and that he was not a full time consultant for the Company was known by all parties.

23 FCGI and later Full Color Games, N.A. paid Mr. Munger a monthly stipend of \$5,000 to be
24 available to the Company and it was understood that he would work as needed. In fact, some months,
25 Mr. Munger did work what could be looked at a full time position with the Full Color Games entities
26 while he was working for other companies at the same time.

27 Moreover, the other companies agreed to contract with Mr. Munger working for the companies
28 to keep him working and available to Full Color Games as needed. Mahon and Full Color Games had

1 full knowledge of this arrangement and it was part of the decision to use Mr. Munger as a consultant.
2 Defendants have failed to produce a non-compete agreement or any other similar type of contract that
3 would prevent Mr. Munger as a consultant from doing work outside the Company.

4 Plaintiffs' amended complaint has the complete support of the shareholders. Prior to this
5 litigation being filed, Mahon and Howard solicited and offered most FCGI's shareholders (*excluding*
6 *Munger, Moore and others*) an investment in their new company named "Full Color Games Group".
7 As part of this enticement, existing shareholders ***had to waive their rights to sue or pursue***
8 ***Defendants for any legal remedy for any past wrongdoing***. However, some shareholders, including
9 some of Plaintiffs in this action were not offered the same investment offer. Therefore, Defendants
10 proactively prevented FCGI's shareholders from joining any action against Mahon, Howard and other
11 entities controlled by Mahon through another fraudulent concealment.¹

12 Finally, Defendants' claim that there is "*ample evidence that all of the convertible note holders*
13 *or other shareholders were fully informed about the assets of the company and the transaction*
14 *completed by the company.*" However, Defendants point to no evidence to support this statement.
15 The only reference to the license is a vague reference buried in a security document.

16 Mr. Munger was not an officer of the Company and its Board of Advisors was an advisory
17 role, not a Board of Directors, officers, of executive in the Company. Mr. Munger was purposely
18 excluded by Mahon from learning any details of the Isle of Man move. *See* affidavit of former CFO,
19 Linham. Linham was directed not to share information with Mr. Munger, Howard or any United
20 States based investor no matter what their position was with the Company.

21 Defendants claim that Mr. Munger was the "only contact that some investors had." This is
22 simply a false statement. The communications Mr. Munger had with plaintiff Moore Family Trust
23 were all directed to Howard. All details and investment information was handled by Howard. Mahon
24
25

26
27 ¹ Defendants claim that Mr. Munger has close ties to a non-shareholder who is likely driving the
28 litigation. This is an unsupported, irrelevant, and false statement that has no purpose for being in the
Motion other than to attempt to disparage Mr. Munger's name. As such, the Court should simply
ignore this immaterial comment.

1 claims that Mr. Munger colluded against FCGI, however, no evidence is provided supporting this
2 allegation because the exhibits to the claimed ARCC report have not been provided.

3 **6. THE MASTER LICENSE AGREEMENT**

4 Mr. Munger never received a copy of the Master License Agreement (“MLA”), nor did any
5 other shareholder. *See* shareholder declarations attached hereto. Defendants provide no evidence or
6 proof of this alleged “undisputed fact” that all shareholders were aware of the contents of the MLA.
7 Had Mr. Munger actually received a copy of the MLA, Defendants surely would have produced such
8 evidence and would be waiving this exhibit in Court like the American flag on the 4th of July.

9 Mahon has been referring to the MLA as a “Limited” license agreement. Up and until this
10 Motion, Mahon refused every request to provide the MLA to the shareholders after they discovered
11 its existence. What this shows is Mahon is engaged in self-dealing by providing a very limited license
12 and even assigning himself ownership over all the improvements paid for with investor monies.

13 This was never disclosed to investors and is even different than the license agreement that Full
14 LLC had with Mahon. Mahon used his position as owner of the intellectual property to get the best
15 deal for himself at the expense of shareholders. The MLA included rights to develop games but those
16 games would never be owned by the Company. Mahon ensured in his hidden MLA that all
17 development of games reverted back to be owned by him for his own use and licensing back to the
18 Company at presumably a substantial cost. At some point, Mahon would request the Company to pay
19 a license fee on products it paid to develop but never owned. Again, Mahon specifically excluded all
20 of this information from the investors/shareholders because they would have never invested if they
21 knew the Company did not own the intellectual property.

22 The proposed Assignment of Net Profits Interests Agreement (“ANPI”) was never signed by
23 any party because there was a dispute between the parties regarding some of the items contained in
24 the ANPI. Regardless, Mr. Munger and the other investor continued to provide funding believing in
25 the products and their ability to make a profit upon their investment.

26 Mr. Munger provided the second card of his Mandalay Bay Foundation Room yearly
27 membership to promote the Company. However, this was not an “in-kind” investment. Mr. Munger
28 earned the additional shares in the Company by providing consultation to and assisting the Company.

1 Again, Mr. Munger was never the sole contact for any other investor. Mr. Munger believed
2 in the product and did make some introductions to possible investors including his sister and brother-
3 in-law (Moore Family Trust). Mr. Munger never got involved in investment discussions other than
4 occasionally to relay questions or paperwork to and from an investor to Mahon and/or Howard. To
5 support this claim, all the Court has to do is look at the exhibits attached to Defendants' Motion
6 showing that Mr. Munger is only cc'd on the emails and never the sending or receiving party to the
7 emails. See email exhibits attached to Defendants' Motion. Mr. Munger was never a source of
8 investment information. Mr. Munger only supplied technical and product demonstration for FCGI.

9 Mahon continually made statements he was the creator and licensor, it was generally and
10 continually conveyed by Mahon and Howard that the Company owned copyrights, patents, and
11 trademarks, or the "IP trifecta" of intellectual property to develop and sell the games worldwide
12 without restriction.

13 Mahon, in his presentations, said the Company had a trifecta of IP (Patent, Trademark &
14 Copyright) and that the Company's new paradigm including the deck of cards was what was being
15 invested in. With the vague reference to the license agreement in the security agreement and the
16 repeated references by Mahon to the "*trifecta of intellectual property*", what is clear is that the
17 shareholders were left in the dark regarding the full extent of a license agreement and the impact the
18 license agreement was having and going to have on the investors in the Company.

19 Defendants raise their own issues of fact as to what they believe each shareholder knew about
20 the ownership or license of the intellectual property. Importantly, ***Mahon never provided a copy of***
21 ***any license agreement between the Company and Intellectual Property Holdings to Mr. Munger.***
22 Mr. Munger and possibly other investors, thought it was a license owned by the Company and that it
23 was royalty free and all-encompassing, worldwide license.

24 However, the bottom line is that there was never an express disclosure by Mahon about the
25 true status of the Company's ownership in the intellectual property. Instead, Mahon and Howard sold
26 the shareholders on the Company owning a "trifecta of intellectual property", which is significantly
27 different than a non-exclusive license. Mahon used this opportunity to create additional wealth for
28 himself at the expense of the Company's shareholders.

1 **7. MOVE TO THE ISLE OF MAN AND FULL COLOR GAMES, LTD.**

2 Defendants make it appear that it was only Mr. Bastian that may not have fulfilled his side of
3 the agreements. Howard worked with the Company's legal counsel to create the documents to fulfill
4 the FCGI terms of agreement, while Mahon raised the idea of an Isle of Man company to Mr. Bastian.
5 Mr. Bastian had no objection to this idea and found some benefits to the move to the Isle of Man.
6 Plaintiffs contend it was during this time that Mahon was forming plans to defraud FCGI's investors
7 of more ownership/income through the complexities of moving the Company off-shore.²

8 Plaintiffs believe that Mr. Bastian was negotiating with Mahon for a deal on the stock price
9 and percentage ownership that may have been better than current shareholders. Mr. Munger only
10 provided advice regarding the propriety of a large, single investor lump sum investment that might
11 merit a better deal and that Mahon should pursue such an agreement. Mr. Munger also supplied his
12 knowledge and advice regarding Island Luck and the Bahamas to aid in FCGI providing games in the
13 Bahamas. When the discussions regarding the details of moving the investments to Isle of Man were
14 had, Mr. Munger was not included in these discussion nor privy to any of the details of the discussions.
15 See affidavits of Full Color Games, Ltd. CFO attached as Exh. "2".

16 In fact, Mr. Munger was asked to leave meetings where details were discussed regarding the
17 move to Isle of Man. Plaintiffs relied on Mahon to create the best possible structure for shareholders
18 in regards to the move to the Isle of Man. However, Mahon violated the trust and his fiduciary to
19 protect the interests of the shareholders and kept all of the details of the move to Isle of Man from the
20 shareholders.

21 Mahon attempts to claim that he only had 25% of the votes on Full Color Games, Ltd.'s Board
22 of Directors. However, as Mahon controlled 100% of the shareholder votes. Mr. Munger has no
23 knowledge of completing any work regarding the transfer of FCGI's assets to Full Color Games, Ltd.
24 Moreover, Defendants have produced no evidence that Mr. Munger did any of this alleged work
25 and/or had any knowledge of the asset transfer. Defendants claim that Mr. Munger was involved in

26 _____
27 ² Of note, Mr. Munger's involvement in this agreement with Mr. Bastian was limited to a discussion
28 with Mahon of the value of Mr. Bastian as a partner in FCGI.

1 the finalizing of the documents for the transaction that would transfer the assets from FCGI to Full
2 Color Games, Ltd., including the limited license to Full Color Games, Ltd. However, this was done
3 without Mr. Munger's knowledge and was also concealed and never discussed with the shareholders.

4 Defendants provided information to the C-Note holders that KPMG and DLA Piper had been
5 consulted and this transfer of the FCGI assets was the best way to preserve shareholder profits and the
6 only way to accomplish international real money gaming. C-Note holders were lead to believe that
7 this was the only choice they had regarding their investment, yet the details were kept from them.

8 Further, based on Mr. Linham's declaration, it appears that KPMG and DLA Piper were never
9 engaged to provide this information contrary to Mahon's communications. Mahon used these
10 distinguished industry companies to mislead shareholders into accepting this choice.

11 Mahon, Mr. Newman, Mr. Linham, Mr. Murphy, and Mr. Bastian are the only people that
12 possibly knew and had seen documentation that FCGI was only going to receive end up with a 50%
13 interest or less in Full Color Games, Ltd. due into the transfer to Full Color Games, Ltd. Mr. Munger
14 and the other shareholders had no knowledge of this at the time.

15 **8. THE UKGC APPLICATION**

16 Despite Defendants' allegations in the motion to the contrary, Mr. Munger was not responsible
17 for submitting any license applications, including the application to the UKGC. In fact, even if Mr.
18 Munger was the CTO, submitting license applications would not be a responsibility of a CTO, but a
19 compliance and legal responsibility. Mr. Munger never represented to the UKGC that Full Color
20 Games was his only employment. Mr. Munger stated that he had two current "employers," despite
21 the fact that he was technically was not an employee of either.³ Mr. Munger derived income from
22 both entities and was instructed by a UKGC representative and the Full Color Games, Ltd.'s
23 compliance officer to list both as employers.

24
25
26 ³ The Punch is the Gossip Tabloid similar to the National Enquirer or Star Magazine that is printed in
27 the Bahamas. Most Bahamians read it for fun knowing it is fake news. Mahon seems to imply that
28 The Punch has the credibility of the Wall Street Journal by referencing it, but nothing could be further
from the truth.

1 Mahon knew that Mr. Munger was working with other entities and even allowed Munger and
2 Associates, Inc. to use the Howard Hughes office of Full Color Games as a registered business
3 location. Mr. Munger never used his association with any of the other entities interfere with the
4 interests of Full Color Games or any of Full Color Games, Ltd.'s revenue streams. Mr. Munger had
5 nothing to do with any potential investments in Full Color Games, Ltd. and had nothing to do with
6 the UKGC denying the application submitted by Full Color Games, Ltd.

7 Defendants, specifically Mahon, caused confusion in the UKGC application which prompted
8 several questions from UKGC which were never responded to by Mahon or anyone else at Full Color
9 Games, Ltd. It is believed that Mahon had a vendetta against former CLO, Mr. Newman, which was
10 one of the unanswered issues in the application being denied. The application was refused for non-
11 response by Full Color Games, Ltd., which Mahon as the CEO failed to respond to their inquiries.

12 Mahon's declaration states at ¶ 92 that Full Color Games, Ltd. removed Mr. Munger from any
13 PML application on June 5, 2017. Had Mahon and Full Color Games, Ltd. actually attempted to take
14 this action, they would have been notified that Mr. Munger had already removed himself. *See*
15 (UKGC/Munger emails) attached as **Exhibit "13"**. There was no application to remove Mr. Munger
16 from as of that date as it had already been refused by UKGC for non-response. *See* (Exhibit SS).

17 **9. SEBASTIAN BASTIAN AND MR. MUNGER**

18 Mr. Munger first met Sebastian Bastian in Bahamas when he was hired as a consultant to work
19 with The Gaming Board for the Bahamas. Mr. Munger became familiar with Mr. Bastian's operation
20 and with Mr. Bastian personally. During the course of several meetings Mr. Munger and Mr. Bastian
21 also became friends and Mr. Munger had knowledge of his preferences.

22 Mahon claims that Mr. Munger was deeply involved with the transaction, however, the only
23 information Mr. Munger was deeply involved in was providing Mahon information about Mr.
24 Bastian's preferences which he thought would get the investment deal done faster. Mr. Munger also
25 was the conduit for relaying some general information to Mr. Bastian, however, Mr. Munger was
26 excluded by Mahon from any knowledge of any investment specifics. If Mr. Munger would have had
27 the specific knowledge of the investment it would have shown to Mr. Munger the fraud that Mahon
28 was creating through the move to Isle of Man. *See* Mahon/Munger texts stating that that meetings

1 would be just Mr. Bastian and. Mahon, excluding Mr. Munger attached as **Exhibit “14”**. *See* also
2 Mr. Linham’s declaration stating Mahon forbid Mr. Linham from sharing information with USA
3 Shareholders attached as **Ex. “2”**.

4 **10. THE DISSOLUTION OF FULL COLOR GAMES, LLC AND MAHON’S PATTERN AND**
5 **PRACTICE OF FRAUD**

6 Plaintiffs will prove that Mahon’s partner in Full LLC requested access and auditing of Full
7 LLC financials. However, Mahon refused to provide this information to his partner, which caused his
8 partner to not invest any more money into Full LLC. Mahon is believed to have used this refusal to
9 provide additional investment funds to terminate a license and to defraud his partner and others of
10 their investment.

11 This action is extremely similar to Mahon’s actions with FCGI and discovery will reveal this
12 pattern of Mahon’s fraud to raise investor money with false representations about intellectual property
13 and then later cut the investors out of any ownership or rights to the intellectual property.

14 **11. DEFENDANTS’ LEGAL SUPPORT FOR THE MOTION FOR SUMMARY JUDGMENT**

15 Defendants cite to *Keever v. Jewelry Mountain Minds*, 100 Nev. 576, 688 P.2d 317 (1984) for
16 the proposition that a plaintiff in a derivative suit must not only have been a shareholder at the time
17 of the transactions at issue, but must also continue to be a stockholder throughout the litigation.
18 However, Defendants misstated the holding in *Keever*. Setting aside the fact that Mr. Munger, as
19 shown above, is still a shareholder in FCGI, *Keever* does not hold that a shareholder must currently
20 hold shares in the company to file a derivative suit.

21 In *Keever*, the shareholder sold his stock to another investor one year prior to the initiation of
22 the lawsuit. The court found that this sale precluded any possibility that equality of ownership could
23 be maintained between the prior shareholder and the majority shareholders. NRCP 23.1 simply
24 requires that the representative plaintiff have *an ongoing proprietary interest in the corporation*.

25 Here, Mr. Munger has such a proprietary interest in order to adequately represent the
26 shareholder class. Up until the time that the ARCC allegedly met and ‘voted’ to re-purchase Mr.
27 Munger’s shares in the Company, Mr. Munger was an investor, had a proprietary interest in the
28 corporation, and was a shareholder. Mr. Munger took no actions to divest his interest in the Company,

1 unlike the shareholder in *Keever* who voluntarily sold his shares one year before the lawsuit.
2 Accordingly, even if Mr. Munger is not currently a shareholder in FCGI, the actions at issue by Mahon
3 and the other Defendants were done at a time that Mr. Munger was a shareholder. Therefore, Mr.
4 Munger has standing to bring this action.

5 Next, Defendants cite to *Youngstown v. Tahmoush*, 457 A.2d 376, Del. Ch. 1983) for the
6 factors involved in a court determining whether a shareholder can adequately represent the class.
7 Plaintiffs will address each of these factors in turn.

8 ECONOMIC ANTAGONISM

9 Defendants have failed to provide any evidence that Mr. Munger was hostile toward the
10 Company other than the pursuit of this case, which focuses on the actions of Mahon and Howard.
11 Defendants also have not shown evidence or factual support that Mr. Bastian is involved in this
12 litigation in any manner. Although Mr. Bastian is a friend of Mr. Munger, Mr. Bastian is not a
13 shareholder of FCGI and is not the “driving force” behind this litigation. Moreover, upon information
14 and belief, Mr. Bastian is pursuing his own litigation against Mahon in Isle of Man.

15 Accordingly, due to the lack of any evidentiary support, Defendants cannot show that Mr.
16 Munger has any economic antagonism against any Full Color Games entities. Defendants also cannot
17 show that Mr. Bastian is the driving force behind this case. This is clearly just speculation and
18 conjecture and a genuine issue of material fact that would prevent the court from finding in favor of
19 the Defendants on this point.

20 OTHER LITIGATION

21 Defendants are correct that Mr. Munger and some of the other named Plaintiffs in this matter
22 have made some individual claims against Mahon and the Defendants in the complaint on file.
23 However, each of the individual claims are in regards to the derivative action that is the basis of the
24 lawsuit against Defendants. Mr. Munger has individual claims regarding Mr. Munger’s investments
25 into Full Color Games and additional stock in the companies promised to Mr. Munger by Mahon.
26 Accordingly, this is additional proof and evidence that Mr. Munger is a shareholder in FCGI.

27 Many of the of other individual claims go hand in hand with the derivative action, including
28 the temporary restraining order, preliminary and permanent injunction, declaratory relief, appointment

1 of a special master, accounting, alter ego, civil conspiracy, deceptive trade practices, fraudulent
2 concealment, and fraudulent misrepresentation. Therefore, each of the individual claims arise from
3 the same set of facts and circumstances that give rise to the derivative claims asserted by the
4 shareholders as a whole.

5 Accordingly, the fact that Mr. Munger and some of the individual Plaintiffs have individual
6 claims against Defendants, they are part and parcel of the derivative claims asserted by the
7 shareholders. Therefore, Mr. Munger, as lead Plaintiff, does not have “other litigation” pending
8 against the Defendants that would give rise to Mr. Munger having a personal interest in the litigation
9 different from the derivative action itself.

10 DEGREE OF SUPPORT FROM SHAREHOLDERS

11 Defendants appear to misinterpret this element. Although the named Plaintiffs may own less
12 than 5% of the shares in FCGI, the support from these Plaintiffs cannot be disputed. Each Plaintiff
13 named in this action has provided full support for the lawsuit and the claims against Defendants. *See*
14 declarations attached hereto.

15 Further, Mahon prevented many of the shareholders from joining this lawsuit due to the fact
16 that he conspired with the other Defendants, through false claims and offers, and was able to get a
17 majority of FCGI’s shareholders to sign a release that prevented them from participating in this action.

18 Though the other shareholders will mutually benefit, many shareholders feel that they were
19 legally restricted by Defendants requiring a release for investing in Defendants new company.
20 Additionally, there is nothing in NRCP 23.1 that prevents a minority of shareholders from filing a
21 derivative lawsuit against the corporation and its members. Accordingly, Plaintiffs in this action have
22 support from a sufficient amount of shareholders of FCGI to maintain this action.

23 MR. MUNGER’S PARTICIPATION IN THE ACTIONS AND DECISIONS OF FCGI

24 Mr. Munger disputes that he was provided a document or other information that FCGI did not
25 own the license to the Full Color Games system. This is another genuine issue of material fact that
26 should prevent this Court from entering summary judgment in favor of Defendants or dismissing this
27 action on similar grounds.

1 Defendants are simply fabricating facts and making unsubstantiated claims against Mr.
2 Munger in an effort to disqualify Mr. Munger as the lead Plaintiff in this matter. A defendant cannot
3 force the disqualification of a plaintiff by making such unsubstantiated and false acquisitions. As
4 argued in more detail above, Mr. Munger was not provided any details regarding the actions of Mr.
5 Mahon and the other Defendants nor was Mr. Munger involved in any of the details regarding the
6 move to the Isle of Man. Accordingly, this factor weighs in favor of the Plaintiffs.

7 Although no one factor is determinative of the Court's decision regarding dismissal of the
8 derivative suit, it should be noted that Defendants do not raise any issues with at least two of the
9 factors set forth in the *Youngstown* decision. These include the remedy sought by Plaintiffs and
10 Plaintiffs unfamiliarity with the litigation.

11 **12. DEFENDANTS NOT YET SERVED WITH THE COMPLAINT**

12 Plaintiffs are in the process of serving Full Color Games, Ltd. and Intellectual Properties
13 Holdings, Ltd. in the Isle of Man. Accordingly, just like the other Defendants in this matter, the
14 Motion should be denied on the same grounds as to these Defendants. Mahon is the last known
15 director of Full Color Games, Ltd. and Intellectual Properties Holdings, Ltd. and both companies will
16 be served with the amended complaint.

17 NRCP 4 also permits enlargement of time past the standard one-hundred and twenty days in
18 which to serve a defendant.⁴ The Nevada Supreme Court has held that NRCP 4(i) was adopted "to
19 encourage diligent prosecution of complaints once they are filed." *Scrimmer v. Eighth Judicial Dist.*
20 *Court ex rel. Cnty. of Clark*, 116 Nev. 507, 513 (2000). However, the rule should not become "an
21 automatic sanction when a plaintiff fails to serve a complaint within 120 days of filing." *Id.* at 516.
22 Rather, when making a NRCP 4(i) determination, "district courts should recognize that good public
23

24 ⁴ NRCP provided: If a service of the summons and complaint is not made upon a defendant within
25 120 days after the filing of the complaint, the action shall be dismissed as to that defendant without
26 prejudice upon the court's own initiative with notice to such party or upon motion, **unless the party**
27 **on whose behalf such service was required files a motion to enlarge the time for service and**
28 **shows good cause why such service was not made within that period.** If the party on whose behalf
such service was required fails to file a motion to enlarge the time for service before the 120-day
service period expires, the court shall take that failure into consideration in determining good cause
for an extension of time. **Upon a showing of good cause, the court shall extend the time for service**
and set a reasonable date by which service should be made. NRCP 4(i) (emphasis added).

1 policy dictates that cases be adjudicated on the merits.” *Id.* Accordingly, the Nevada Supreme Court
2 has held that “[t]he determination of good cause is within the district court’s discretion.” *Id.* at 513.

3 In determining whether good cause exists, the Nevada Supreme Court in *Scrimmer* set forth ten
4 factors to consider, emphasizing that no single factor is controlling: (1) difficulties in locating the
5 defendant; (2) defendant’s efforts at evading service or concealment of improper service until after
6 the 120–day period has lapsed; (3) plaintiff’s diligence in attempting to serve defendant; (4)
7 difficulties encountered by counsel; (5) the running of the applicable statute of limitations; (6) parties’
8 good faith attempts to settle the litigation during the 120–day period; (7) the lapse of time between
9 the end of the 120–day period and the actual service of process on the defendant; (8) the prejudice to
10 defendant caused by plaintiff’s delay in serving process; (9) defendant’s knowledge of the existence
11 of the lawsuit, and (10) any extensions of time for service granted by the district court.

12 On or about August 30, 2017, Plaintiffs filed the amended verified shareholder derivative
13 complaint in this matter. As of the filing of this opposition, two of the defendants have not yet been
14 served with the complaint, Intellectual Property Holdings, Ltd. and Full Color Games, Ltd. Plaintiffs
15 have attempted to serve these companies in the Isle of Man and are in the process of effectuating such
16 service. Plaintiffs have also attempted service on multiple occasions on Mahon on behalf of these
17 entities but he has evaded service. Therefore, because of the difficulties in locating the proper
18 registered agent or officer to serve Intellectual Property Holdings, Ltd. and Full Color Games, Ltd.,
19 Plaintiffs request an additional 120 day to effectuate service.

20 The time to serve Intellectual Property Holdings, Ltd. and Full Color Games, Ltd. has not yet
21 expired, therefore, in an abundance of caution, Plaintiff requests and extension of time to serve these
22 defendants. The instant action was instituted approximately five months ago and formal discovery
23 has not commenced. Accordingly, the lapse of time is not oppressive, nor will prejudice to Defendants
24 result in the delay. Indeed, since Mahon is an officer and member of Intellectual Property Holdings,
25 Ltd. and Full Color Games, Ltd., the companies are fully aware of the instant litigation.

26 Accordingly, good cause exists to grant Plaintiff additional time in which to effectuate service
27 upon Intellectual Property Holdings, Ltd. and Full Color Games, Ltd.

28 **13. G. BRADFORD SOLSO AND DAVID ECKLES**

1 David Eckles was mistakenly named individually in the complaint. Mr. Eckles is the Trustee
2 of David's Hard Work Trust, Ltd. 3/26/2012, a Plaintiff in this matter. As such, Mr. Eckles
3 individually can be removed from this litigation and the caption.

4 Additionally, G. Bradford Solso is a shareholder of Full Color Games, Inc. through his
5 company, 958 Partners, of which Mr. Solso is the managing partner. Therefore, Mr. Solso's company
6 is the proper Plaintiff in this matter. Accordingly, Plaintiffs request that the Court allow for Plaintiff
7 to amend the complaint to replace G. Bradford Solso with 958 Partners.

8 **V. PLAINTIFFS' COUNTER-MOTION FOR LEAVE TO FILE AN AMENDED COMPLAINT**

9 Defendants dispute the validity of Mr. Solso and Mr. Eckles being named in their individual
10 capacity in Plaintiffs' amended complaint. Mr. Solso's shareholder interest in FCGI is through his
11 company, 958 Partners in which Mr. Solso is the managing partner. Accordingly, Plaintiffs request
12 that the Court allow for Plaintiff to amend the complaint to replace G. Bradford Solso as a named
13 plaintiff with 958 Partners.

14 Mr. Eckles is the Trustee of David's Hard Work Trust Ltd. 3/26/2012, which is properly named
15 as a plaintiff in the amended complaint. Plaintiffs will also request that Mr. Eckles in his individual
16 capacity can be removed from the caption in this matter. Plaintiffs' have provided a proposed
17 amended complaint to reflect these changes attached as **Exhibit "10"**.

18 **VI. PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT IS PREMATURE AND MUST BE DENIED**
19 **PURSUANT TO NRCP 56(F)**

20 NRCP 56(f) permits a district court to grant a continuance when a party opposing a motion for
21 summary judgment is unable to marshal facts in support of its opposition. *Aviation Ventures, Inc. v.*
22 *Joan Morris, Inc.*, 121 Nev. 113, 118, 110 P.3d 59, 62 (2005). In this case, Defendants have filed
23 their motion for summary judgment prior any substantive discovery. Plaintiffs intend on conducting
24 substantial discovery in this matter on issues mentioned above.

25 Plaintiffs intend on taking the depositions of (1) David Mahon, (2) Glen Howard (3) Martin
26 Linham, (4) Brian Marcus, (5) NRCP 30(b)(6) witness of Full Color Games, Inc., (6) NRCP 30(b)(6)
27 witness of Full Color Games, Ltd., (7) NRCP 30(b)(6) witness of Intellectual Property Holdings, Ltd.
28 (8) NRCP 30(b)(6) witness of Intellectual Property Holdings, Ltd. (9) NRCP 30(b)(6) witness of

1 Jackpot Productions, LLC, and (10) several other witnesses Plaintiffs and Defendants have identified
2 in the pleadings and exhibits. *Id.*

3 Additionally, pursuant to the affidavit of counsel, substantial discovery will be needed on all
4 of the issues raised in this opposition and in Defendant's motion. *See* NRCP 56(f) affidavit of Joseph
5 Gutierrez, Esq. enclosed herein as **Exhibit "11"**.

6 Until such time as Plaintiffs and the Court can be determined the above, the Motion must be
7 denied and the parties allowed to conduct discovery on the issues presented in this opposition.

8 **VII. CONCLUSION**

9 Accordingly, Plaintiffs request that this Court deny Defendants' motion for summary
10 judgment on all derivative claims set forth in the amended verified shareholder derivative complaint
11 in its entirety and grant Plaintiffs' counter-motion for leave to file an amended complaint.

12 DATED this 27th day of November, 2017.

13 Respectfully submitted,

14 **MAIER GUTIERREZ & ASSOCIATES**

15 /s/ Joseph A. Gutierrez
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CERTIFICATE OF SERVICE

Pursuant to Administrative Order 14-2, a copy of **PLAINTIFFS' OPPOSITION TO DEFENDANTS' MOTION FOR SUMMARY JUDGMENT ON ALL DERIVATIVE CLAIMS SET FORTH IN THE AMENDED VERIFIED SHAREHOLDER DERIVATIVE COMPLAINT** was electronically filed on the 27th day of November, 2017 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.
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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. and Jackpot Productions, LLC

/s/ Charity Johnson
An Employee of MAIER GUTIERREZ & ASSOCIATES

EXHIBIT 1

EXHIBIT 1

DECLARATION OF MARK W. MUNGER

I, MARK W. MUNGER, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. I am a current shareholder in Full Color Games, Inc. ("FCGI"). I am the lead plaintiff in a shareholder derivative lawsuit of which the additional named, and unnamed plaintiffs, have endorsed me as representing them as lead plaintiff.

4. I was a contractor to Full Color Games, Inc., working in a technical advisory capacity.

5. I have a career history of working with software development and casino technology which I used that experience to assist FCGI.

6. I was never an officer or director of FCGI nor its associated companies.

7. My consulting relationship with FCGI was considered work for hire with no defined contract or agreement other than to assist FCGI as needed.

8. I used the title of CTO, which as defendants own Exhibit L shows, was simply to show that I was a "technology lead" at Full Color. It in no way inferred I was an officer or director of Full Color Games Inc. as defendants' wrongfully claim.

9. I dispute, reject and deny the alleged claims of wrongdoing against me by defendants in their motion.

10. What they claim to be their "Undisputed Facts" are indeed heavily disputed with no substantiated proof provided by defendants for their allegations.

11. This affidavit will clarify several items and provide statements disputing allegations made by defendants.

1
2 **Question of Ownership of Shares**

3 12. At no time prior to filing the complaint did I received notice, written or verbal; email
4 or physical mail; informing me that there was any issue with my share ownership nor a notice
5 informing me of any action to purchase my shares.

6 13. I did not receive any information regarding the allegations claimed by defendants nor
7 the alleged activities to repurchase my shares and knew nothing of it until the response filed by
8 defendants showing their claimed notices.

9 14. Defendants have included many allegations of wrong doing to discredit me and my
10 involvement with these proceedings yet have left out any substantial proof of wrong doing. They
11 reference an alleged, unsigned report by an Audit, Risk and Compliance Committee ("ARCC") of
12 Full Color Game, Ltd ("FCGL"), a committee that to the best of my knowledge, had no members at
13 the time defendants' claim it met.

14 15. Defendants also reference a report that is either 1,411 pages with 216 exhibits or 1,250
15 pages. Defendants own pleading cannot agree on how many pages the alleged report contains. They
16 have left out most of the alleged report including any evidence to prove, or argue against the
17 allegations.

18 16. Defendants go so far as to illegally copy a federal reserve note of a \$1 bill before they
19 allegedly send it to me yet do not send any of these alleged documents return receipt or certified mail
20 which would be standard business practice. Instead they ask the Court to believe they put important
21 material, including cash, in regular USPS mail.

22 17. Defendants also ask the Court to believe that it was of the utmost importance that FCGI
23 meet and remove one shareholder when Defendants own submission show they believed the company
24 had no value and was in the process of dissolving which would remove all shareholders.

25 **UKGC and application for license by Full Color Games, Ltd**

26 18. I was asked by Mahon and Linham, CEO and CFO respectively of FCGL, to be part
27 of Full Color Games, Ltd application for a gaming license in the U.K. This involved my submission
28

1 of an application to receive a Personal Management License ("PML") that would be used as part of
2 FCGL's company license application.

3 19. I did not receive, nor was I informed, of any notification by the UKGC that there was
4 an issue with my PML application, my involvement with Full Color Games, Ltd or any issue involving
5 me that would prevent Full Color Games, Ltd or myself from receiving a license.

6 20. On May 3, 2017, I requested, and was granted approval with good standing, the
7 removal of my PML application from association with Full Color Games, Ltd. If the UKGC had an
8 issue with me or my application, I would be informed of such an issue.

9 21. Defendants also claim that on June 5, 2017, they removed me from "any PML
10 application attached to FCG LTDs name and corporation". Had they actually done this, they would
11 have been informed that I had already requested this action and this action was already granted by the
12 UKGC. Notwithstanding that at the time of their request, there was no application to remove me from
13 and that FCG LTD was already refused the previous application and FCG LTD was winding down
14 operations where any application would no longer be relevant.

15 **Munger as a member of the FCGI Board of Advisors**

16 22. I was invited, sometime in late 2015, to take part in occasional calls of a group called
17 the Board of Advisors. This group, comprised of several shareholders, got on calls to discuss and
18 advise Mahon on business issues.

19 23. I had been working with Mahon and other contractors with Full Color Games, Inc. and
20 it was believed that my experience and my belief in the company and product would be beneficial to
21 the Board of Advisors.

22 24. To the best of my knowledge, the Board of Advisors was not part of the FCGI corporate
23 charter or organization. It was an ad-hoc group created to provide input missing from not having a
24 normal Board of Directors for governance.

25 25. There is no document, to the best of my knowledge or review of documents in my
26 possession, that outlines any responsibility of the Board of Advisors. It had no authority and was an
27 advisory role only.
28

1 26. There were no "fiduciary duties" as part of this role and as such, no duty that I did not
2 uphold participating on the Board of Advisors, as claimed by Defendants.

3 **Involvement in transactions regarding Isle of Man activities**

4 27. I was not involved nor was I intimate with the transactions of moving the company and
5 assets to the Isle of Man as defendants' claim.

6 28. I was not involved in the planning, proposing or negotiations of these transactions. And
7 to the opposite extreme, Mahon specifically excluded me when these conversations came up in
8 meetings. To further emphasize this point, I remember being asked to leave the room when in meetings
9 with Mahon and others so they could discuss these details.

10 **Communication with Investors**

11 29. Defendants wrongfully claim I was the primary contact who communicated to
12 investors' information about FCGI, a license with Mahon and the move to Isle of Man.

13 30. I was never the communicator of this information nor have Defendants provided any
14 substantiated proof of this is their allegations.

15 31. I did communicate information about the games, and technology used in the products,
16 to some investors.

17 32. I did refer and put my sister and brother-in-law, Teresa and Larry Moore, in
18 communications with Glen Howard, who was the person at FCGI in charge of communicating and
19 working with investors. I forwarded some information but was never the creator or originator of the
20 information.

21 33. I did introduce Sebastian Bastian, a friend and resident of Bahamas, to Mahon and
22 Howard. I facilitated meetings and was on a few early calls talking about his investment. I was
23 excluded from most meetings and ultimately was not informed of the investment deal Mahon worked
24 out with Bastian at the time it was completed with the exception of what Mahon told all the USA
25 based investors.

26 ///

27 ///

28

1 **Knowledge of a license and its details**

2 34. I did not know the details of a license between Full Color Games Ltd and Intellectual
3 Property Holdings Ltd.

4 35. I was not involved in the negotiation of the license agreement between Full Color
5 Games Ltd and Intellectual Property Holdings Ltd. Contrary to Defendants claim, I was specifically
6 excluded from knowledge of the details.

7 36. I do remember a license agreement referenced during negotiations for an Assignment
8 of Net Proceeds agreement Mahon was negotiating with us but was never finalized or executed. I
9 remember this license being referenced as an exclusive, unrestricted, unlimited, royalty free license
10 allowing the company to do anything with the IP worldwide. I was under the impression that the
11 license was Mahon's contribution to receive his majority stock position and control.

12 37. I also remember a license agreement issue that Eric Kagan, a shareholder and member
13 of the Board of Advisors, brought up in Full Color Games, Inc. in 2014 or 2015 but it was only after
14 I had invested and I believe it was after he had invested as well. I never was given a copy of, nor
15 knew the specifics of that license agreement.

16 **Munger informing FCGI shareholders of the Complaint**

17 38. I originally spoke with the Moore family, Eckles, and Solso who discussed taking some
18 action as a result of Mahon's withholding information; and the actions of Mahon and Howard in taking
19 the investors assets and starting a new company.

20 39. After the complaint was filed, I forwarded a copy of the filed complaint via email to
21 all shareholders I had email addresses for. These email addresses came from previous emails from
22 Mahon and Howard to all shareholders.

23 40. Contrary to Mahon's assertion that I "heavily recruited shareholders" to join this
24 lawsuit, I did not solicit the shareholders to join the lawsuit. I only attached the complaint to an email
25 and stated that any shareholder wanting further information, should contact me or my attorneys. (True
26 and Correct copy attached as Exhibit Munger-1)

27 41. I subsequently learned from one shareholder that they had signed a waiver of their
28

1 rights to pursue Mahon, Howard and their associated companies in return for the opportunity to invest
2 in Mahon's new company, Full Color Games Group Inc. They believed that this waiver prohibited
3 them from joining the suit but would look forward to its outcome. I further learned this was a
4 requirement for existing FCGI shareholders to invest, allowing Mahon to prevent them from any
5 action against him or his associated companies.

6 42. Mahon claims that only a few shareholders are plaintiffs in the class action and yet
7 defendants know it was their own, proactive action that has prevented most FCGI shareholders from
8 pursuing their rights and joining the class.

9 43. Mahon has stated that after he made his money, he would start a fund and go after all
10 the people and organizations that he feels have wronged him in the past, including McDonalds and
11 Burger King. Mahon, after he felt people have wronged him, has frequently sent harassing emails to
12 them stating he will bring civil and criminal charges against them using a variety of legal terms that
13 he has learned over the years. Some shareholders are aware of intimidation tactics Mahon has used
14 against these contractors, employees and vendors. As one shareholder who contacted me put it, they
15 *"didn't want to deal with the drama."*

16 44. To further demonstrate this point, Mahon in an email sent to Mr. Solso on April 21,
17 2017 copying all FCGI investors, made the following declaration:

18 "Apparently, you didn't get 'the memo' on me. I only respond to subpoenas and
19 indictments in a Court of law. Considering the fact that I have been to the Supreme
20 Court of the United States not just once, but twice as a petitioner in my life, where I
21 successfully represented myself as the lawyer for 2 out of 8 of those years of trials
22 through local, Appellate and State Supreme Courts, I can assure you, I am skilled in
23 the relevant art of legal warfare and jurisprudence. The other side thought they could
24 run me out of money and beat me. They did run me out of money but they failed to
25 consider that I have a brain and an breakable will and I simply went to law school and
26 leveled the playing field. In the end, they lost \$6.5 million dollars and 8 years of their
27 life when they could have just settled with me for \$2 million all in a single day. Moral
28 of the story is quite simple: I am not to be trifled with in the defense of my rights, much
more challenging my mathematical, intellectual or legal prowess."

See true and correct copy of Mahon's email to Mr. Solso attached as Exhibit Munger-
2

45. To further demonstrate the communications Mahon makes, in an email to a vendor he
believed wronged him (True and Correct copy attached as Exhibit Munger-3) he proclaimed

1 “Although we could just take this matter to Small Claims Court, it is far more effective to get a default
2 judgment on you for the \$100,000 in damages when you can't afford to hire a law firm to defend
3 yourself in Superior Court as your startup retainer for litigation will be nothing less than \$25,000 when
4 they discover Hutchinson & Steffen is the prosecuting firm. They are famous for running up legal
5 bills in the hundreds of thousands of dollars in a paper war of depositions and discovery. I dare you
6 to write that check. We already have our legal team in retainer. I will spend \$1,000,000 to chase
7 \$1650 just out of principle. Have your new lawyers look me up on the United States Supreme Court
8 if you don't believe me. I've been there twice already.”

9 46. Further, an email to a former contractor, Mike Berman, (True and Correct copy
10 attached as Exhibit Munger-4) who Mahon refused to pay his final invoices shows additional
11 harassment claiming he filed a criminal complaint with Las Vegas Metropolitan Police saying “The
12 original complaint that has been filed against you includes a plethora of felonies and misdemeanors
13 allegations including mail fraud, wire fraud, banking fraud, billing fraud, tax fraud, embezzlement,
14 extortion, grand larceny and racketeering, whereby you could face a minimum of 5 to 25 years in
15 prison if convicted of all charges that have been alleged against you.” I heard nothing more about this
16 being pursued by Mahon but I expect him to attempt similar harassment against me, and all the other
17 plaintiffs in this case.

18 47. As is shown, Mahon's actions would give shareholders pause to think about joining
19 the complaint so as to not endure the harassment, threats and drama of Mr. Mahon. This too, in
20 addition to the above item of defendants getting FCGI shareholders to sign a waiver to pursue them,
21 has limited the involvement of FCGI shareholders as Plaintiffs in this complaint.

22 **Foundation Room Membership reference**

23 48. Munger never offered the 2nd card on his membership to Mahon or FCGI in return for
24 shares in FCGI.

25 49. No proof is provided by Defendants that there was an agreement stating this.

26 50. Munger did offer his 2nd card on his membership to Mahon as Munger's business
27 partner, Jeremiah Rutherford, had moved to Virginia and no longer had use of it.

28 **Munger Recruited Investors**

51. I was never the primary contact for any investor in Full Color Games, Inc.

1 52. I was a proponent of the products we developed at Full Color Games, Inc. and having
2 knowledge of the market potential, I showed the games to family, friends and even strangers on
3 airplanes.

4 53. If asked how they could get involved, I referred them to Glen Howard or David
5 Mahon, as I was not knowledgeable nor involved in the development of the investment documents.

6 54. I was responsible for the introduction of Teresa and Larry Moore, my sister and
7 brother-in-law. All investment questions and transactions were handled by Howard and Mahon.

8 55. I was responsible for the introduction of Sebastian Bastian to Full Color Games, Inc. I
9 was present in early conversations about Bastian's investment but once Mahon decided to discuss
10 creating an Isle of Man company, I was excluded from any further involvement or knowledge of the
11 transaction other than what Mahon told all FCGI investors.

12 **Munger's work for Bastian's companies**

13 56. I was an independent contractor to Full Color Games, Inc.

14 57. I was not an officer in any Full Color Games entity

15 58. There was no conflict of interest, nor fiduciary duty to breach, in the work I did with
16 Bastian companies.

17 59. Mahon, and others, were fully aware, and involved in the arrangement of work I did
18 for Bastian. Upon my leaving the work I had with The Gaming Board for The Bahamas, I explained
19 to Mahon that I needed more than the \$5,000 per month he proposed to pay me for being available to
20 work with Full Color Games. Mr. Bastian offered to have me do additional services for him, while
21 working with Full Color Games. It was a synergistic relationship.

22 60. It should also be noted that Mahon knew about the relationship before the gossip
23 newspaper, The Punch, wrote about me in Bahamas. The Punch is similar to the National Enquirer in
24 the USA and is read for entertainment in The Bahamas. It is anything but credible news reporting and
25 not taken seriously by anyone in Bahamas.

26 61. Mahon states that I interfered with FCG business and had responsibility for Full Color
27 Games lack of response to the UKGC resulting in no license being granted. Both of these claims I
28

1 deny and defendants have failed to provide any substantive facts or proof in their motion.

2 **FCGLTDs Alleged ARCC Report**

3 62. Defendants have included many allegations of claimed wrong doing to discredit me
4 and my involvement with the proceedings yet have left out any substantial proof of wrong doing.

5 63. Defendants reference an alleged, unsigned report by an Audit, Risk and Compliance
6 Committee ("ARCC") of Full Color Game, Ltd ("FCGL"), a committee that to the best of my
7 knowledge and research, had no members at the time they claim it met.

8 64. Defendants also reference a report that is either 1,411 pages with 216 exhibits or
9 possibly 1,250 pages with over 200 exhibits.

10 65. Defendants own pleading cannot agree on how many pages the alleged report may
11 ultimately contain. Until the report is finished, we will not know for sure. They have left out any of
12 the claimed exhibits or evidence, including the Exhibit TOC from Page 55, to prove their allegations.

13 66. This alleged, unsigned report is written by a committee with no members from what I
14 can discover, and by an Isle of Man company that was in Free Fall, with no directors residing in Isle
15 of Man and no registered location in the Isle of Man, both of which are required by Isle of Man Law
16 and Companies Act for a company to be operating.

17 67. The only purpose of this alleged report would be to discredit me and damage my
18 reputation with false allegations. In further of this, I have learned that defendants have discussed
19 and/or sent their response to at least one, and likely more people in our industry, unassociated with
20 this complaint, further looking to discredit me.

21 68. In no correspondence or notification was I ever listed or noted as an issue by the
22 UKGC.

23 69. As such, there is no issue, non-compliant event or other action that would result in a
24 discussion or activity about me. Further proof the defendants have created this report solely to
25 discredit me.

26 70. Defendants claim to have sent me notices from a June 5, 2017 Board of Directors
27 meeting for Full Color Games, Inc. I did not receive the notices Defendants claim to have sent and
28

1 Defendants have produced no proof, such as return receipt or certified mail that such notices were
2 sent to or were received by me.

3 71. Defendants own exhibit XX, states that Full Color Games, Inc. only asset was its stock
4 in Full Color Games, Ltd. which itself had no assets and was winding down as of June 1, 2017.

5 72. Defendants had started to wind down operations of Full Color Games Inc. and yet want
6 the court to believe that it's worth their time to attempt to remove a single shareholder when all
7 shareholders were about to be removed by Defendants winding down of the company.

8 73. In an alleged letter from FCGL to FCGI, both of which only had a single director and
9 CEO, David Mahon, Mahon references the alleged ARCC report and demands FCGI remove me as a
10 shareholder or else FCGL will remove FCGI as a shareholder in FCGL. Given that Mahon already
11 declared that FCGL was insolvent and the company was in free fall with the Isle of Man corporate
12 registry, FCGL did not have the ability nor would there be any logic in removing FCGI as a
13 shareholder. Its shares were already claimed to be worthless as FCGL was in process of being
14 dissolved and removed from the corporate registry in the Isle of Man. Mahon would not be acting in
15 the best interest of FCGI by focusing on the removal of one minority shareholder.

16 74. The date on the ARCC report is May 27th, 2017. As noted above the company was in
17 Free Fall with the Isle of Man and the ARCC had no members. The report is unsigned and no exhibits
18 showing any proof to the allegations are included in defendant's motion. I dispute, deny, and reject
19 all allegations defendants have made up, or will make up in this fictional report.

20 I declare under penalty of perjury under the laws of the United States of America that the
21 foregoing is true and correct to the best of knowledge, information and belief.

22 DATED this 26 day of November, 2017.

23 
24 MARK W. MUNGER

25
26
27
28

EXHIBIT 1

EXHIBIT 1

Mark Munger

Subject: Shareholder Complaint against Full Color Games, Inc.
Date: Monday, August 14, 2017 at 4:25:16 PM Pacific Daylight Time
From: Mark Munger <mmunger@markmunger.com>
To: Mark Munger <mmunger@markmunger.com>
BCC: amish@msearchllc.com <amish@msearchllc.com>, aptracy@yahoo.com <aptracy@yahoo.com>, brokersfa@aol.com <brokersfa@aol.com>, ck@capitalpacific.com <ck@capitalpacific.com>, djedmcdonald@gmail.com <djedmcdonald@gmail.com>, eduardo.emanuelli@hubinternational.com <eduardo.emanuelli@hubinternational.com>, jfbrock@cokecce.com <jfbrock@cokecce.com>, John@sierramaya360.vc <John@sierramaya360.vc>, johnrussellfeist@gmail.com <johnrussellfeist@gmail.com>, MarcelDuvekot@yahoo.com <MarcelDuvekot@yahoo.com>, waltercii@yahoo.com <waltercii@yahoo.com>, a_hautau@yahoo.com <a_hautau@yahoo.com>, a.rasor@yahoo.com <a.rasor@yahoo.com>, c.tarpley@att.net <c.tarpley@att.net>, crosbyhyde@comcast.net <crosbyhyde@comcast.net>, DetlefBittner@gmail.com <DetlefBittner@gmail.com>, dttarp@gmail.com <dttarp@gmail.com>, ferronesusan@yahoo.com <ferronesusan@yahoo.com>, jeffreyopollock@gmail.com <jeffreyopollock@gmail.com>, jillhoward@gmail.com <jillhoward@gmail.com>, jillhoward@gmail.com <jillhoward@gmail.com>, jmhorn@gmail.com <jmhorn@gmail.com>, jpollock@pollockfinancial.com <jpollock@pollockfinancial.com>, kelly@broadwingcapital.com <kelly@broadwingcapital.com>, megantarp@gmail.com <megantarp@gmail.com>, monica.ferrone@gmail.com <monica.ferrone@gmail.com>, ShannonTobin@Yahoo.com <ShannonTobin@Yahoo.com>, wsbolton@me.com <wsbolton@me.com>, erickxh@gmail.com <erickxh@gmail.com>, Joseph Gutierrez <jag@mgalaw.com>, Stephen Clough <sgc@mgalaw.com>, Brad Solso <bsolso@ashwoodmp.com>, Cheryl Terhune-Honore <mylasvegasconnection@yahoo.com>

Attachments: Filed Complaint.pdf

Fellow Full Color Games, Inc. Shareholders,

I am writing to inform you that I, along with other Full Color Games, Inc. Shareholders, have filed a complaint in Clark County Nevada District Court against David Mahon, Glen Howard, and entities controlled by them. There are multiple claims and a copy of the complaint as filed with the court is attached for you to review and be aware of what is being claimed against them.

Should you have any questions, you can contact me or the attorney handling the case. Our information is below.

Mark.

Mark Munger

mmunger@markmunger.com

(702) 460-3384

skype: mwmunger

Joseph A. Gutierrez, Attorney

Maier Gutierrez & Associates

8816 Spanish Ridge Avenue

Las Vegas, Nevada 89148

Tel: 702.629.7900 | Fax: 702.629.7925

jag@mgalaw.com | www.mgalaw.com

The information in this transmittal may be legally privileged, confidential, and/or otherwise protected by law

from disclosure, and is intended only for the recipient(s) listed above. If you are neither the intended recipient(s) nor a person responsible for the delivery of this transmittal to the intended recipient(s), you are hereby notified that any distribution or copying of this transmittal is prohibited. If you have received this transmittal in error, please notify Mark Munger immediately at (702) 460-3384 or by return e-mail and take the steps necessary to delete it completely from your computer system. Thank you.

EXHIBIT 2

EXHIBIT 2

Subject: Re: 2017_04_17_FCGI_Investor_Call - Invitation to collaborate
Date: Friday, April 21, 2017 at 4:06:08 AM Pacific Daylight Time
From: David Mahon <david@fullcolorgames.com>
To: Brad Solso <bsolso@ashwoodmp.com>
CC: Aaron Rasor <a.rasor@yahoo.com>, Adam Hodson, CPA <adam@adamhodsoncpa.com>, Adam Tracy <aptracy@yahoo.com>, Alex Curylo <alex@alexcurylo.com>, Alex Hautau <a_hautau@yahoo.com>, Amish Shah <amish@msearchllc.com>, Brian Marcus <bmarcus@vierramagen.com>, Charles Tarpley <c.tarpley@att.net>, Cheryl Terhune-Honore <cherylt@fullcolorgames.com>, Chris Kostanecki <ck@capitalpacific.com>, Crosby Hyde <Crosbyhyde@comcast.net>, Dave Tarpley <dtarp@gmail.com>, David Eckles <david.eckles@gmail.com>, Detlef Bittner <DetlefBittner@gmail.com>, Eddie McDonald <djedmcdonald@aol.com>, Eduardo Emanuelli <eduardo.emanuelli@hubinternational.com>, Eric Little <eric.little@mycarolinacpa.com>, Erick Hachenburg <erickxh@gmail.com>, Glen Howard <glen@fullcolorgames.com>, James Horn <jmhorn@gmail.com>, James Pollock <jpollock@pollockfinacial.com>, Jeff Orisch <brokersfa@aol.com>, Jeff Tarpley <jtarpley@reactioncomm.com>, Jeffrey Castaldo <mail@castaldoproperties.com>, Jeffrey Pollock <jeffreyopollock@gmail.com>, Jeremiah Rutherford <jeremiah.rutherford@voip-dragon.net>, Ken Ferrone <kenferrone@yahoo.com>, Susan Ferrone <ferronesusan@yahoo.com>, Teresa Moore <teresa@tlmbuilders.com>, Jesse Newman <jnlv@cox.net>, Jill Howard <jillhoward@gmail.com>, John Brock III <jfbrock@cokecce.com>, John Brock IV <jfbrock4@gmail.com>, John Feist <johnrussellfeist@gmail.com>, Kelly Kane <kelly@broadwingcapital.com>, KGN Holdings, LLC <eric@kgnhllc.com>, Mara Brazer <marabrazer@gmail.com>, Marcel Duvekot <MarcelDuvekot@yahoo.com>, Mark Emmerson <memmerso04@yahoo.com>, Mark Munger <mark@fullcolorgames.com>, Matthew Cowan <mtc@breezeworks.com>, Megan Tarpley <megantarp@gmail.com>, Mia Banks <miabanks1@gmail.com>, Monica Ferrone <ferrone.monica@gmail.com>, Philip Cooke <philipkentcooke@gmail.com>, Scott Tarpley <scott.tarpley@beqom.com>, Shannon Tobin <ShannonTobin@Yahoo.com>, Steve Eggleston <steve@eggmanglobal.com>, Walter Carnwright <waltercii@yahoo.com>, Wendy Bolton <wsbolton@me.com>
Attachments: 2016_11_17_FCGI_Letter_to_FCGI_Re_Cooper_Blackstone_Share_Holding_and_UKGC.pdf, 0022_2016_04_11_FCGI_IPHLLC_StrategicAllianceAgreement_executed.pdf, 0025_2016_04_11_FCGI_FCGI_ShareIssuanceAgreement_executed.pdf

Brad

Yesterday was supposed to be an update and a solutions oriented call but you hijacked the meeting and followed it with the email below that expanded into a subpoena of documents and an indictment on my character, ethics and business decisions.

Apparently, you didn't get "the memo" on me. I only respond to subpoenas and indictments in a Court of law. Considering the fact that I have been to the Supreme Court of the United States not just once, but twice as a petitioner in my life, where I successfully represented myself as the lawyer for 2 out of 8 of those years of trials through local, Appellate and State Supreme Courts, I can assure you, I am skilled in the relevant art of legal warfare and jurisprudence. The other side thought they could run me out of money and beat me. They did run me out of money but they failed to consider that I have a brain and an breakable will and I simply went to law school and leveled the playing field. In the end, they lost \$6.5 million dollars and 8 years of their life when they could have just settled with me for \$2 million all in a single day. Moral of the story is quite simple: I am not to be trifled with in the defense of my rights, much more challenging my mathematical, intellectual or legal prowess.

Now that you have "the memo", here is a brief legal response to your Petition before the Court of Investors herein you served me in your email below:

— —

You are an accredited investor for a reason and you have a fiduciary duty to yourself to do your due diligence before you commit any dollars to any investment. With regards to investments of the past, you are estopped from making any claims thereto.

So far as the past, present and the future, you are entitled to take calculated risks and vote with your wallet and be the beneficiary of the rewards or conversely, the spoils of those risks.

So far as your "review of the Isle of Man Companies Act of 2006", you might consider reading the other documents that Full Color Games Ltd is regulated by in whole before you start giving out legal advice as you have done so in your email below in what I can and cannot do. You are not a lawyer in the Isle of Man but if you wish to be, here is a head start on your homework:

[Isle of Man Companies Act of 2006](#), (Live)
[Isle of Man Companies Act of 1931](#) (Live)
[Isle of Man Companies Act in 1865](#). (Foundation)
[Financial Services Act of 2008 of the Isle of Man](#)
[Statutory code of the rest of the Isle of Man](#).
[LCCP of the UKGC](#)
[Gibraltar Remote Gambling Laws](#)
[Gambling Act of 2005](#).
[European Parliament and Council Commission](#)
[GLI-19](#)
[ISO 27001](#)

Be advised that all decisions in all respects to contracts, securities, tax decisions, casino gaming licensing and regulation were done under the advice of casino gaming legal counsel, securities legal counsel and the counsel of a Certified Public Accountant as well as in person meetings with the UKGC, GLI & BMM test labs. Further, the Company received the indirect benefits of international tax advice from KPMG as it related to transfer pricing and other related matters as to how eGaming is setup in the Isle of Man. Feel free to challenge any of it at any time, only in a Court of law where the proper legal adjudication can occur. It would be faster and cheaper to simply go get your law and tax degrees that to challenge me. As I said, the last time someone challenged me, they lost 8 years of their life and \$6.5 million dollars. The last guy that embezzled money out of the Company was convicted of a felony and sentenced to 3 years and full restitution, and that was all over \$1,335 check and a pawned iPad. *Si vis pacem, para bellum*.

— —

Now, onto the matters at hand:

— —

Full Color Games, Inc., is in default of it's Share Issuance Agreement dated April 11, 2016 and is subject to being removed from Full Color Games Ltd as a shareholder for cause.

Let me explain now what you wouldn't let me explain yesterday:

You, and every investor on the email, are a shareholder of Full Color Games, Inc.

Full Color Games, Inc. is a SINGLE shareholder of Full Color Games Ltd.

Full Color Games, Inc. as a Company is a “part of the whole” of Full Color Games Ltd.

All investors are "a part of the whole" of the “part of the whole” bound by the terms and conditions of the Strategic Alliance Agreement and the Share Issuance Agreement (“SIA”) between the two companies (both included below).

Full Color Games, Inc. was put on notice by Full Color Games Ltd on November 17, 2016 to cure a material breach committed by Richard H. Newman, Esq. (“RHN”). (see notice attached below)

RHN also committed a material breach pursuant to his relationship with Full Color Games Ltd’s and was completely and successfully removed, leaving only Full Color Games, Inc. to cure its material breaches in order to comply with the UKGC.

Full Color Games, Inc. has a two part problem with RHN.

(1) RHN's ownership shares in Full Color Games, Inc.. make him unsuitable for (2) Full Color Games, Inc’s ownership shares in Full Color Games Ltd.

One bad apple, really does spoil the whole bunch here, until it’s removed.

With regards to Full Color Games, Inc. Richard Newman, Esq., has violated the SIA. To save you some time, let me show you how and where as I refer you to Section 3(a)(iv)(V).

(V) Company in good faith determines that the FCGI, including any of its officers, directors, employees, agents, designees or representatives, is or might be engaged in, or is about to be engaged in, any activity or activities, or was or is involved in any relationship, either of which could or does jeopardize the Company's business or gaming licenses, or if any such license is threatened to be, or is, denied, curtailed, suspended or revoked by a regulatory authority.

Make no mistake about it how powerful licensing and suitability clauses are in the casino gaming industry. There is an absolute ZERO TOLERANCE POLICY on anything that even whiffs of fraud, smells of money laundering, or smacks of embezzlement.

Full Color Games Ltd and Full Color Games Inc have both determined that Mr. Newman engaged in a material breach and his breach is “jeopardizing and curtailing” Full Color Games Ltd’s UKGC license.

Once discovered, both Full Color Games, Ltd & Full Color Games, Inc. spent about \$15,000 on legal fees to understand how to act and were given three options based on the facts they were presented:

- 1) Charge him with fraud and deem the shares never issued and likely potential litigation
- 2) Trigger the Buyback / Repurchase Shares clauses and go through a 120 day process and all but foreclose his ability to file suit
- 3) Settle with him and get a full and final release. He has agreed to a \$50,000 settlement.

Problems with a full and final settlement, is that it forces the IP Holding Company to foreclose it’s malpractice suits against RHN and D&O lawsuit against Full Color Games Ltd and it’s shareholders. That’s a pretty high mountain to climb and asking one hell of a lot of sacrifice from the Licensor of Full Color® Games IP. Both Companies would have to ensure that the madness will end, proper funding will occur and the revenues will begin in a global launch of the IP.

I personally voted for (2) and potential litigation that may result. Sebas Bastian, despite not having a vote, voted for resolution in settlement whereby he would essentially “loan” Full Color Games, Inc. the money to pay to cure their breach, and simply take it out of future royalties and keep everyone and everything in tact. That was pretty nice of

him since neither Full Color Games, Inc. nor Full Color Games Ltd had the funds to do so.

Sebas Bastian agreed to invest \$500,000 on February 9, 2017 that would make that loan possible. If it would indeed occur, then (3) settlement would be approved by all parties, even against my wishes, I would go along with it, in the interest of all the other shareholders so no one would be hurt on the investor side. Understand, we could have started and completed the Buy Back procedures in August 2016 when it occurred and be done. but no, we relied on Sebas in November to see us through. You see, we have averted crisis in many many instances only to have those we rely on, fail us.

We the Sebas investment and subsequent loan, the RHN problem for Full Color Games, Inc, was solved, no need to notify all the investors herein as Glen and I negotiated a loan to Full Color Games, Inc. and we would avert a crisis and for all parties despite creating a massive disparagement to the IP Licensing company. It would agree to a full and final settlement if and only if the \$500,000 came so the IP could finally get to revenue.

The investment docs were sent to Sebas Bastian on or about February 21, 2017. Despite many assurances it would complete and fund, it has not. This was beginning to become a crisis in late March, so I personally went to Bahamas on March 21, 2017 and met with Sebas in person twice over 11 days for a total of 11 hours. A plan was agreed upon in how he would feel comfortable to fund it and move forward. All seemed well and I even went to his sister's birthday party at his mansion on April 1. By Monday when we were supposed to meet on April 3 and complete it, it did not happen. Sebas Bastian, left me no other legal room to maneuver and I had to put him on legal notice on April 3, 2017, he had 5 days to complete his investment or the IP Holding company would put Full Color Games Ltd on notice for a breach.

It was discovered he was given erroneous information on Monday morning April 4 from someone else in the Company (who is an investor on this email), and even after being correcting, Sebas was very unhappy and stopped responding to my texts. At that point, and after the 12 days and I finally had to just leave the Bahamas.

Once I returned to Las Vegas after 19 hours of traveling, I arrived back to an email of the resignation of the CFO at 1am, only to discover another deeper crisis.

Instead of sleeping, I did yet another 29 hour day, and began an forensic audit trial, in how and why the CFO resigned and discovered he embezzled over \$12,000 out of the Full Color Games Ltd and wired out another \$6,000 or so that was not authorized, further depleting the bank for emergency cash minutes before he resigned.

In the morning, Glen and I went into 911 mode and began to explore resolutions, all funding options and sought counsel and kept on getting mixed signals from Sebas of yes, no, maybe, want others to put more money in back to not saying no, not saying yes to, no response as of yesterday yet again.

So, here we are. A crisis point we shouldn't have been in, believed we had resolved without alarm to Full Color Games Ltd shareholders and yet, no follow through. Blind trust in other legal and executive professionals that turns into mistrust. Believe me, there is a legal claim here against the (former) CFO and the CLO each of which were both Directors and Officers. Believe me I want to file suit against them. There is no one more angry and unhappy here than me. I have lost far more money than anyone here in this Company at this point, but none of it changes the issues that RHN cancer must be cured.

So, I am not even going to address all the other issues below in your email Brad. They are irrelevant at this point.

I personally cannot see how anyone would further invest in Full Color Games Ltd in light of all the conditions it suffers from. It is truly plagued from the inside out. The only ray of hope here is that the IP is truly, spectacular, one of a kind, and poised to generate billions of dollars in revenue but it does not have the proper funding to get the ball across the goal line. But here I am, not giving up hope until the very bitter end if that is the way it must be.

With that in mind, I will give you and everyone in the Company a copy of the Share Issuance Agreement that is tied to the Strategic Alliance Agreement as my fiduciary duty to you along with a copy of the legal notice from Full Color

Games Ltd. I was advised by counsel against giving these documents out. I have chosen to disagree. I believe that you are rightfully entitled to it by integrity alone, despite the fact that you are not by law according to the advice of counsel. I do believe you should be fully informed. No one is a winner here right now, except those that have injured us all. I am disgusted by it all, sickened by the fact that our trust has been abused by those closest to us, but I also have a duty to prepare for the worst case scenario because I no longer know who I can trust anymore than anyone probably wants to put any more trust in me at this point. I am exhausted from it all. Do the right thing, get the wrong result. Defies logic to me, but it is the free will of others that I cannot control that has us here.

In summary,

Much to my chagrin, I must act pursuant to the terms and conditions of all contracts in pari passu to all parties.

Full Color Games, Inc. has until Monday to pay the \$50,000 to RHN and clear its material breach with Full Color Games Ltd.

Full Color Games Ltd. is insolvent.

Full Color Games Ltd is going to get its formal 5 day notice on Monday as well. If it doesn't raise \$500,000 by Friday, I can assure you, it will lose its Commercial License Agreement and both Companies will be insolvent and forced to wind up.

In closing:

Here is the legal stance as we see it for shareholders that wish to file suit and seek relief.

RHN is responsible for the daisy chain of failures. Once the Company's are dissolved, I would like to file suit against him for malpractice and for his misrepresentations and frauds against the Company against the D&O policy as he failed to disclose his unsuitability issues and his failure to properly secure the IP as required as both the Chief Legal Officer and Director of the Company as well as his independent law practice that had a conflict of interest he failed to resolve properly.

You can also take aim at Sebas if you wish. I hate to put it this way but the facts are the facts. We relied upon Sebas to fund the Company as he agreed to. Had he not agreed to on February 9, 2017, the investor herein would have been notified of the need to raise more money and you wouldn't have been notified at the last minute when it became apparent to the Company that the CFO embezzled funds from it on his way out that we had set aside for a 30 day 911 runway instead of a 5 day one. I believe the investors have a claim on the D&O policy on misrepresentations and fraud by the CFO as well but those claims are much smaller than the RHN one. That was catastrophic and easy to prove. There is a \$5 million dollar policy and RHN's legal malpractice has to be \$1MM to \$10MM as well.

I wish to see all investors made whole. It makes me sick to my stomach and angry beyond words to be in this position but I can't see how it's possible absent taking legal action against Martin Linham and more importantly Richard H. Newman, Esq. He as an officer of the court, a once licensed individual with the Nevada Gaming Control Board, an officer of the Court in three states and before the USPTO, he does not deserve the right to practice law or be in control of anyone's money or dreams. His actions are unconscionable and I wish for him to be stopped. A full and final settlement doesn't stop him from practicing but a malpractice suit will definitely be a start.

Full Color Games Inc. has to renew its business license on April 30, 2017. It will require about \$1,200 for its Nevada SOS services from Anderson Advisers. It appears that the Company will be insolvent and will not have to pay that as it will file for a dissolution instead if the RHN matter isn't cured by Monday.

On the flip side, if any Shareholder wishes to lay a claim on any other Director or Officer, I suggest you read all of the laws, rules and regulations above first. If you feel like you have claims, I can assure you you don't. The SIA and the SAA are rock solid as is the CLA as is the performance of the Company and force majeure will be the final conclusion, which is all the evidence will result in, if that is the path one wishes to take in seeking relief, will result in nothing

more than a Pyrrhic victory in the end.

If we fail in the end, it most certainly won't be because of the product or the lack of opportunity or customer base. It will be an exponentially bigger travesty, simply a lack of funding.

It takes money to make money.

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 reply e-mail and delete the message.

On Apr 19, 2017, at 6:20 PM, G. Bradford Solso <bsolso@ashwoodmp.com> wrote:

David-

Below is the list of question raised in my earlier request to Glen Howard and commentary in red indicated the status based on the information sent in this email. I have added a few additional questions based on my review of the materials that have been provided. Lastly, I reviewed the Isle of Man Companies Act of 2006 and there is nothing in the Companies Act that prevents you from sharing the information requested. Please let me know can expect to get the rest of the materials at your earliest convenience. Of the outstanding items, the most important in terms of considering an investment are i) CLA, ii) Cap Table for FCG Ltd and iii) income statements for FCG Inc. & FCG Ltd.

Thanks
Brad

1. A organization chart showing all entities in the FCG family of companies (the "FCG Companies") **Organization Chart does not reflect Full Color Games, Inc. Please show how it fits into the structure**
2. Detailed Capitalization Tables for each of the FCG Companies – **Capitalization Table was provided for Full Color Games, Inc. Capitalization tables for FCG Ltd & FCG NA are still outstanding.**
3. Certificate of Incorporation or equivalent for each FCG Company –**Certificate provided for FCG Ltd. Please also provide Articles. Nothing provided for FCG Inc. or FCG NA**
4. Income Statement and Balance Sheet for FCG, each subsidiary and the Isle of Mann entity from inception to March 31, 2017. These do not have to be prepared by a 3rd party. Detailed reports from quickbooks or the equivalent would be fine. –**Balance Sheet provided for FCG Inc. and FCG Ltd. Income Statement is still outstanding.**
 - a. FCG Inc. balance sheet list as assets-Capitalized Development Costs of \$798,041.69 for various elements of the FCG Product including Programming (\$386,663.82) and Web Development (\$135,853.41).
 - i. Please provide additional information itemizing these costs by specific games (e.g. 21 or Nothing), integrations, RGS and/or other appropriated category.
 - ii. Please describe how these assets will be utilized in the deployment of the games through FCG Ltd.
 - b. FCG Inc. balance sheet lists as an asset- Investment in FCG LTD \$128,006.41. There does not appear to be any corresponding capital reflected in the balance

sheet of FCG LTD

- i. Please provide details, including capitalization table (See 2 above) regarding the establishment of FCG LTD, including the following
 1. How many shares were issued to FCG Inc. in respect of its investment in FCG LTD?
 2. What is the total outstanding share capital of FCG LTD
 3. How many shares were issued to Sebas in respect of his investment
 - ii. Please provide tax analysis demonstrating that the technology transfer from FCG Inc. to FCG LTD qualified as a tax-free transaction
5. Copies of all agreements related to the FCG technology between any of the entities and David Mahon or any entity either controlled by David Mahon or which David Mahon is a significant shareholder, including the CLA referenced in your email-**No Documents provided**
6. Copies of any agreement for integration, localization (e.g. language conversion), software development between any of the FCG Companies and any gaming platform-**No Documents provide**
7. Copies of any agreements, certifications, licenses or other documents with standards organization or regulatory authorities.-**Copy of email chain starting with email from Martin Linham to Ranjit Singh, Gambling Commission. Uk announcing his resignation and an email from Ranjit Singh, dated April 7, 2017 requesting additional information in respect of the application. The open items appear to be more extensive that the "Newman Settlement" as described in the call. Specifically, the gambling commission requested the following information**
 - a. Newman Shares
 - i. Who is the legal owner/holder of shares relating to Newman
 1. **Solso Comment:** Newman/Cooper Blackstone LLC is listed a shareholder in FCG Inc. Since FCG Inc. is the investor in FCG LTD, how did the Newman/Cooper Blackstone settlement become an issue in FCG LTD obtaining a UK Gaming License?
 - b. Funding
 - i. Please provide update on the additional funding that is being sought
 - ii. Provide further clarification of the \$1 million in-kind as part of DaVinci Holdings agreement
 - iii. Provide amended financial forecasts
 - iv. Provide clarification on "investing in liquidity over the coming 3 years"
 - c. Full Colour Games N.A. Inc.
 - i. What are the service level agreements between Ful Color Limited and companies within the group
 - d. Third Party Agreements
 - i. Provide further information relating the agreements in place with relevance to hosting Full Color Games Limited's infrastructure
 - e. Remote Technical Standards
 - i. Provide details how Full Color Games Ltd meets points 1-14 of the RTS and IPA 1-7
 - f. Jurisdiction
 - i. Provide specific details of all jurisdictions that will be targeted
8. A detailed plan, including cash requirements, to get one or more games to market and generating revenue within 30 days. **No materials responsive to this request**
9. A list of the board of directors for each of the FCG Companies with bios. -**Board of Directors for FCG LTD provided but no bios. Listing includes Martin Linham who**

resigned on March 30, 2017 and Richard Newman who, based on this call “has committed actional acts” and is the subject of the Newman Settlement”. The remaining two directors are David Mahon and Lee John Bernard Murphy. Who is Mr. Murphy and what is his role with the FCG LTD? No information was provided with respect to FCG Inc. or FCG N.A.

10. A list of the officers for each of the FCG Companies with bios.-No information was provided
11. Summary of the terms under which Sebas is prepared to invest an additional \$500,000, including pre-money valuation, preferences and other rights. Please also contrast the proposed Sebas investment terms to the prior investment arrangement with Sebas.- limited information was provided.
12. Summary of all bank accounts and list of signatories for each account.-no information was provided

From: David Mahon (via Google Drive) [<mailto:drive-shares-noreply@google.com>]

Sent: Wednesday, April 19, 2017 10:30 AM

To: G. Bradford Solso <bsolso@ashwoodmp.com>

Cc: a.rasor@yahoo.com; adam@adamhodsoncpa.com; aptracy@yahoo.com; alex@alexcurylo.com; a_hautau@yahoo.com; amish@msearchllc.com; bmarcus@vierramagen.com; c.tarpley@att.net; cheryl@fullcolorgames.com; ck@capitalpacific.com; Crosbyhyde@comcast.net; dtarp@gmail.com; david.eckles@gmail.com; DetlefBittner@gmail.com; djedmcdonald@aol.com; eduardo.emanuelli@hubinternational.com; eric.little@mycarolinacpa.com; erickxh@gmail.com; glen@fullcolorgames.com; jmhorn@gmail.com; jpollock@pollockfinancial.com; brokersfa@aol.com; jtarpley@reactioncomm.com; mail@castaldoproperties.com; jeffreyopollock@gmail.com; jeremiah.rutherford@voip-dragon.net; kenferrone@yahoo.com; ferronesusan@yahoo.com; teresa@tlmbuilders.com; jnlv@cox.net; jillhoward@gmail.com; jfbrock@cokecce.com; jfbrock4@gmail.com; johnrussellfeist@gmail.com; kelly@broadwingcapital.com; eric@kgnhllc.com; marabrazar@gmail.com; MarcelDuvekot@yahoo.com; memmerso04@yahoo.com; mark@fullcolorgames.com; mtc@breezeworks.com; megantarp@gmail.com; miabanks1@gmail.com; ferrone.monica@gmail.com; nick@fullcolorgames.com; philipkentcooke@gmail.com; scott.tarpley@beqom.com; ShannonTobin@Yahoo.com; steve@eggmanglobal.com; waltercii@yahoo.com; wsbolton@me.com

Subject: 2017_04_17_FCGI_Investor_Call - Invitation to collaborate

[David Mahon](#) has invited you to **contribute to** the following shared folder:



[2017_04_17_FCGI_Investor_Call](#)



Full Color Games, Inc. Investors

The following is a CONFIDENTIAL list of documents for Full Color® Games

There are some documents that I do not have permission to share so this is all I can put out per Brad's Request.

Regards,

David Mahon
[Open](#)

Google Drive: Have all your files within reach from any device.

Google Inc. 1600 Amphitheatre Parkway, Mountain View, CA 94043, USA



EXHIBIT 3

EXHIBIT 3

Subject: Re: Paid for services rendered.

Date: Sunday, October 18, 2015 at 4:46:30 AM Pacific Daylight Time

From: David Mahon <david@fullcolorgames.com>

To: danny payton <dannypayton@gmail.com>

CC: Lisa Allen <lallen2267@gmail.com>

Mr. Payton,

It is unequivocally that clear you do not know or understand contract law in any of its:

- 1) written forms
- 2) oral forms
- 3) implied forms

We do have a signed contract. Signed by electronic email that is valid with your sending one, receiving one. You are a fool to infer one doesn't exist.

We do have an oral contract and we have 5 people that are party to it.

We do have an implied contract and it is evidenced in all of the above and documents that Lisa Allen generated with the formation of a company.

We have two third party services, PayPal and a development crew of software engineer(s) in Cebu.

Spin it any way you like, but you aren't going to change statutory or case law.

All three have non-performance, breaches and failures. Further we have a highly detailed letter from Cebu that is a complainant of fraud by you stating you diverted their funds and you misrepresented them to us and us to them at a \$15.00/hr rate instead of a \$5.50/hr rate.

They admitted to the tort of business and economic interference at the hands of your failure to pay them by shutting off the mail and website caused by YOUR actions they claim as your fraud.

A claim is being filed with PayPal for the \$1,650 paid.

We will reserve our rights to pursue the additional business torts, breaches of contract and bad faith.

Although we could just take this matter to Small Claims Court, it is far more effective to get a default judgment on you for the \$100,000 in damages when you can't afford to hire a law firm to defend yourself in Superior Court as your startup retainer for litigation will be nothing less than \$25,000 when they discover Hutchinson & Steffen is the prosecuting firm. They are famous for running up legal bills in the hundreds of thousands of dollars in a paper war of depositions and discovery. I dare you to write that check. We already have our legal team in retainer. I will spend \$1,000,000 to chase \$1650 just out of principle. Have your new lawyers look me up on the United States Supreme Court if you don't believe me. I've been there twice already.

So if you're stupid enough to write a \$5k, \$10k or \$25k check as a retainer just to defend a single court filing instead of returning our \$1,650, well then all you have done is prove you are a fool. We will get our money returned one with or without your sanity or morality of reason as part of the equation. Whatever jobs you had at 411locals will be terminated when they get pulled into the depositions. Play it anyway you wish, you cannot win, all you can do is be a fool and lose everything you've got to your name in pursuing your follies. We are an insulated corporation with the necessary funds to pursue our rights.

The mere fact that you or anyone misrepresented yourself or others to us, is quantifiable an actionable and at this point your caustic responses have made it unequivocally clear that we are going to pursue all remedies afforded to us. My shareholders require restitution and we have the financial war chest to obtain it.

You can refund our \$1,650 or you can have your day in Court, that is if you can even afford to show up and experience the full legal and financial wrath of defrauding the WRONG guy.

Your choice.

You have 20 hours left.

There will be no further communication with you from this point forward, only actions and consequences.

Nothing herein is a full and final settlement offer and nothing waives our rights, all of which are specifically reserved by law.

Sent from the inner sanctum of a feudal state somewhere inside the fortified walls of an ancient city in Europe where dead men tell no tales

On Oct 18, 2015, at 2:00 PM, danny payton <dannypayton@gmail.com> wrote:

David:

All of your files up to date, passwords and logins will be provided to you in working order this week. The site makeyoumoremoney.com will be given to you in working order on the hosting you have been paying for to date.

The monies paid for the work was for labor hours for the individuals working on your project and the work was rendered, altered and rendered again as can be proven by the 2 versions of the website and the crm which are all located on the hosting.

As there is no signed contract and I have been attempting to reach you to no avail, myself and the techs will not be moving forward with any other modifications and you are free to change the passwords and do with the project as you wish.

EXHIBIT 4

EXHIBIT 4

Mark Munger

Subject: Re: Legal Notice of Tolling Legal Liability for Grand Larceny & Unlawful use of computer
Date: Monday, December 15, 2014 at 7:00:39 AM Pacific Standard Time
From: Mike B <evencode@gmail.com>
To: Legal Department <legal@fullcolorgames.com>
CC: Mike Berman <mike@cactusmatrix.com>, David Mahon <david@fullcolorgames.com>, Mark Munger <markmunger@fullcolorgames.com>, rich@fullcolorgames.com <rich@fullcolorgames.com>, fcs dev <nick@fullcolorgames.com>

I have went to see the FBI, Nevada State Attorney General, and Metro.

You can easily audit ALL access in and out of Amazon with a simple court order.

But the additional false charges further my charge you are a habitual offender practicing malicious prosecution, false accusations and frivolous lawsuits against MANY hard workers of the Las Vegas area for over four years.

You bragged about doing this to my replacement. But from the way it looks you also did this to his replacement and possibly the replacement before him.

The question I posed to criminal investors was does ANYONE make it out of Full Color Games with final check and no prosecution? Anyone?

This is the criminal complaint I filed with the FBI, Nevada State Attorney General, and Metro. My next stop is the Nevada Gaming Control board. The FBI shook his and laughed as he read your emails to me and said it sounded like you where trying to flex.

I told him you had actually filed charges and done this to SEVERAL other people in a consecutive line.

The Nevada State Attorney office was shocked. Used the term bully. They got the lead investigator and he said was moving to the top of the list.

Metro told me to keep the computer. They all felt for me. I mean a bunch of rich guys bullying the hard working people of Las Vegas to get out of their final bill while they reap millions off of their work. Using metro as pawns.

I told every law enforcement agency, me and my witnesses are 100% percent willing to take a lie detector test. Are you?

I also told them my word alone means nothing. Talk to everyone he has done this too. Easily could be three eye witness testimony. Then all your fraudulent paper work will worthless.

I will admit I was a little scared of your charges. I mean I had never seen anything like this. I explained in full the Cactus Matrix structure to every agency. EVERY LEGAL CRIMINAL INVESTIGATIVE AGENCY IN NEVADA KNOWS THE 100% STRUCTURE OF CACTUS MATRIX AND THE NATURE OF THE BUSINESS WITH FULL COLOR GAMES, INC. All of them said no crime was committed. While they had not seen your 200 page expose LOL. Bet Metro LOVED reading that.

The investigator at the States Attorney General told me to relax. You committed no crime. You are NOT going to jail. Just calm down file your papers and let the process do the work. That's exactly what I did.

It's ironic, the crazy, false soprano like charges you accused an honest computer company of are some of the serious charges they are looking at you for. I would be terrified if they where after me like that.

Also I told them to focus on the board on advisors as I believe you had many conversations prior to my quitting was very different to your current claims.

Stop contacting me.

I offered to help with everything. You refused and filed criminal charges.

It's nice to know that even without money people will help you if someone is criminally bullying you.

Additional things in the report to All AGENCIES:

You offered me "girls" via an investor who is an ex-casino host. Not sure who this is but I'm sure they can find out. This was done via text. Smart David.

You had me work on a project I am not sure who is the actual owner:

<http://thejackpot.tv>

You asked me to host on Full Color Games, Inc.

This was done in March 2014.

It is clear you have showed a willingness to lie, steal and cheat. Even to Metro. This is pretty scary.

I have to assume that since this was your response to me being nice, your response to this could be worse based on your previous threats.

Finally, if you claim all monies paid are due back I would assume all intellectual property I created is now mine? But I am no lawyer.

On Sun, Dec 14, 2014 at 11:18 PM, Legal Department <legal@fullcolorgames.com> wrote:

Mr. Berman

This is a notice documenting the fact that it has come to Full Color Games, Inc.'s attention that you have engaged in new and additional crimes against the Company by accessing, damaging, destroying, tortiously interfering with and or sabotaging online computer network(s) and servers owned, leased or operated from Amazon Web Services for the benefit of Full Color Games, Inc. that were not previously filed, specifically including but not limited to the Full Color® Stats website reporter system, Opscode System, Chef Management System, Nagios systems, Full Color® 21 and Full Color® Baccarat UI Server systems, rendering each of them inoperable causing the company grave and irreparable damages.

The Company has received over 600 notices in the past 14 days notifying it of the destruction you have caused, all of which will be used against you to illustrate the damages you have caused in order to be used against you to seek the maximum penalties available by law.

A new complaint will be filed with the Las Vegas Metro Police in addition to the previous one on 12/4/14 detailing these new unlawful acts of yours. Each offense is separately punishable under the Nevada Revised Statutes.

UNLAWFUL ACTS REGARDING COMPUTERS AND INFORMATION SERVICES

NRS 205.4765 Unlawful acts regarding computers: Generally.

1. Except as otherwise provided in subsection 6, a person who knowingly, willfully and without authorization:

- (a) Modifies;
- (b) Damages;
- (c) Destroys;
- (d) Discloses;
- (e) Uses;
- (f) Transfers;
- (g) Conceals;
- (h) Takes;
- (i) Retains possession of;
- (j) Copies;
- (k) Obtains or attempts to obtain access to, permits access to or causes to be accessed;

or

(l) Enters,
data, a program or any supporting documents which exist inside or outside a computer, system or network is guilty of a misdemeanor.

This notice further documents that you are still in possession of stolen goods and you are compounding the liability of your grand larceny of Full Color Games, Inc.'s Macbook Pro Laptop computer Serial Number C02MK5JHFD57 and all of its proprietary software on it, damages of which continue to cause the Company grave and irreparable harm.

LARCENY

NRS 205.220 Grand larceny: Definition.

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;

It was been confirmed last week that your case is now active and is being processed by the LVMPD financial crimes division.

The original complaint that has been filed against you includes a plethora of felonies and misdemeanors allegations including mail fraud, wire fraud, banking fraud, billing fraud, tax fraud, embezzlement, extortion, grand larceny and racketeering, whereby you could face a **minimum** of 5 to 25 years in prison if convicted of all charges that have been alleged against you.

You and your accomplice(s) are encouraged to end your unlawful activities against the Company and other parties, voluntarily surrender yourselves and turn in the goods you have stolen from Full Color Games, Inc. to the LVMPD at once if you expect to get any leniency from the Court.

Once your case is ready to be prosecuted and you have failed to voluntarily turn yourself in along with the Company's assets you have stolen, the Company fully expects that you and your accomplice will be instantly arrested without notice, booked and transferred to county jail to face the full consequences of violating our rights as afforded to us through the civil and criminal justice systems. The Company will have no pity on you nor will it agree to any plea bargaining of any sorts at that point. If you have children, you subject them to being taken into child protection services should there be no legal guardian immediately available for them upon your arrest.

It is regretful that you do not take these matters seriously and that you continue to engaged in more unlawful acts, but you can be assured, that they are serious and they are real and the Company is going to pursue relief for each and every one of them until you and your accomplices have been held fully accountable. The Company can attest to the fact that the financial crimes division may move very slowly on behalf of its victims but it does move and it moves quite decisively once your number is up, and your number is coming up.

None of this is an offer of any settlement, nor a waiver of any of the Company's rights, all of which are specifically reserved.

Legal Department
Full Color Games, Inc.

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.

M

EXHIBIT 2

EXHIBIT 2

1 DECLARATION OF MARTIN LINHAM

2 I, MARTIN LINHAM, hereby declare as follows:

3 1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set
4 forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my
5 own personal knowledge, my review of the relevant documents, and my opinion of the matters that
6 are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all
7 matters set forth herein, except for those matters stated to be based upon information and belief.

8 2. I am an individual who was contracted by Full Color Games, Inc., a company
9 incorporated pursuant to the laws and regulations of the State of Nevada, USA, as an independent
10 contractor and was employed both as an independent contractor and the sole employee of Full Color
11 Games Ltd, a company incorporated pursuant to the laws and regulations of the Isle of Man.

12 3. In response to Defendants' motion for summary judgment, I would state as follows:

- 13 a. I was never a corporate officer or director of Full Color Games, Inc.
14 b. I was an appointed director of Full Color Games Ltd.
15 c. I was never a corporate officer or director of Full Color Games, NA, Inc.
16 d. I was never a corporate officer or director of Intellectual Properties Holding,
17 Inc.
18 e. I was never a corporate officer or director of Intellectual Properties Holding
19 Ltd.
20 f. I was never a corporate officer or director of NDA, Inc.
21 g. I was never a corporate officer or director of NDA Ltd.
22 h. I was never a corporate officer or director of Jackpot Holdings LLC.

23 4. Dates, times and amounts have been included to the best of my knowledge. I do not
24 have any retained documentation from which to gain these facts.

25 5. I do understand that all genuine corporate documentation has been retained by
26 Corporate Options Ltd on the Isle of Man in relation to Full Color Games Ltd pursuant to the terms
27 of the Isle of Man Companies Act 2006.
28

1 6. I was first introduced to Full Color Games, Inc. through a colleague with whom I had
2 worked with previously, in approximately April / May 2015. At this point my colleague, Mark
3 Irvine, had been engaged in providing some information, advice and expertise in the online gaming
4 sector to Mr. Mahon and/or Full Color Games, Inc.

5 7. I discussed the advice with Mr. Irvine and reviewed some documentation for him but
6 had no direct dealings with Mr. Mahon or Full Color Games, Inc. at this time.

7 8. My next interactions with Mr. Mahon and / or Full Color Games, Inc. came in
8 October 2015. Mr. Irvine and I travelled to Las Vegas for the Global Gaming Expo (G2E) and had
9 agreed to meet with Mr. Mahon at the offices of Full Color Games, Inc. to discuss the possibility of
10 us both doing some work for Full Color Games, Inc. Mr. Irvine had used his considerable contacts
11 in the gaming industry to line up a number of high profile meetings with gambling operators from
12 the UK and Europe so that they could be introduced to the concept of Full Color Games, Inc. in the
13 effort to assist the business in its efforts to bring its games to the market.

14 9. One of these meetings, which was arranged by Mark Munger, was with an individual
15 casino operator from the Bahamas named Sebastian Bastian. This was the first time I had met with
16 Mr. Bastian and had no interaction with him at this meeting.

17 10. All discussions and correspondence in relation to our visit was dealt with by Mr.
18 Irvine.

19 11. During our visit Mr. Irvine and I engaged in a number of intense discussions with
20 Mr. Mahon and Mr. Howard in relation to how we could assist in building the business and helping
21 them take the business to the lucrative and mature online market in the UK and Europe.

22 12. At the conclusion of our visit, terms had been agreed for us both to commence work
23 as freelance contractors for Full Color Games, Inc. at a rate of \$5,000/month.

24 13. Invoices were prepared monthly in arrears and paid directly by Full Color Games,
25 Inc.

26 14. Whilst I was referred to as the CFO for Full Color Games, Inc. at no time did I ever
27 regard myself as an officer of Full Color Games, Inc. or a member of the executive management for
28

1 that business as I had no control, either directly or indirectly, of any matters pertaining to that
2 business. I had no access to the accounting records for Full Color Games, Inc. and I had no visibility
3 of the banking affairs of Full Color Games, Inc. All affairs, all decisions, all corporate accounting
4 and all directions came from or were controlled by Mr. Mahon and as a result I was used to acting in
5 the capacity of an independent contractor at all times.

6 15. My primary role whilst contracted to work with Full Color Games, Inc. was to utilize
7 my extensive contacts in the financial services and corporate finance sector to help the company
8 raise additional capital to allow the company to expand and further develop its games.

9 16. During various discussions through November and December 2015 with Mr. Mahon,
10 I became aware of various other companies which were always referred to as Mr. Mahon's own
11 companies, namely Intellectual Property Holding, LLC. I was informed that this company was a
12 majority owner of shares in Full Color Games, Inc. and controlled all voting rights of all other
13 shareholders in Full Color Games, Inc.

14 17. I did not become aware of any other companies until 2016.

15 18. As noted, I arranged a number of high level meetings with prospective investors,
16 both private and institutional in an effort to raise interest in investing into Full Color Games, Inc.
17 Mr. Mahon attended all meetings during October, November and December 2015.

18 19. My role comprised of chasing investors' interests and getting meetings into the diary
19 during these three months.

20 20. During meetings with investors, the jurisdiction of the company was discussed at
21 length. With investors being UK and European based, and with the regulation surrounding
22 gambling and gaming, it was suggested by a number of institutional investors that the company
23 consider redomiciling to the UK or Europe to allow investment to be achieved without breach of
24 regulations and laws.

25 21. As a result of these discussions the domicile of the company was discussed between
26 Mr. Mahon and me, and I agreed to introduce to Mr. Mahon to a firm of Corporate Service
27 Providers on the Isle of Man who specialized in company formation and the provision of registered
28

1 agent.

2 22. During those discussions, consideration was given for a new location for Full Color
3 Games, Inc. and the Isle of Man was chosen as a preferable location due to its favorable tax regime
4 and large / mature online gambling sector.

5 23. A meeting was arranged with Corporate Options Ltd on the Isle of Man to discuss the
6 formation of a new company, Full Color Games Ltd, on the Isle of Man. Further discussions were
7 also had between Mr. Mahon and Corporate Options Ltd with regard to the formation of companies
8 for Mr. Mahon.

9 24. During Mr. Mahon's visit to the Isle of Man, a meeting was also held with KPMG
10 LLC to demonstrate the games, discuss some of the tax implications of a move to the Isle of Man
11 and the services KPMG could offer.

12 25. At no time did KPMG LLC ever give any formal written advice in relation to the
13 incorporation of new companies, the tax status of a redomicile of the business, the associated tax
14 implications, the raising of any capital or investments or any personal tax matters.

15 26. Whilst I did have discussions in relation to the obtaining of this advice, no formal
16 advice was ever received. Engagement letters for the provision of ongoing tax advice and
17 accounting and auditing services were signed mid 2016, but no formal advice was ever sought or
18 received, before or after the signed engagement letter.

19 27. Following Mr. Mahon's return to the US, further discussions were had between Mr.
20 Mahon and me and he instructed me to request the Corporate Options Ltd incorporate two
21 companies, Full Color Games Ltd and Intellectual Properties Holding Ltd.

22 28. Full Color Games Ltd was incorporated in January 2016 and the sole shareholder at
23 that time was Corporate Options Ltd held on behalf of Mr. Mahon, the instructing party.

24 29. I was appointed as a Director of Full Color Games Ltd following incorporation.

25 30. Intellectual Properties Holding Ltd was also incorporated in January 2016. I am not
26 aware of the shareholder arrangements for this business as it was incorporated for the personal
27 benefit of Mr. Mahon.
28

1 31. Full Color Games Ltd did not have a bank account or any funds so I maintained my
2 billing relationship as an independent contractor with Full Color Games, Inc.

3 32. During the months of January, February, March and April 2016 my primary focus
4 was the application for a bank account with Nedbank Private Wealth Ltd on the Isle of Man, the
5 drafting of a Private Placement Memorandum (PPM) to support the request for institutional
6 investment and the continued meeting with potential investors into Full Color Games Ltd.

7 33. I was instructed by Mr. Mahon to ensure that certain language was used in the PPM
8 to ensure that it could not be circulated to the shareholders in Full Color Games, Inc. or to any party
9 located in or resident in the United States. I believe that this was done to ensure that no one could
10 have visibility of the actual deal which was concocted by Mr. Mahon in relation to the ownership of
11 Full Color Games Ltd. Mr. Mahon dictated most of the terms in the PPM.

12 34. During the drafting phase of the PPM, I also drafted some core corporate documents
13 for Full Color Games Ltd which would (a) be required for any future application for a license to
14 become an operator online from the UK Gambling Commission, (b) be required to satisfy any
15 prospective investors that the company possessed strong corporate governance, and (c) to satisfy the
16 bank that the company possessed strong corporate governance.

17 35. Once of the documents produced was the charter for the Audit, Risk and Compliance
18 Committee (ARCC). Due to the nature and dealings of the ARCC, the initial appointed members
19 were the Chief Legal Officer, Mr. Richard Newman, who was also a formally appointed director of
20 Full Color Games Ltd, and me. Mr. Mahon was never appointed to this committee.

21 36. The ARCC did not have the necessity to meet formally so there are no documented
22 meetings or minutes of meetings. However, Mr. Newman and I had numerous conversations in
23 relation to the direction of the business and the decisions being taken by Mr. Mahon.

24 37. The ARCC was effectively disbanded following the termination of Mr. Newman by
25 Mr. Mahon due to Mr. Newman not agreeing with decisions that were being taken by Mr. Mahon.

26 38. Mr. Mahon was never appointed to the ARCC and was never party to any discussions
27 of the ARCC.
28

1 39. As noted above, Mr. Mahon made all decisions in relation to Full Color Games, Inc.
2 This practice continued and the other directors of Full Color Games Ltd were given no autonomy
3 and ability to undertake any action which affected the ongoing operation of the company without the
4 express authority of Mr. Mahon.

5 40. In March 2016, discussions were held between Mr. Mahon, Mr. Newman and me in
6 relation to the proposed new licensing of the intellectual property held by Mr. Mahon's own
7 company Intellectual Properties Holding, LLC, a Nevada company, to Intellectual Properties
8 Holding Ltd in the Isle of Man who would then issue a further sub-license to Full Color Games Ltd
9 in the Isle of Man.

10 41. At all times, the primary concern of Mr. Mahon was self-protection and preservation
11 of the right that he possessed at the time to simply withdraw the license for the intellectual property
12 and be able to maintain all control and all rights.

13 42. Various ideas for the transfer were discussed and it was finally agreed that any
14 transfer would require the consent of all existing shareholders in Full Color Games, Inc. as this
15 fundamentally changed the way in which their investments were being structured.

16 43. Various documentation was drawn up and I was informed by Mahon and Howard
17 that they were sending information to the US investors of Full Color Games, Inc. advising them of
18 the plan and seeking their approval.

19 44. The proposed plan was to:

- 20 a. Cancel the existing license for the intellectual property (the games) from
21 Intellectual Properties Holding, LLC (Mr. Mahon's own company) to Full
22 Color Games, Inc.
- 23 b. Issue a new license for the intellectual property (the games) from Intellectual
24 Properties Holding, LLC to Intellectual Properties Holding Ltd (Mr. Mahon's
25 own company) in the Isle of Man.
- 26 c. A sub-license for the intellectual property to be issued by Intellectual
27 Properties Holding Ltd to Full Color Games Ltd in the Isle of Man.
28

1 d. In return for the consent of existing shareholders in Full Color Games, Inc.
2 for the above transaction, Full Color Games, Inc. would be issued with 100%
3 of the outstanding stock in Full Color Games Ltd.
4 45. This transaction was effected on 16 April 2016.
5 46. To the best of my knowledge, at no time was Mr. Munger or any of the other
6 Plaintiffs aware of any of the internal discussions between Mr. Mahon, Mr. Newman or me.
7 47. The only information I am aware of that Mr. Munger or any of the other Plaintiffs
8 were provided, was documentation which was constructed by Mr. Mahon, Mr. Howard, Mr.
9 Newman and Mr. Adam Hodson, accountant for Mr. Mahon and Full Color Games, Inc. Mr. Mahon
10 instructed that no details of the formation were to be distributed to Full Color Games, Inc. Investors.
11 48. Immediately following the transaction on 16 April 2016, Mr. Mahon instructed and
12 issued an amount of stock equal to the amount issued to Full Color Games, Inc. to Intellectual
13 Properties Holding Ltd (Mr. Mahon's own company on the Isle of Man) immediately diluting Full
14 Color Games, Inc. to a 50% shareholder in Full Color Games Ltd.
15 49. Furthermore, the conditions that the shares issued to Full Color Games, Inc. were
16 changed at the order of Mr. Mahon to ensure that all shares issued were ownership shares only and
17 provided the registered holders with no voting rights at all. These became known as the A shares.
18 Mr. Mahon instructed that a new class of share be created which had no ownership rights but full
19 voting rights. These shares were duly created and registered with Corporate Options Ltd. These
20 became known as the B shares.
21 50. At the same time as Mr. Mahon instructing the issue of A shares to Intellectual
22 Properties Holding Ltd, he also instructed the issue of 100,000,000 B shares to Intellectual
23 Properties Holding Ltd. This gave Mr. Mahon 100% control of Full Color Games Ltd through his
24 ownership of Intellectual Properties Holding Ltd.
25 51. The directors of Full Color Games Ltd are, pursuant to the Isle of Man Companies
26 Act 2006, are appointed by and report to the shareholders of the company. As Mr. Mahon
27 controlled all voting rights of the company, he controlled Full Color Games Ltd and made all
28

1 material decisions.

2 52. In May 2016 the account with Nedbank Private Wealth Ltd was opened in the name
3 of Full Color Games Ltd. I believe an account was also opened with Nedbank Private Wealth Ltd
4 for Intellectual Properties Holding Ltd.

5 53. The initial signatories on the account were Mr. Mahon, Mr. Lee Murphy, the
6 registered agent of the company, Mr. Newman, and me.

7 54. No funds were paid into the account at that time.

8 55. During the summer months of 2016 I continued circulating the PPM trying to achieve
9 investment into Full Color Games Ltd. This was my sole task within the business.

10 56. Many meetings were held and discussions had during the period from May 2016 to
11 November 2016. None of those meetings progressed past initial stages. A great deal of negative
12 feedback was received from potential investors stating that the terms offered in the PPM were
13 completely unrealistic.

14 57. In July 2016, \$500,000 (the first half of an investment totaling \$1m) was received
15 into the Full Color Games Ltd account with Nedbank Private Wealth Ltd from DaVinci Holdings
16 Ltd, a company owned Mr. Bastian.

17 58. Discussions regarding the investment by Mr. Bastian had been taking place,
18 facilitated by Mr. Munger, between Mr. Mahon and Mr. Bastian since October 2015 where Mr.
19 Bastian expressed a desire to invest in the business, then Full Color Games, Inc.

20 59. I was never party to discussions or negotiations in relation to the investment made by
21 DaVinci Holdings Ltd which was owned by Mr. Bastian.

22 60. Due to the delay in securing the investment, Mr. Mahon indicated that Full Color
23 Games, Inc. was running very low on working capital in March 2016 and that part of the delay in
24 receiving the funds from Mr. Bastian was the regulatory and banking environment in the Bahamas
25 surround the movement of investment funds outside of the territory.

26 61. Mr. Mahon instructed me that in order to by-pass the regulations regarding the
27 movement of investment funds outside of the Bahamas we should create a false invoice advising
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1 that an amount was required in respect of the purchase of hardware by Mr. Bastian's Bahamian
2 businesses from Full Color Games Ltd. It was clear that Mr. Mahon was becoming desperate for
3 further funds as almost all activity was being scaled back as there was limited operating funds.

4 62. As Mr. Munger was involved with Mr. Bastian's Bahamian businesses, I consulted
5 with him and asked for a list of the type of hardware that those businesses may need. Mr. Munger
6 and I constructed an invoice and sent it over to Mr. Bastian's CFO in the Bahamas.

7 63. I subsequently learnt from Mr. Mahon that this method would not decrease the time
8 taken for regulatory approval so the need for a false invoice was dropped.

9 64. As noted above, the first tranche of the DaVinci Holdings Ltd investment was
10 deposited into the Full Color Games Ltd account with Nedbank Private Wealth Ltd in July 2016.

11 65. As a side-deal conducted between Mr Mahon and Mr. Bastian, a portion of the equity
12 issued to Mr Bastian was given to Mr Mahon in return for a percentage of the revenues from
13 Intellectual Properties Holdings Ltd.

14 66. Mr. Mahon instructed me to have Corporate Options Ltd create a new entity named
15 NDA Ltd., which I was informed by Mahon is a similar name or exact replica of a name of a
16 company Mahon owned in the state of Nevada. Mr. Mahon did not want any external party to be
17 able to trace his ownership of NDA Ltd through the corporate records of Full Color Games, Ltd.

18 67. The shares from the side-deal were placed into this new entity to distance Mr Mahon
19 from any criticism should information later be revealed.

20 68. Apart from my initial request to establish the company, I had no involvement in
21 NDA Ltd. It was a company incorporated for the personal use and benefit of Mr Mahon.

22 69. During July / August 2016, I travelled to Las Vegas to take part in a company
23 meeting.

24 70. In discussions with Mr Mahon and Mr Newman during my visit, it was agreed that a
25 new company, Full Color Games, NA, Inc. be established to deal with ongoing costs incurred in the
26 US on behalf of Full Color Games Ltd. It was agreed that transfers of funds would be made from
27 Full Color Games Ltd to Full Color Games, NA, Inc. to cover ongoing costs and that intercompany
28

1 loans should be created in the accounting records.

2 71. As previously noted, I had no visibility of the overall accounting records for any of
3 the businesses as these were all personally maintained by Mr Mahon.

4 72. I did however have visibility of the amount in the Full Color Games Ltd account with
5 Nedbank Private Wealth Ltd as I was a signatory to that account.

6 73. All transfers out of the Full Color Games Ltd account with Nedbank Private Wealth
7 Ltd exceeding \$10,000 required two signatories to authorize payments. With the exception of
8 salary, taxes and other small payments, no payments were made out of the account without the
9 consent of Mr Mahon.

10 74. Furthermore, during my visit to Las Vegas, I sat with Mr. Mahon, Mr. Munger and
11 Mr. Newman to work through their supply of the required information to support their applications
12 for Personal Management Licenses as a supporting application for an operator's license pursuant to
13 the terms of the Gambling Act 2005 from the UK Gambling Commission.

14 75. Each of the parties applying for a Personal Management License were required to
15 consent to online questions and confirmations in relation to their applications. All of the
16 corresponding data was saved on the online document repository in Google.

17 76. The application for an operator's license from the UK Gambling Commission is very
18 complex and required the applicant to show that it has a vast number of safeguards in place. As a
19 result the information took time to compile and the application was submitted at the end of August
20 2016.

21 77. I was responsible for the collation of all documentation for the operator's license
22 application and for the final submission of that application and all of the supporting Personal
23 Management Licenses for Mr. Mahon, Mr. Newman, Mr Murphy, Mr. Munger and me.

24 78. Following the termination of Mr. Newman as Director of Full Color Games Ltd in
25 August 2016, I was instructed by Mahon to inform the UK Gambling Commission that Mr.
26 Newman was no longer a part of the management of the company and to inform the UKGC that his
27 application for a Personal Management License should be disregarded from the Full Color Games
28

1 Ltd application.

2 79. As the application for an operator's license for Full Color Games Ltd and the
3 supporting Personal Management Licenses was taking some time, I sought clarification from the UK
4 Gambling Commission. This was finally responded to toward the end of 2016 with a request for
5 further information, all of which is, in my opinion, were standard requests from the UK Gambling
6 Commission to ensure that applicants are capable of running a compliant business.

7 80. The initial request for further information was responded to in full by me with all
8 requested information.

9 81. A subsequent response was received from the UK Gambling Commission requesting
10 additional information relating to operation and ongoing investment activities of Full Color Games
11 Ltd. The UK Gambling Commission raised no significant issue regarding shareholders or
12 shareholdings in any Full Color Games entity. Whilst I had requested information from Mr. Mahon,
13 I do not believe that this was ever responded to and I do not believe that further information was
14 ever supplied to the UK Gambling Commission by Full Color Games Ltd.

15 82. Shortly after the receipt of the funds from DaVinci Holdings Ltd in the Full Color
16 Games Ltd bank account with Nedbank Private Wealth Ltd, a request was made by Mr. Mahon to
17 transfer \$150,000 to a company known as Jackpot Productions LLC. This was the first mention of
18 the company that I had been aware of.

19 83. Having sought clarification for the transfer from Mr. Mahon, I was informed by Mr.
20 Mahon that this money was to be used by Jackpot Productions LLC to launch a new product in the
21 Bahamas for Island Luck, one of Mr. Bastian other companies. Mr. Mahons justification for the
22 transfer was as the money had been originally deposited by another of Mr. Bastian companies, Mr.
23 Bastian had already given permission for the monies to be used in such a way. Mr. Mahon then said
24 that we would sort of the terms or the Loan/Investment in due course.

25 84. Two transfers were made of \$100,000 and \$50,000 from Full Color Games Ltd to
26 Jackpot Productions LLC.

27 85. I am not aware of how this money was accounted for or how it was spent as Mr.
28

1 Mahon controlled all aspects of this.

2 86. Due to the transfers to Jackpot Productions LLC and Full Color Games, NA, Inc.,
3 operating capital was extremely low until the receipt of the final tranche of the DaVinci Holdings
4 Ltd investment into the Full Color Games Ltd account with Nedbank Private Wealth Ltd in October
5 2016.

6 87. The majority of the \$1m investment funds deposited by DaVinci Holdings Ltd into
7 the Full Color Games Ltd account with Nedbank Private Wealth Ltd were spent directly by Mr.
8 Mahon. To the best of my knowledge and recollection, the major spends from this account was as
9 follows:

- 10 a. Transfer to Jackpot Productions LLC - \$150,000
- 11 b. Mr Mahon credit card expenses - \$110,000
- 12 c. Contractor/payroll/payroll taxes \$160,000
- 13 d. Transfers to Full Color Games, NA, Inc. - \$500,000

14 88. This clearly demonstrates that Mr. Mahon had direct control of funds amounting to
15 over \$650,000 (a) transferred to Jackpot Productions LLC, (b) transferred to Full Color Games, NA,
16 Inc. and (c) had the ability to incur costs on credit cards on behalf of the company.

17 89. From about the end of October 2016 through to my resignation as a director of Full
18 Color Games Ltd in April 2017 I was restricted in my actions and effectiveness due to personal
19 medical problems for which I had been prescribed exceptionally strong opiates for the relief of pain
20 which ultimately restricted my ability to walk and required extensive surgery.

21 90. Following my surgery in February 2017, I was aware that Full Color Games Ltd had
22 failed in its attempt to secure additional investment and was running low on operating funds.

23 91. As a result Mr. Mahon had entered into discussions with Mr. Bastian to establish
24 whether he would invest further capital into Full Color Games Ltd. I was not party to those
25 discussions.

26 92. Mr. Mahon flew to the Bahamas to try to secure a deal with Mr. Bastian toward the
27 end of March 2017. I am aware that various discussions were had and for the first time in my
28

1 involvement with the business, Mr. Mahon ordered that I undertake an accounting exercise so that
2 he could demonstrate to Mr. Bastian where the initial investment had been spent.

3 93. I was provided with access, for the first time, to QuickBooks, the company
4 accounting system, by Mr. Mahon. I was not a user of QuickBooks and the timeframe imposed by
5 Mr. Mahon was unrealistic. I was however able to provide a reconciliation of the Full Color Games
6 Ltd bank account with Nedbank Private Wealth Ltd although was not able to fully reconcile the
7 expenses relating to Mr. Mahon's credit cards issued by Nedbank Private Wealth Ltd as I had no
8 visibility of the receipts, invoices or transactions undertaken by Mr. Mahon using these credit cards.

9 94. I understand that as part of the discussions, Mr. Mahon issued an email to Mr.
10 Bastian declaring that the license between Intellectual Properties Holding Ltd and Full Color Games
11 Ltd was about to be revoked due to the inability of Full Color Games Ltd to comply with the terms
12 of that license.

13 95. No discussion was had with Mr. Mahon or notice was received from Mr Mahon by
14 the directors of Full Color Games Ltd.

15 96. I was provided with a copy of the notice from Mr. Mahon to Mr Bastian on or about
16 April 5, 2017.

17 97. I then received a request from Mr. Mahon to transfer almost all remaining funds out
18 of the Full Color Games Ltd account with Nedbank Private Wealth Ltd to Full Color Games, NA,
19 Inc.

20 98. As a result of (a) the notice from Mr. Mahon to Mr. Bastian, and (b) the request to
21 transfer almost all remaining funds to the direct control of Mr. Mahon, I consulted with Mr.
22 Murphy, the other remaining director of Full Color Games Ltd.

23 99. I informed Mr. Murphy that in my opinion it was unacceptable that such a notice had
24 been issued by Mr. Mahon without notice to the directors of Full Color Games Ltd and it was also
25 unacceptable for Mr. Mahon to request that almost all remaining funds be transferred from Full
26 Color Games Ltd to Full Color Games, NA, Inc., when Full Color Games Ltd had outstanding
27 invoices and obligations that required payment.
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1 100. I therefore informed Mr. Murphy that it was my intention to ensure that all
2 outstanding invoices and obligations were settled from the account of Full Color Games Ltd at
3 Nedbank Private Wealth Ltd, ensuring that Full Color Games Ltd could not be considered as
4 insolvent. I further informed Mr. Murphy that it was intention to inform Mr. Mahon of my refusal
5 to undertake such a transfer and to resign as a director of Full Color Games Ltd with immediate
6 effect.

7 101. The actions to settle all outstanding invoices and obligations were taken on April 7,
8 2017.

9 102. My notice of resignation was issued to Mr. Mahon on April 7, 2017.

10 103. It is my understanding and belief that Mr Murphy resigned as a director of Full Color
11 Games Ltd later in April 2017 and at the same time Corporate Options Ltd resigned as registered
12 agent, in the terms of the Isle of Man Companies Act 2006, thus rendering Full Color Games Ltd as
13 non-compliant with the Isle of Man Companies Act 2006 and effectively in a frozen state.

14 104. For Mr. Mahon to state that a meeting of the ARCC was held to consider
15 retrospective issues is erroneous. Mr. Mahon was never appointed to the ARCC. The ARCC could
16 not have convened in May 2017 as the company was effectively frozen due to the resignation of all
17 local directors and officers and the registered agent.

18 105. I complete refute the allegations made by Mr. Mahon in relation to the creation of an
19 invoice to DaVinci Holdings Ltd. Mr Mahon instructed the creation of such an invoice to expedite
20 payment of the investment to Full Color Games Ltd.

21 106. As noted above, the official corporate records were held by Corporate Options Ltd on
22 the Isle of Man. These contain an accurate record of the corporate minutes of the business.

23 107. I am aware that Mr. Mahon has created documents retrospectively. I do not believe
24 that some of these records will be in the official corporate records as held by Corporate Options Ltd.

25 108. I am further aware of documents which purport to have my signature attached. I am
26 aware that Mr. Mahon had access to a scanned image of my signature and I believe he has affixed
27 this to documents to support his own claim. I have the original scan of the signature used and
28

1 believe that this can be examined to prove that I did not sign documents used by Mr. Mahon but in
2 fact he has affixed my scanned signature to suit his own case.

3 109. Since my resignation from Full Color Games Ltd I have had no dealings or
4 discussions with Mr. Mahon and /or Full Color Games.

5 110. I have spoken to many of the contacts that I had introduced to Full Color Games
6 and/or Mr. Mahon and informed them of my resignation and they have independently determined to
7 no longer work with either Full Color Games or Mr. Mahon.

8 111. To the best of my knowledge, Mr. Munger, nor any of the other USA based
9 investors, were not aware of any of the corporate affairs of Full Color Games Ltd. as I had been
10 specifically told by Mr. Mahon not to discuss or distribute information to any existing investor or
11 other party based in the United States. As noted above, Mr. Mahon specifically instructed that
12 neither the PPM nor any of its content should be distributed to any existing shareholder, related
13 party, entity or individual in the United States.

14 I declare under penalty of perjury under the laws of the United States of America that the
15 foregoing is true and correct to the best of knowledge, information and belief.

16 DATED this 24th day of November, 2017.

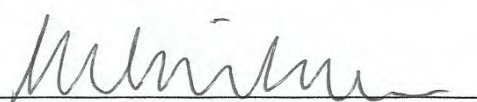
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18 MARTIN LINHAM
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EXHIBIT 3

EXHIBIT 3

DECLARATION OF BRIAN MARCUS

I, Brian Marcus, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I am an investor and shareholder in Full Color Games, Inc.

3. On March 17, 2015, a friend of mind, Crosby Hyde, told me he was thinking of making an investment in Full Color Games, Inc. (hereinafter, "FCG Inc."), and that if I was interested, he would put me in touch with Glen Howard who would tell me more about the investment.

4. Crosby Hyde introduced me to Glen Howard via email on March 20, 2015, and on March 21, 2015, Glen Howard came to my home to explain what FCG Inc. was about and to see if I was interested in investing in FCG Inc.

5. During that visit on March 21, Glen Howard explained that David Mahon had created a new proprietary card deck which could be used in various casino games, and that David Mahon was in the process of developing different casino games using this new card deck. Glen Howard explained that the casino games had been introduced to wide acclaim, and that David Mahon was working to develop games such as "21 or Nothing" (analogous to 21) for broad release in brick and mortar casinos and online casinos. Glen Howard explained some forecasted anticipated revenues from the launch (on the order of 100x the investment) and that he and David Mahon were looking for investors to fund the endeavor. See attached email of Sunday, March 21, 2015.

6. Glen Howard was the primary person presenting the investment to me. He communicated what is disclosed in the attached email. On November 30, 2015, I met David Mahon, who came to the Olympic Club in San Francisco to meet with some investors and explain the progress of the company.

7. Neither Glen Howard nor David Mahon mentioned anything about the license

IN THE SUPREME COURT OF THE STATE OF NEVADA

BRIAN MARCUS, an individual,
Appellant,

Case No. 79512

vs.

FULL COLOR GAMES, INC., A
NEVADA CORPORATION,
Respondent.

APPEAL

from a decision in favor of Respondent
entered by the Eighth Judicial District Court, Clark County, Nevada
The Honorable Mark R. Denton, District Court Judge
District Court Case No. A-17-759862-B

APPELLANT'S APPENDIX VOLUME II

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DATE	DESCRIPTION	VOLUME	PAGES
05/01/2019	Affidavit of Service	V	AA0789 – AA0790
08/30/2017	Amended Verified Shareholder Derivative Complaint and Amended Complaint	I	AA0035 – AA0068
02/04/2019	Defendant Full Color Games, Inc.’s Amended Answer, Counterclaims, and Third-Party Complaint	IV	AA0569 – AA0783
02/01/2019	Defendant Full Color Games, Inc.’s Answer, Counterclaims, and Third- Party Complaint	III	AA0359 – AA0568
06/14/2019	Full Color Games, Inc.’s Opposition to Third-Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0926 – AA0936
08/26/2019	Notice of Appeal	VI	AA0965 – AA1062
07/29/2019	Notice of Entry of Order on Third Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0958 – AA0964
07/29/2019	Order on Third-Party Defendant Brian Marcus’ Special Motion to Dismiss	V	AA0954 – AA0957

	Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
11/27/2017	Plaintiffs' Opposition to Defendants' Motion for Summary Judgment on all Derivative Claims Set Forth in the Amended Verified Shareholder Derivative Complaint and Counter-Motion for Leave to File an Amended Complaint	I/II/III	AA0069 – AA0323
12/06/2019	Recorder's Transcript of Hearing Re: Third-Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	VI	AA1063 – AA1074
01/12/2018	Second Amended Verified Shareholder Derivative Complaint and Second Amended Complaint	III	AA0324 – AA0358
02/11/2019	Summons	V	AA0784 – AA0788
06/21/2019	Third Party Defendant Brian Marcus' Reply in Support of Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0937 – AA0953
05/15/2019	Third Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party	V	AA0791 – AA0925

	Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
08/11/2017	Verified Shareholder Derivative Complaint and Complaint	I	AA0001 – AA0034

CERTIFICATE OF SERVICE

I certify that on the 14th day of February 2020, this document was electronically filed with the Nevada Supreme Court. Electronic service of the foregoing: APPELLANT’S OPENING BRIEF and VOLUMES I-V of the JOINT APPENDIX shall be made in accordance with the Master Service List as follows:

Mark A. Hutchison
Todd W. Prall
HUTCHISON & STEFFEN, PLLC
10080 West Alta Drive, Suite 200
Las Vegas, Nevada 89200
Attorneys for Respondent Full Color Games, Inc.

DATED this 14th day of February 2020.

/s/ Brandon Lopipero

An Employee of MAIER GUTIERREZ & ASSOCITES

1 agreement at the time I made my initial or subsequent investments in FCG Inc. David Mahon did not
2 mention anything about a license agreement during our November 30, 2015 meeting at the Olympic
3 Club in San Francisco. The first I learned of the existence of the license agreement, defining the
4 ownership of the assets I invested to develop and market, was on June 29, 2017. On that date, I
5 received an email from Glen Howard (copy attached) explaining that FGC Inc. had "no monetizable
6 assets." I didn't understand this. While I of course knew there was a possibility that FGC Inc. would
7 not be successful, at the very least, if the company became insolvent, it would have the assets
8 (including source code and intellectual property) that David Mahon had been developing over the past
9 two years at least in part with the funds that I and the other investors had provided.

10 8. I then read a follow-up email from Glen Howard (copy attached) on June 29, 2017, in
11 which Glen Howard explained that there was in fact a license agreement under which all rights to the
12 Full Color Games intellectual was owned by a company called Intellectual Properties Holdings LTD,
13 and that the company I invested in, FCG Inc., merely had a revocable license to that intellectual
14 property. This was the first time I learned of the license agreement.

15 9. At the time I made my initial and subsequent investments in FCG Inc., I had no
16 knowledge that the company I was investing in merely had a revocable license, and did not own, the
17 intellectual property or assets I was investing to develop and market. While I have not made too many
18 investments, I am a registered and practicing patent attorney with over 30 years of experience in
19 intellectual property and licensing agreements. Had I known the company I was being asked to invest
20 in merely had a revocable license, and did not own, the intellectual property or assets that were being
21 developed and marketed, I would not have invested in such a company.

22 10. I still have not reviewed the actual license agreement between Intellectual Properties
23 Holdings Ltd and FCG Inc.

24 11. In my meeting with Glen Howard on March 21, 2015, and in my meeting with David
25 Mahon on November 30, 2015, both gentlemen indicated that the Full Color Games card deck and
26 casino games were proprietary and covered by one or more patents and applications. I do not recall
27 the specific statements that were made. However, I do know that no statements were made alluding
28

1 or referring to the fact that the company I was investing in did not own the intellectual property that
2 Glen Howard and David Mahon discussed.

3 12. When I was contemplating making my initial investment in FCG Inc., I requested
4 information about FCG Inc., including the planned rollout of the casino games, David Mahon's
5 background, and the current and forecasted financials of the company. This information was given to
6 me by Glen Howard, for example as shown in the attached email of March 21, 2015.

7 13. In discussions with Glen Howard in the latter half of 2015, he had mentioned that the
8 assets of FCG Inc. were being moved to the Isle of Man, but I do not recall the reason he gave for this
9 move nor what FCG Inc. was receiving in return for moving the assets.

10 I declare under penalty of perjury under the laws of the United States of America that the
11 foregoing is true and correct to the best of knowledge, information and belief.

12 DATED this 23 day of November, 2017.

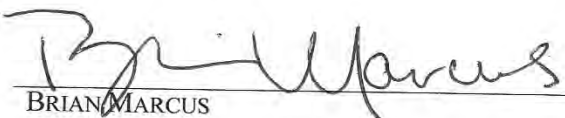
13 
14 BRIAN MARCUS

EXHIBIT 4

EXHIBIT 4

1 DECLARATION OF MARA BRAZER ON BEHALF OF THE MARA H. BRAZER TRUST

2 I, MARA BRAZER, hereby declare as follows:

3 1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set
4 forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my
5 own personal knowledge, my review of the relevant documents, and my opinion of the matters that
6 are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all
7 matters set forth herein, except for those matters stated to be based upon information and belief.

8 2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for
9 summary judgment.

10 3. I am a current shareholder in Full Color Games, Inc. ("FCGI") through the Mara H.
11 Brazer Trust.

12 4. I have a \$35,000 investment in Full Color Games, made via my trust in June 2015.

13 5. I was first approached about this opportunity by Kelly Kane, my financial advisor
14 from Broadwing Capital, who has known Glen Howard for many years.

15 6. Kelly also invested personally in Full Color Games. I had extensive phone
16 conversations with Glen Howard about the investment and was sent investor decks via email. I was
17 also supposed to have a conference call with David Mahon to talk about the company's go-to-
18 market strategy, but he was a "no show" at the meeting.

19 7. The descriptions, both written and verbal, conveyed confidence that a revenue stream
20 was forecast and the elements were in place for such revenue to happen within a few months and to
21 quickly allow the company to become not only break-even, but to have a positive cash flow with a
22 return to shareholders. Subsequent conversations and written communications made excuses for the
23 delays in following through on this forecast and the scenarios described to me.

24 8. I never received any financial reports, although they were promised.

25 9. I don't recall ever being told any of the details about a license agreement, and was
26 not given regular, professional investor reports by Glen or anyone else associated with Full Color
27 Games.
28

1 10. I did, at my request, have phone calls with Glen to get an update where I was
2 informed about delays and non-credible excuses were made. I asked about investor updates
3 (including financials) and was told they were forthcoming, but they did not materialize.

4 11. It was only when Glen was trying to raise more money from investors in 2017 that I
5 learned about licensing, the Isle of Man set-up, and major issues with getting the games to market.

6 12. Even then, it was hard to get direct answers to questions about why, with the extent
7 of investments made to the company and promise of imminent introduction to the market in 2015,
8 still no games had been launched to the marketplace – and much more money was needed to do so.

9 13. Information about patents and copyrights was vague and questions were dodged –
10 lost in a garbled explanation involving broken relationships with developers, distributors, staff, etc.

11 14. My understanding was always that all licenses and the IP were owned by the original
12 investors in Full Color Games – I was continually led to believe this – and was never told otherwise
13 until other investors recently found out the truth.

14 I declare under penalty of perjury under the laws of the United States of America that the
15 foregoing is true and correct to the best of knowledge, information and belief.

16 DATED this 29 day of November, 2017.

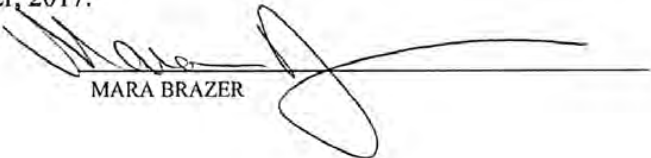
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18 MARA BRAZER
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EXHIBIT 5

EXHIBIT 5

DECLARATION OF G. BRADFORD SOLSO

I, G. BRADFORD SOLSO, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. I am an investor in Full Color Games, Inc. ("FCGI") through an individual retirement account ("IRA") and an investment partnership for which I am the majority owner (75%) and managing partner. The IRA investment was made on April 14, 2015, in a convertible promissory note for the principal amount of \$25,000 and was titled "Millennium Trust Co., LLC custodian FBO Gary Solso, IRA. The partnership investment was made on December 17, 2015 in a convertible promissory note and was titled "958 Partners".

4. My first contact with FCGI was through Crosby Hyde ("Hyde") around March 19, 2015. Hyde and I were members of the board of directors of a foundation in San Francisco and he has a long-term friendship with Glen Howard ("Howard"). I had an historical business relationship with Howard through his former employers (Comdisco and Comdisco Ventures) and my former employers (Visa International and iPass Inc.). Further, I had met with Howard (sometime before 2011 but more likely around 2003/4) when he was a member of the founding team of Hercules Capital and knew Howard to be an experienced investor in venture capital-backed companies. Hyde described Howard's new venture as president of FCGI and indicated that Howard was looking for investors.

5. Since my initial investment, Howard has been my primary contact with the FCGI and I have relied on him to provide information related to the investment. As Howard knows, it is customary in start-up companies for all intellectual property created by the founders to be contributed to the company.

1 6. All communications as shown below, at a minimum, implied that all intellectual
2 property was owned by FCGI and I would not have invested in the company with the license structure
3 as finally disclosed.

4 7. On March 19, 2015, Hyde sent an email (**true and correct copy attached as Exhibit**
5 **1**) to me and copying Howard to reconnect Howard and me with the goal of setting up a meeting to
6 review the investment opportunity.

7 8. On March 21, 2015, Howard, Hyde and I met at the Crossroads Café in San Francisco
8 to discuss the investment opportunity. During this meeting, Howard stressed the unique character of
9 the FCGI's intellectual property, the size of the market opportunity in both social and real money
10 gambling, and significant return to shareholders with relatively modest penetration of the market.
11 When asked about a financial model, Howard indicated that there was a financial forecast.

12 9. On March 23, 2015, Howard sent a follow up email soliciting my investment in FCGI.
13 In the email (**true and correct copy attached as Exhibit 2**), Howard noted in the body of the email
14 that "*We have the Intellectual property already developed and protected and now we simply need*
15 *more funding to begin execution on commercialization of these products.*"

16 10. Additionally, Howard provided the following documents to his email (**true and**
17 **correct copies attached as Exhibit 2-A through 2-F**). I relied on these documents and
18 representations in reaching a decision to invest in FCGI:

19 a. Full Color Games Pitch Deck (**Exhibit 2-A**)

20 i. *A 14-slide PowerPoint detailed presentation. There is no reference to*
21 *IP License or any other entity that has any rights or ownership in the*
22 *intellectual property.*

23 ii. Slide 1 references "Proprietary IP for Virtual & Real Money Casino
24 Gaming"

25 iii. Slide 2 references "Disruptive & Proprietary IP"

26 iv. Slide 3 references "Our Patents, Copyrights & Trademarks"

27 v. Slide 4 references "Allows us to make unique & proprietary card &
28

- 1 casino games”
- 2 vi. Slide 6 shows the Full Color Gaming Eco-System and lists “Full Color
- 3 Baccarat, 21 or Nothing, Multi-player Bingo and Full Color Solitaire
- 4 vii. Slide 8 lists proprietary IP and implies that the IP invented by the CEO
- 5 David Mahon was an asset of FCGI
- 6 b. Full Color Games Quick Summary (**Exhibit 2-B**)
- 7 i. One-page summary of the Full Color Games
- 8 ii. **Certified Games**-Summary indicates that “**we** (*emphasis added*) have
- 9 gone to the extraordinary measure of having **our** (*emphasis added*)
- 10 games certified by GLI & BMM....”
- 11 iii. **Net Results**-indicates that “the Company is the final stages of social
- 12 game development for 21 or Nothing and Full Color Poker.....”
- 13 c. Full Color Games Five Year Pro Forma rev1 (**Exhibit 2-C**)
- 14 i. Model shows monthly revenues and expenses. The model makes no
- 15 provision for royalties for intellectual property but does make provision
- 16 for software development expenses and intellectual property (i.e.
- 17 patent, trademark & copyright) filing fees
- 18 d. Investor Information FCG (**Exhibit 2-D**)
- 19 i. Blank form
- 20 e. Convertible Note Term Sheet FCG (**Exhibit 2-E**)
- 21 f. Document indicates a security interest in “Company's license of intellectual
- 22 property assets from Intellectual Property Holdings, LLC”. There is no further
- 23 mention of the details of the license or a description of the intellectual property
- 24 of the license. No copy of the license was provided and in a 2017 conversation
- 25 regarding a license to Full Color Games Group, Mahon referred to the license
- 26 as a “trade secret”.
- 27 g. FCG Glen (**Exhibit 2-F**)
- 28

1 i. Picture of Howard as dealer behind a Full Color Games 21 or Nothing
2 casino table.

3 11. On April 14, 2015, initial investment of \$25,000 was wired to FCGI's bank account at
4 Wells Fargo Bank.

5 12. On or about June 22, 2015, I spoke with Hyde regarding the progress of FCGI and he
6 advised me that there was an opportunity to increase my position in FCGI.

7 13. Hyde provided an updated PowerPoint presentation via email (**true and correct copy**
8 **attached as Exhibit 3**) titled "Full Color Games Inc., Business and Financial Overview" ("June 2015
9 Presentation").

10 14. David Mahon, CEO & Inventor, Glen Howard, President and Crosby Hyde, Vice
11 President of Business Development were listed as the authors of the presentation. The file name for
12 the June Presentation was "Final June 17 Full Color Games PPT-for Investors" (**true and correct**
13 **copy attached as Exhibit 3-A**).

14 15. The June 2015 Presentation included a slide title "Why Invest in Full Color Games,
15 Inc." with, among other things the following representations:

16 a. **Full Color Games, Inc.** (emphasis added) has an extensive IP Portfolio that
17 will disrupt the Casino Gaming Industry;

18 b. Full Color Games, Inc. has the "Trifecta" of IP Protection - Patents,
19 Trademarks and Copyrights.

20 16. On November 10, 2015, I sent an email to Howard requesting an update on FCGI.
21 Howard responded on November 10, 2015 indicating that he was "working on a detailed investor
22 update" and "At the highest level, things are going great".

23 17. The detailed investor update was never provided.

24 18. When asked about the update in subsequent telephone calls, Howard, on multiple
25 occasion indicted that Mahon would not allow the release of the update to investors.

26 19. On December 2, 2015, Solso, David Eckles ("Eckles"), and Wendy Bolton ("Bolton")
27 met with Mahon, Howard, and Hyde at the Olympic Club in San Francisco. The purpose of the
28

1 meeting was described as an investor update from the CEO with the objective of convincing Solso,
2 Eckles and Bolton to increase their respective investments in Full Color Games, Inc.

3 20. The meeting was dominated by Mahon with a verbose, hyperbolic yet paranoid
4 description about him and his activities. The presentation had little to no substantive information
5 about the progress of the FCGI. **Mahon made no reference to a license agreement during this**
6 **meeting and stressed the “trifecta of IP protection” for the FCGI products.**

7 21. On December 3, 2015, I sent an email (**true and correct copy attached as Exhibit 4**)
8 to Hyde and Howard expressing significant dissatisfaction with the form of the presentation and the
9 content. In retrospect, this meeting was the first indication that Mahon was not an effective executive
10 or focused on getting the product to market. Further, it established a pattern in which Mahon was not
11 forthright and transparent with his investors.

12 22. On December 11, 2015, following an update call with Howard, I committed to an
13 additional \$25,000 investment through 958 Partners, an investment partnership in which I am a 75%
14 owner. At the time, the expectation was the product would be launched in April 2016. At no time,
15 during these discussions, did Howard disclose that FCGI only had a license for the core FCGI
16 intellectual property and I had no knowledge that the core IP was licensed from Mahon.

17 23. On January 18, 2016, Hyde forward an email from Howard titled “Series A Bullets-
18 for Brad” (**true and correct copy attached as Exhibit 5**). The email described a potential Series A
19 investment of \$10-15 million with a valuation of \$65-95 million and indicated that funds would be
20 used for a full product rollout in 2H 2016. The email introduced the concept of an international
21 corporate structure.

22 24. On January 18, 2016, I sent an email to Howard (**true and correct copy attached as**
23 **Exhibit 6**) indicating that I thought the change in funding strategy was material and requested a
24 briefing on the matter. Howard and I had several calls to discuss FCGI. I continued to stress the need
25 to get the product to market so that FCGI could get real customer feedback.

26 25. On February 2, 2016, FCGI announced, in a press release (**true and correct copy**
27 **attached as Exhibit 7**) that it would be debuting the “real money casino games at ICE 2016” and that
28

1 the "Full Color® Games are available on its own bespoke Live Dealer software and through a UK
2 Gaming commission licensed RGS system ready for direct integrations to operators with gaming math
3 certifications by BMM & GLI." Despite this announcement, the product was apparently never
4 launched.

5 26. On April 4, 2016, Howard notified (**true and correct copy attached as Exhibit 8**) the
6 investors that an investor update would be held via a video conference on April 11, 2016. The
7 conference was scheduled for 90 minutes and the email indicated that it would be recorded for future
8 viewing if shareholders could not attend.

9 27. On April 11, 2016, Mahon conducted the investor update. The "update" consisted of
10 approximately 250 photos of Mahon in his travels, ostensibly representing the company, to bring the
11 products to market. Despite requests from me and others, the update included no financial
12 information, no specific milestones achieved by FCGI, no significant information regarding the
13 expected product launch date and no reference to any license or restrictions related to the intellectual
14 property. As in most calls and materials, my recollection was that Mahon spoke of the "trifecta of IP
15 protection" whenever speaking about the intellectual property of the company.

16 28. On June 21, 2016, I emailed Howard (**true and correct copy attached as Exhibit 9**)
17 and requested an update on the final terms of the investment by Sebastian Bastian, visibility to the
18 draft private placement memorandum ("PPM") and a status of the UK financing. No information was
19 provided in relation to this request and Howard informed me in a telephone conversation that the U.S.
20 investors were precluded by Isle of Man law from seeing the PPM.

21 29. On October 11, 2016, Mahon sent to investors a document described as "OFFICIAL
22 UPDATE Full Color Games Newsletter Q4 2016 (the "2016 Newsletter") (**true and correct copy**
23 **attached as Exhibit 10**). In this newsletter, Mahon notes that "*The Company has no debt and owns*
24 *100% of all its assets free and clear. The Company has approximately \$700,000 in liquidity after all*
25 *expenses, casino gaming licensing applications, overhead expenses and debts have been paid. The*
26 *Company expects to spend approximately \$250,000 of those remaining funds in the next 4 months*
27 *leading up to ICE 2017 to complete the commercially releasable version of the real money and social*
28

1 versions of 21 or Nothing, Full Color Baccarat & Full Color Poker”. No other financial information
2 was provided despite repeated requests to Howard for an accounting of the funds expended to date.

3 30. Additionally, Mahon noted in the 2016 Newsletter that “*On August 30, 2016, I formally*
4 *took over filings, prosecution and issuance of my inventions of Full Color Games and Full Color*
5 *Gaming System along with all of its IP and filed a formal, complete and expedited U.S. Copyright for*
6 *the Company’s most coveted asset, and that is the copyrights for the Full Color Cards*”. Mahon goes
7 on to say that “Although Full Color Games seeks the trifecta of intellectual property protection of
8 patents, copyrights and trademarks, there is none that is more powerful for the Company’s revenue
9 streams than the copyrights.” No disclosure was made that the copyright was in David Mahon’s name,
10 as an individual or that the Company’s rights existed only through a cancellable license.

11 31. On April 10, 2017, I contacted Howard to arrange a meeting to follow up on
12 information that I have received from Hyde indicating that the Company was several months away
13 from a commercial launch and was out of money. I was particularly concerned since 6 months earlier
14 Mahon had indicated the Company had \$700,000 in liquidity and only required \$250,000 to get the
15 products to market.

16 32. On April 17, 2017, I and other investors received an invitation (**true and correct copy**
17 **attached as Exhibit 11**) to a conference call on April 19, 2017 with the stated purpose as “*Address*
18 *an impending breach of the terms and conditions of our Commercial License Agreement (“CLA”) for*
19 *the exclusive rights to Full Color® Games without immediate and additional funding.*” To best of
20 my knowledge, this email was the first reference to any license agreement involving the “rights to
21 Full Color Games”.

22 33. On April 17, 2017, I sent Howard an email (**true and correct copy attached as**
23 **Exhibit 12**) requesting specific customary due diligence items to consider an additional investment.
24 At the start of the conference call on April 19, 2017, I had not received any of request materials from
25 FCGI or its successor or its executive officers. I inquired of Mahon as to the status of the requested
26 materials. Mahon replied that the materials were available and would be sent after the call. I requested
27 Mahon to hold the call and send the materials while we waited. At this time, Mahon sent some
28

1 documents but the list was incomplete.

2 34. On April 19, 2017, following review of the materials provided by Mahon, I sent an
3 additional email (**true and correct copy attached as Exhibit 13**) providing a status of the fulfillment
4 of the April 17 request and additional questions based on the review of the information. At this time,
5 Mahon became quite aggressive and refused to provide any additional information.

6 35. Following the email exchanges on April 19, 2017, I discussed several options for
7 addressing funding requirements of FCGI and getting the product to market with Howard and several
8 investors. The investors expressed the view that any plan to continue the company would require
9 removal of Mahon as the CEO. I drafted a document titled "Principles" (**true and correct copy**
10 **attached as Exhibit 14**) that was intended as a framework for recapitalizing the company and aligning
11 the interests of investors, continuing management and Mahon.

12 36. Between April 26, 2017 and June 29, 2017, I continued discussion with Howard
13 regarding a way forward that would allow the Full Color Games technology to be introduced to the
14 market and provide investors, management and Mahon to benefit from the successful marketing of
15 the products. These efforts were not successful and on June 29, 2017, I received an email (**true and**
16 **correct copy attached as Exhibit 15**) from Howard with an offer to participate in a new company,
17 Full Color Games Group, Inc. The FCGG Investor Overview Release (**true and correct copy**
18 **attached as Exhibit 15-A**) claims ownership of all rights to "Full Color Games intellectual property,
19 including all of its improvements to date".

20 I declare under penalty of perjury under the laws of the United States of America that the
21 foregoing is true and correct to the best of knowledge, information and belief.

22 DATED this ____ day of November, 2017.

23 
24 G. BRADFORD SOLSO
25
26
27
28

Declaration of G. Bradford Solso
Index to Exhibits

Exhibit 1	Email from Hyde to Solso dated March 19, 2015
Exhibit 2	Email from Howard to Solso dated March 23, 2015 with Attachments
<u>Attachments to Exhibit 2</u>	
Exhibit 2-A	Full Color Games Pitch Deck
Exhibit 2-B	Full Color Games Quick Summary
Exhibit 2-C (provided in soft copy)	Full Color Games Five-Year Pro Forma rev1
Exhibit 2-D	Investor Information
Exhibit 2-E	Convertible Note Term Sheet
Exhibit 2-F	FCG Glen
Exhibit 3	Email from Hyde to Solso dated June 22, 2015 with Attachment
<u>Attachment to Exhibit 3</u>	
Exhibit 3-A	Final June 17 Full Color Games PPT-for Investors
Exhibit 4	Email from Solso to Howard & Hyde dated December 3, 2015
Exhibit 5	Email from Hyde to Solso dated January 18, 2016
Exhibit 6	Email from Solso to Howard dated January 18, 2016
Exhibit 7	Email Press Released dated February 2, 2016
Exhibit 8	Email from Howard to Investors dated April 4, 2016
Exhibit 9	Email from Solso to Howard dated June 21, 2016
Exhibit 10	OFFICIAL UPDATE Full Color Games Newsletter Q4 2016
Exhibit 11	Email from Howard to Investors dated April 17, 2017
Exhibit 12	Email from Solso to Howard dated April 17, 2017
Exhibit 13	Email from Solso to Mahon dated April 19, 2017
Exhibit 14	Full Color Games Recapitalization Principles” Document dated April 26, 2017
Exhibit 15	Email from Howard to “Our Trusted Advisor & Friends” with Attachment
<u>Attachment to Exhibit 15</u>	
Exhibit 15-A	FCGG Investor Overview Release date June 29, 2017

Declaration of G. Bradford Solso
Exhibit 1-Email From Hyde to Solso dated March 19, 2015

On Mar 20, 2015, at 10:28 AM, Crosby Hyde <Crosbyhyde@comcast.net> wrote:

Brad, feel free to throw out some times tomorrow which work for you for a call and see how they line up for Glen, CH

From: Crosby Hyde [<mailto:Crosbyhyde@comcast.net>]

Sent: Thursday, March 19, 2015 3:23 PM

To: 'Brad Solso'

Cc: 'Glen Howard'

Subject: Glen and Brad connecting --Full Color Games call-Saturday??

Thanks Brad,

Well here is your old pal (Howie not that your really that old!) Glen Howard now President of Full Color Games whom we hope to have a call this Saturday morning perhaps if that works. I'll let you 2 gentleman agree on a time and I'll hope to join. CH

Declaration of G. Bradford Solso

Exhibit 2-Email from Howard to Solso dated March 23, 2015 with Attachments

From: Glen Howard
To: G. Bradford Solso
Cc: Hyde Crosby; Howard Glen
Subject: Full Color Games Investment Info
Date: Monday, March 23, 2015 12:18:48 AM
Attachments: PastedGraphic-1.tiff; Untitled attachment 00370.htm; Full_Color_Games_Pitch_Deck.pdf
Untitled attachment 00373.htm; Full_Color_Games_Quick_Summary.png
Untitled attachment 00376.htm; Full_Color_Games_5_Year_Proforma_rev1.xlsx;
Untitled attachment 00379.htm; Investor Information FCG.docx
Untitled attachment 00382.htm; Convertible Note Term Sheet FCG April 10 2014 v3.doc;
Untitled attachment 00385.htm; FCG Glen.jpeg; Untitled attachment 00388.htm

Brad,

It was a pleasure to meet with you and Crosby at the Crossroads Cafe on Saturday. It was great to reconnect after all these years and share my exciting new venture at Full Color Games. I am excited that you got to see a sampling of our new games and talk about our plans to launch in Social Casino first and then Real Money Gaming before focusing on the Casino floor and the home gaming market.

What is most exciting about the Casino Gaming market is the tremendous leverage that we have to build a HUGE revenue stream with a modest size team AND without ever having to own a casino. Furthermore, we are not in the business of making *trendy* games like King Digital's - *Candy Crush Saga* or SuperCell's - *Clash of Clans*. Our games are widely popular and they have already been played in an alternate format for decades (if not centuries). We are simply taking the 10 most popular (non-proprietary) games in the Casino industry and mapping them onto our new proprietary deck of cards to make them more fun to play. We have the Intellectual property already developed and protected and now we simply need more funding to begin execution on commercialization of these products.

I would love to have you invest in the seed round which we have already raised \$800k to date on. We plan to close the final \$200k in the next 2 to 3 weeks and hope you can join us with a \$25k to \$100k investment. I have attached the Term Sheet for the Seed Note. To help you calibrate, a \$110k investment in the seed round currently buys 1% of the company. I have attached an Investment Deck, a Quick Summary and a few pictures to give more background. In addition, I have attached a CONFIDENTIAL 5 year Pro-forma to give you an idea of the multiple revenue streams and assumptions we used in building our financial model. Please note that this pro-forma is based on a \$10 million Series A and assumed March funding. It is more realistic that the round will close in 90 to 120 days and we are also considering only raising \$5k since the reality is that we can get to profitability with just \$1 million. Of course, more funding would allow us to accelerate growth and ramp up hiring more quickly.

In order to move forward with an investment, please complete the Investor Information page below and email it back to me at your earliest convenience. If you want to use IRA funds, please be sure to provide the list of documents that your IRA Custodian will need.

Please let me know if you have any questions or need any additional information. Thank you for your consideration. I look forward to a positive response.

Best Regards,

Glen

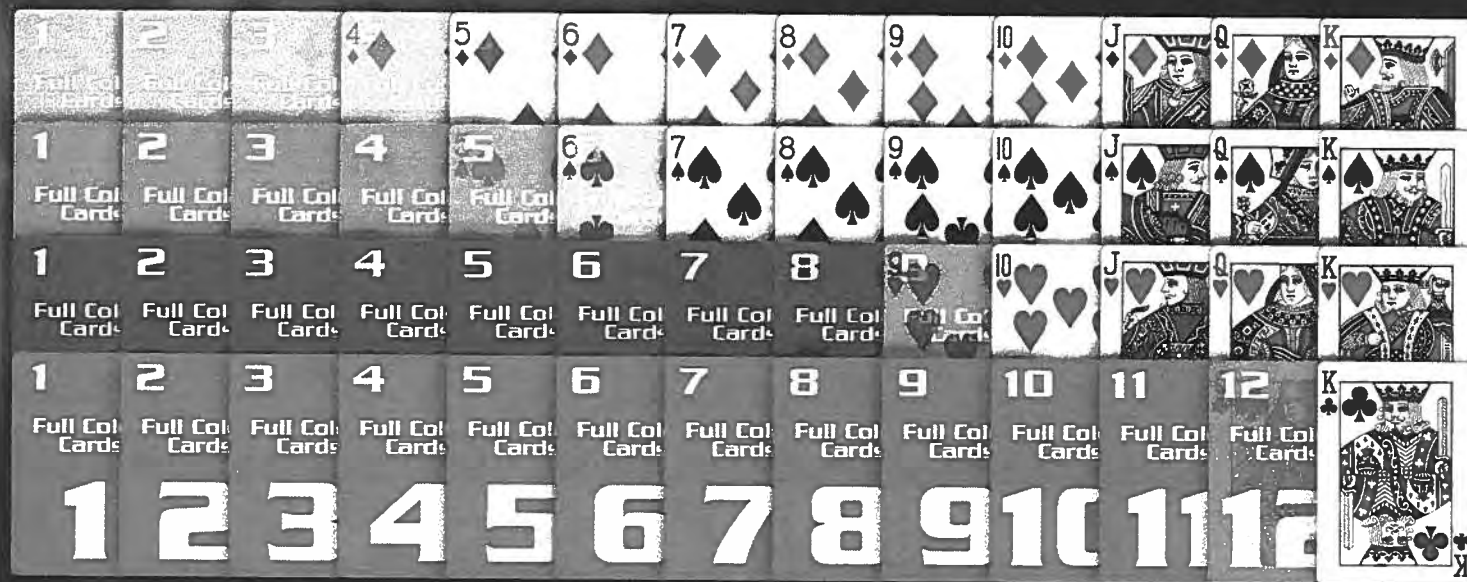
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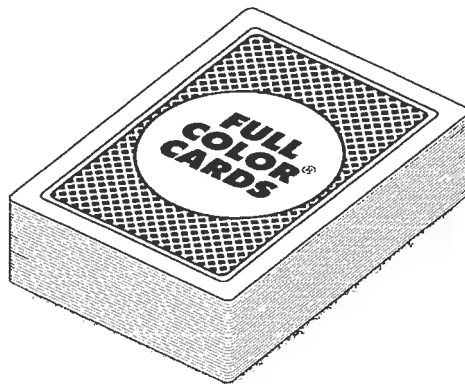
Proprietary IP for Virtual & Real Money Casino Gaming

INTRODUCING FULL COLOR® CARDS & THE FULL COLOR® GAMING SYSTEM

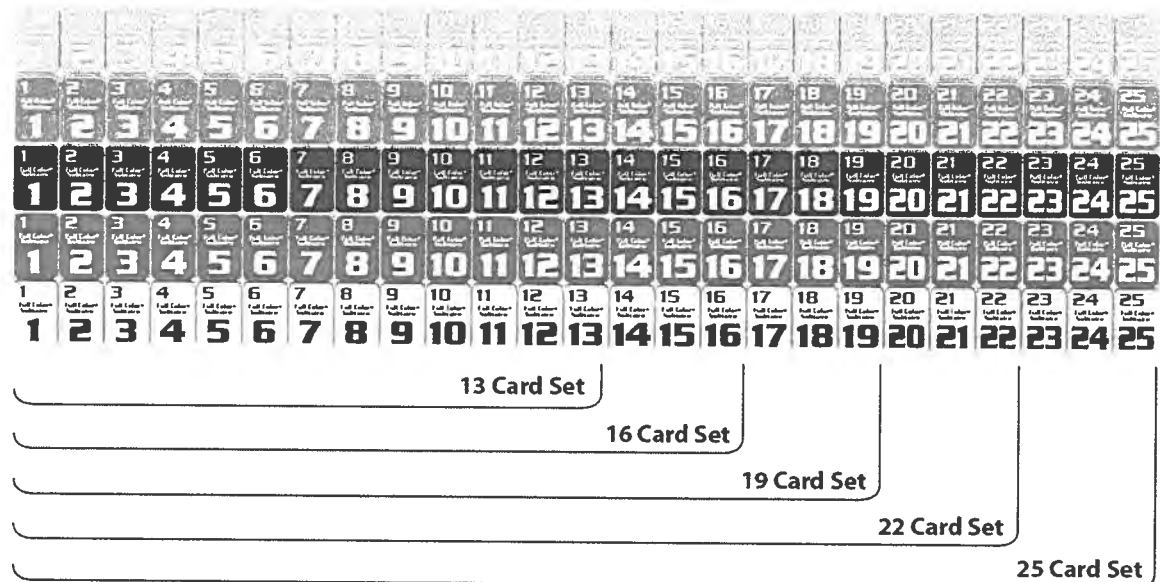


A NEW CLASS OF CARD & CASINO GAMING WITH DISRUPTIVE & PROPRIETARY IP

BY REMOVING THE FACECARDS & ADDING A 5TH DIMENSION, WE UNLOCK AN INFINITE NUMBER OF



Full Color® Cards reduces a traditional deck of playing cards down from being a 3-Part Card System to a 2-Part Card System while adding a 5th suit that becomes a control suit that holds the mathematical magic behind our gaming system & it's paradigms



GAMES & VARIATIONS WITH PROTECTABLE PARADIGMS THRU OUR PATENTS, COPYRIGHTS & TRADEMARKS

THIS ALLOWS US TO MAKE UNIQUE & PROPRIETARY CARD & CASINO GAMES THAT CREATE NEW WAYS



New Player Gaming Features

Easy to Learn
More Fun to Play
Easier to See the Cards
New Way to Play Same Games

Multi-Dimensional Paylines
Multi-Level Bonuses
Quadrillions of More Combinations
Millions more ways to Win

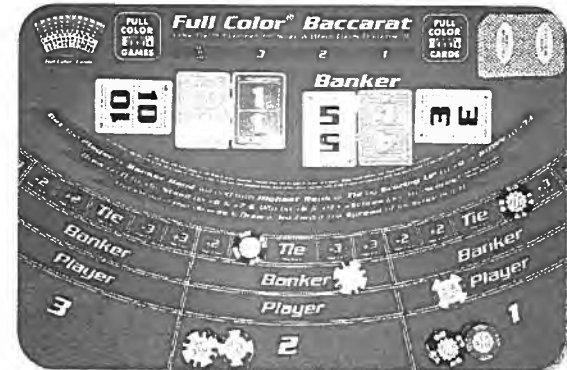
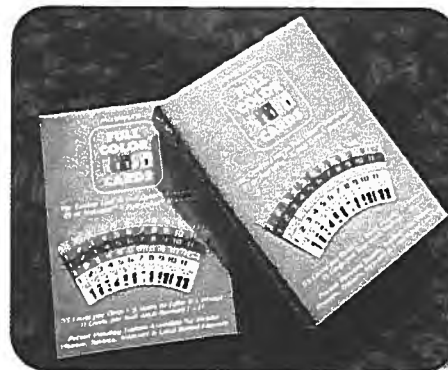
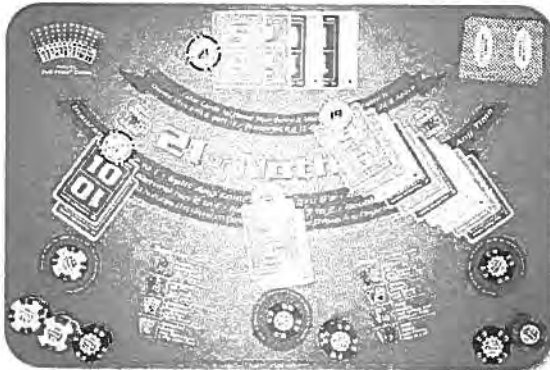
New Casino Gaming Features

A New Gaming Paradigm
Instantly Recognizable Formats
Utilizes Existing Player Skillsets
Completely Customizable Paytables

High Frequency, Low Payouts
Low Payouts, High Frequency
Hundreds of Derivatives & Variations
Skinnable to Multiple Markets

TO PLAY ALL THE WORLD'S MOST POPULAR GAMES WHILE SOLVING THE PROBLEM OF LACK OF CHOICE

TAKE THE FULL COLOR® CHALLENGE & DISCOVER WHY PEOPLE WORLDWIDE PREFER TO PLAY



**OUR GAMES, AT HOME, ON MOBILE, ON THE
INTERNET & FOR REAL MONEY IN CASINOS**

REAL & VIRTUAL GAMBLING REVENUE WILL PASS \$500 BILLION DOLLARS IN 2015

\$500 Billion Market

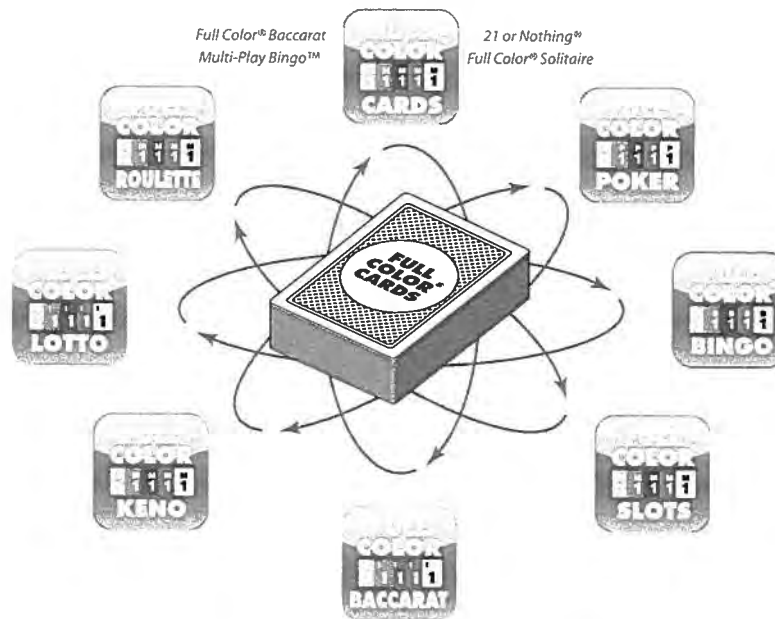
Real Money

Commercial Casinos
Indian Gaming Casinos
Bingo Halls
Internet Casinos



Cruise Ships
Charity Bingo Halls
Bars, Pubs & Clubs
Lotteries, Keno, Pull Tabs

The Full Color® Gaming Eco-System



\$45 Billion Market

Virtual Money

Mobile Phones
Tablets
Computers
Internet



Ad Sales
Affiliates & Offerwalls
In-App-Purchases
Contests & Sweepstakes

FULL COLOR® GAMES IS POSITIONED TO CAPTURE SIGNIFICANT REVENUE FROM EACH INDUSTRY

40% OF THE TOP GROSSING MOBILE APPS ARE SOCIAL CARD & CASINO GAMES



**Grossing
\$415M /Yr 2012**



**Grossing
\$110M /Yr 2013**



**Sold to IGT
for \$500M 2012**



**Sold to Caesars
for \$90M 2012**













\$25B IN iOS/ANDROID SPENT IN 2014 WITH \$2.7B OF REAL MONEY ON VIRTUAL CASH

ANYONE CAN MAKE & MARKET A TRADITIONAL CARD OR CASINO GAME BUT ONLY WE CAN

Proprietary IP	Products	Venues	Platforms
<p>The Full Color® Cards Series was invented by David W. Mahon. The unique, original and proprietary nature of the deck creates hundreds of games, methods and derivatives.</p> <p>U.S. Trademark (Goods & Services) Registered Trademark has been issued</p> <p>FULL COLOR® Brand of Games</p> <p>U.S. Copyright M-O-N-E-Y • P-O-K-E-R • B-I-N-G-O Each Full Color® Deck consists of 125 Cards of 5 Suits each No'd 1-25. ©2008-2014 by David W. Mahon.</p> <p>Patents Pending Full Color® Games Full Utility Patent Primary was filed on 5/7/09 plus many additional provisionals filed</p>	<p>Full Color® Cards Full Color® Poker Full Color® Slots Full Color® Bingo Full Color® Keno Full Color® Lotto Full Color® Roulette Full Color® Baccarat Full Color® 21 Full Color® Solitaire 1000's of derivatives 100's of sidebets</p>	<p>Brick & Mortar Casinos Indian Casinos Bingo Halls Card Clubs Bars, Pubs & Stores Online & Mobile Casinos Social Internet Websites Lotteries Retail Electronics Retail Printed Games Televised Tournaments Cruise Ships</p>	<p>Tabletop Video Slots Upright Video Slots Table Games Online Casino Websites Internet Gaming Websites Internet Social Websites Pull Tabs Scratch Offs Smartphones Tablets Consumer Retail Outlets Printed Card Games</p>
	Territories	<p>USA Canada Asia Caribbean Tribal America Europe Mexico Africa Australia South America</p>	

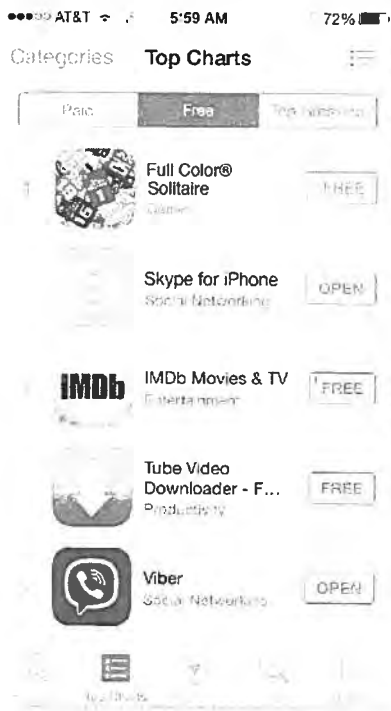
MANUFACTURE, DISTRIBUTE, LICENSE, PUBLISH OR BROADCAST ANY FULL COLOR® GAME PRODUCT

ADVANCES IN TECHNOLOGY CREATE PERFECT TIMING FOR FULL COLOR® GAMES TO MONETIZE

Distribution Paths	Main Revenue Models	Strategic Growth & Exits
 <p>Self Publish Mobile & Tablets Mac & PC Internet & Portals</p>	 <p>Freemium Banners Ads Video Ads Affiliate Ads</p>	 <p>Applications Company has 8 different game genres to create & develop 1000's of new games</p>
 <p>Strategic Partnerships 3rd Party SDKs Skillz.com / Cashbet.com Branded Campaigns</p>	 <p>Premium Virtual Credits Offerwalls & Engagements Sponsorships & MIAPP™</p>	 <p>Global Branding Full Color® Cards Contests & Sweepstakes Television Reality Shows</p>
 <p>Licensing Internet Portals Casino Game Mfg's & Distrib. Internet/Land Based Casinos</p>	 <p>Paid In-App Purchases Store Kits Subscriptions</p>	 <p>Full Color® Games SDK Open source game kits allow game inventors to create new Full Color® Games IP</p>
 <p>Affiliate Marketing Advertising Affiliates Publishing Affiliates Internet Casino Affiliates</p>	 <p>Real Money Skill Based Betting Casino Gambling Income Brand Licensing</p>	 <p>IPO Full Color® Games FullColorCasino.com Land based Casinos & Retail</p>

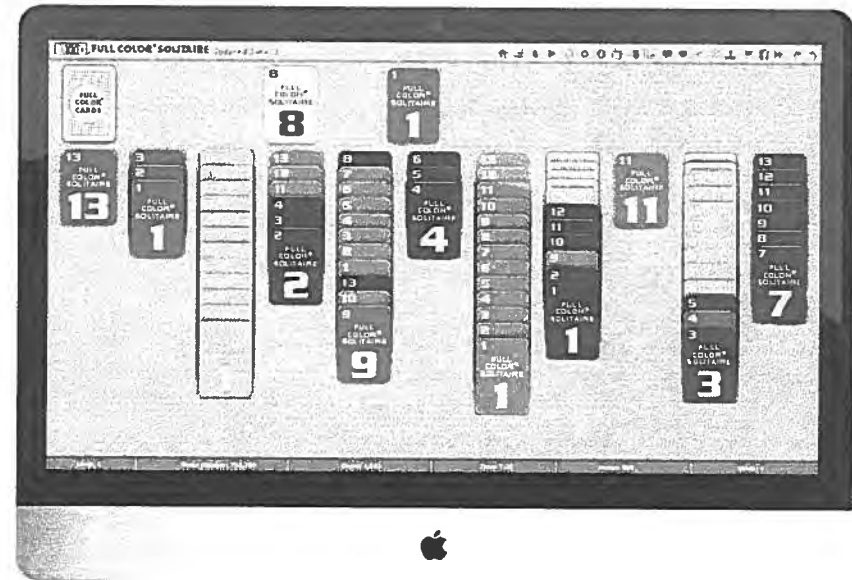
IN ALL MARKETS, DEVICES & AUDIENCES WITH DECADES WORTH OF NEW PRODUCT PIPELINE

OUR FIRST CASE STUDY OF FULL COLOR® SOLITAIRE WITH FULL COLOR® CARDS WAS QUIETLY RELEASED



Released on iPhone / iPod / iPad

*#1 New
Card & Board
Game in Over
45 Countries
within 90 days
of Commercial
Release without
any Press or
News Coverage
Whatsoever*



Ready to be ported to Android, Windows, Kindle, Facebook, Uee PC & all Internet Devices

WITH RECORDED GAMEPLAY IN 180+ COUNTRIES PROVING CONSUMER DEMAND FOR UNIQUE GAMES



Full Color® Games

STRATEGIC GROWTH

Funding is for Development, Marketing, Distribution, Capitalization & Strategic Growth

- ***Full Color® Games' company/studio expansion of talent***
- ***Full Color® 21, Baccarat & Poker social casino release***
- ***Full Color® Casino TV, PR & Advertising & UA campaigns***
- ***Full Color® Casino released to real money internet casinos***
- ***Full Color® Casino games released for retail & home sales***
- ***Full Color® Casino released for land based casinos***



Full Color® Games

USE OF PROCEEDS

Funding is for Development, Marketing, Distribution, Capitalization & Strategic Growth

Full Color® Games' Studio Expansion of Talent

Executive Management Team
Ads & Affiliate Management Team
Video Tutorials Production Team
Social Media & Web Team
Beta Testing & QA Team

Graphics Design Team
Code Development Team
Office Management Team
Casino Management Team
Sales & Marketing Team

Full Color® Casino Real Money • 21, Baccarat & Poker

Code FC21, FCB & FCP to Quickfire
Code FC21, FCB & FCP to Playtech
Code FC21, FCB & FCP to GTS
Code FC21, FCB & FCP to OpenBet
Code FC21, FCB & FCP to Leander

Code FC21, FCB & FCP to 888
Code FC21, FCB & FCP to Amazy
Build out Real Money Server
Build out Real Money Affiliates
Certify games to Online Portals

Full Color® Social Casino • 21, Baccarat & Poker

Code FC21, FCB & FCP to Android
Code FC21, FCB & FCP to Facebook
Code FC21, FCB & FCP to Mac OSX
Code FC21, FCB & FCP to Windows
Code FC21, FCB & FCP to Windows Phone

Code FC21, FCB & FCP to Kindle
Code FC21, FCB & FCP to HTML5
Build out Virtual Credits Server
Perfect the In App Game Tutorials
Publish the Video Tips & Tricks

Full Color® Casino Real Money Affiliates Campaigns

PR Campaigns + FCG Cross Promotions
App Review Website Campaigns
Mobile Advertising Campaigns
Web Advertising Campaigns
Affiliate Marketing Campaigns

Email Marketing Campaigns
Facebook Marketing Campaigns
Twitter Advertising Campaigns
Social Media Campaigns
Global Mobile App Conventions

Full Color® Casino Social User Acquisition Campaigns

PR Campaigns + FCS Cross Promotions
App Review Website Campaigns
Mobile Advertising Campaigns
Web Advertising Campaigns
MIAPP Affiliate Marketing Campaigns

Email Marketing Campaigns
Facebook Marketing Campaigns
Twitter Advertising Campaigns
Social Media Campaigns
Global Mobile App Conventions

Full Color® Casino Future Acquisitions & Growth

Search for Online Casino to Acquire
Obtain Regulatory Licenses for Casino
Obtain Regulatory Approvals for Games
Apply for Casino Gaming Mfg License
Manufacture Physical Table Games

Real Money Land Based Casinos
Real Money Ocean Based Casinos
Affiliate Marketing Campaigns
Casino Gaming Partnerships
Casino Event Sponsorships



Full Color® Games

MANAGEMENT TEAM

We are currently a small and self contained game development studio of 6 people



David Mahon
Founder / CEO

Inventor, Game Designer &
Architect of Casino Gaming Paradigms



Glen Howard
President

Co-Founder / Hercules Technology Growth Capital
Managing Director Finance / Mercury Capital



Richard H. Newman, Esq.
COO / IP Attorney

Casino Gaming IP Attorney / Newman Law, LLC
ShuffleMaster (SHFL) Legal Counsel



Cheryl Terhune-Honoré

Head of Business Development

Harrah's / Caesars (Entertainment, PR, Marketing)
MGM Mirage Events (Event Production, Marketing)



Nick Wright

Lead Developer

IBM (PHP, MySQL, Objective-C)
Unity / Android / IOS Developer



Alex Curylo

Chief Software Architect

Atimi Software, Vonage
Thousands of Applications over 27 years



Full Color® Games

ADVISORY BOARD

Our Board Consists of Angel Investors, Seasoned Entrepreneurs & Gaming Pros



Amish Shah

Founder / CEO Millennium Search
Partner / Sierra Maya Ventures



Glen Howard

Co-Founder / Hercules Technology Growth Capital
Managing Director Finance / Mercury Capital



Richard H. Newman, Esq.

IP & Casino Gaming Attorney
Former Legal Counsel for ShuffleMaster



Cheryl Terhune-Honoré

Former Harrah's / Caesar's
MGM / Mirage Events & Mktg



Matthew Cowan

Managing Partner / Bridgescale Partners
Co-Founder / CEO Breeze



Eric Kagan

Partner / Sierra Maya Ventures,
KGN Holdings & founder Access Northeast



Erick Hachenburg

Co-Founder / former CEO Pogo.com
former CEO of Metacafe.com



Mark Munger

Mark Munger & Associates
Casino, Tech & Security Expert



Simply, Revolutionary

Discover An Entirely New Class of Card & Casino Gaming

What is Full Color® Games?	Full Color® Games and the Full Color® Gaming System is a revolutionary new series of gaming paradigms that taps into familiar formats using existing player skill sets to create the world's first competitor to a traditional deck of playing cards starting with its unique and proprietary deck of Full Color® Cards. The Full Color® Gaming System not only completely reinvents point, blackjack and baccarat, it goes cross-class to reinvent bingo, slots, roulette, craps, keno, lotto as well as the #1 card game on the planet of solitaire.
How does it work?	All casino games are based on the laws of probability and the Full Color® Gaming System has cracked the code to each format by creating a 2 part math system that consists of color and white paradigm with a respective positive and negative scoring values to create absolutely perfect mathematical balance and odds making Full Color® Cards is the world's first and only new universal deck of playing cards in the history of time with quantifiably controllable odds that guarantees the House always has an edge with any scalable return to player the casino so desires.
Problems Solved	Full Color® Cards solves the multi-billion dollar problem of card counting by turning the playing field literally. The mathematical paradigms are so balanced that they can save casinos \$5,27MM per \$1B in Banker wagers or approximately \$1.65-1B yearly based on \$2T in annual baccarat turnover.
Certified Games	To ensure the integrity of the revolutionary nature of Full Color® Games math, rules and gameplay, we have gone to the extraordinary measure of having our games certified by both GLI & BMM, the world's most respected independent authorities in 455 jurisdictions.
Casino Debut	Full Color® Casino Games were debuted at G2F Las Vegas in October 2014 to standing room only crowds of industry executives, followed up with Table Games Conference and the ICE Totally Gaming show in London in February 2015.
Launch & Growth	With the independent certification in place, Full Color® Games is now able to license, distribute, sell, publish and release both virtual and real money casino games around the world on mobile, tablet, internet and computer devices and every cruise ship and land based casino.
Net Results	As a net result, the Company now has offers to release its games on the world's largest online casino in Bet365.com, distribute games through Microgaming's Quickfire System that services 165 of the largest casinos in the world, is in talks with EvolutionGaming.com, Sky Paddy Power, Full Tilt Poker, Pokerstars and the world's largest online platform provider, Playtech. The Company has been invited to showcase its games to Rank, one of the largest land based casino operators in the world with 55 casinos as well as LT Game the largest baccarat distributor in the world, Gaming Arts, the largest USA bingo operator, Foxwoods Casino, Venetian Casino, and dozens more. The Company auditioned for and was selected to be on a casino based reality TV show that will be broadcasting on a major global cable network that is expected to go into production in April 2015. The Company is in the final stages of social game development for 21 or Nothing™ and Full Color® Poker for release on iOS, Android, Facebook, the App Store, Windows App Store, Kindle, Google Play and the Amazon App Store and crowdfunding is the only thing saving it back.
Unique Factors	Any company can own and operate casino game formats as they are all in public domain but only Full Color® Games can make both the traditional games and cards in Full Color® giving us a competitive edge to shift the user base from thousands of other companies to FullColorCards.com.



AA0181

Declaration of G. Bradford Solso
Exhibit 2-D – Investor Information FCG

Investor Information - Full Color Games, Inc.

Seed Convertible Note Financing

March/April 2015 Closing

Investor Name: _____

Address for Notices: _____

Email address: _____

Telephone No.: _____

Name of Contact Person/Title: _____

Name of Individual Signing/Title: _____

Investment Amount: \$ _____

Signature:

By: _____

Name: _____

Title: _____

Full Color Games, Inc.

Summary of Terms for Proposed Private Placement of Convertible Notes

This Summary of Terms dated as April 10, 2014 summarizes the principal terms of the proposed private placement of Convertible Notes by Full Color Games, Inc. This Summary of Terms does not constitute either an offer to sell or an offer to purchase securities.

Issuer:	Full Color Games, Inc., a Nevada corporation (the “ Company ”).
Amount of Investment:	Up to \$1,000,000 in the aggregate, and \$25,000 per Investor. Such amount may be increased to accommodate the exchange of Existing Notes (defined below) outstanding as of date hereof.
Type of Securities:	The Investors will receive convertible promissory notes (the “ Notes ”) convertible into preferred stock of the Company, as set forth herein.
Purchase price for Notes; Exchange of Existing Note:	100% of the principal amount of the Notes. An aggregate of \$300,000 in principal amount of the Company's existing convertible promissory notes (the “ Existing Notes ”) will be exchanged for the Notes in this offering. As such, an aggregate of \$700,000 of new cash proceeds will be generated if the offering is subscribed in full.
Closing:	It is anticipated that the initial closing (the “ Initial Closing ”) for the sale and issuance of the Notes will occur on or about April 11, 2014. There is no minimum amount required for the Initial Closing. There shall be one or more subsequent closings (each a “ Subsequent Closing ”) on or prior to June 30, 2015 up to the amount of any unsold Notes. (The Initial Closing and the Subsequent Closing are each referred to herein as a “ Closing ”). The Notes will be issued pursuant to definitive a Note Purchase Agreement, Subscription Agreement, form of Note and ancillary documents in form and substance satisfactory to the Company and the Investors.
Use of Proceeds:	The proceeds from the sale of the Notes will be used for general working capital purposes.
Terms of the Notes:	If not earlier converted as provided below, the Notes will be due and payable upon the earlier of: (i) eighteen (18) months following the Initial Closing (the “ Maturity Date ”) or (ii) an Event of Default (as defined below).
Security Interest:	The Notes will be secured by a lien on the Company's license of intellectual property assets from Intellectual Property Holdings, LLC.
Interest Rate:	The Notes will bear interest at the rate of five percent (5.0%) per annum, such interest to be payable with the payment of principal on the Maturity Date. Following an Event of Default, the Notes will bear interest at a rate of eight percent (8.0%) per annum.

No Prepayment:

The principal of the Notes, together with any accrued but unpaid interest thereon, may not be prepaid by the Company prior to the Maturity Date without the consent of at least a majority in interest of the Note holders.

Conversion Upon Qualifying Financing:

Mandatory. At any time following the final Subsequent Closing and prior to the Maturity Date (the "**Conversion Period**"), upon the closing of the next preferred stock financing of the Company which results in gross proceeds to the Company (excluding the principal amount and accrued interest under the Notes), of not less than \$2,000,000 (a "**Qualifying Financing**"), all principal and accrued interest under the Notes shall automatically convert into shares of equity securities issued in the Qualifying Financing (the "**Next Equity Securities**") in an amount of shares equal to (a) the principal amount and unpaid and accrued interest on the Notes divided by (b) the lesser of (i) 80% of the price per share paid by the investors for the Next Equity Securities in the Qualified Financing or (ii) a price per share of Company equity securities assuming a \$10,000,000 fully diluted pre-money valuation of the Company.

Optional. In the event there shall be a Qualifying Financing on or after the Maturity Date, and to the extent that the Notes have not been previously converted, then in such event, upon the election of each of the holders, each of such holder's Notes will convert into New Equity Securities upon the same terms and conditions as a Qualifying Financing which occurs prior to the Maturity Date.

Upon conversion of the Notes in connection with a Qualifying Financing or otherwise, each Investor will be required to become party to any definitive documents executed and delivered in connection with such Qualified Financing including any securities purchase agreement, investor rights agreement, voting trust agreement and/or proxy agreement if not previously executed (in favor of the Company's chief executive officer, if so required), right of first refusal and co-sale agreement, and shareholder's agreement.

Change of Control:

In the event of a Change of Control (as defined below) prior to the conversion or repayment of the Notes, at the option of each holder of a Note, such holder may elect either to (i) receive cash in an amount equal to two (2) times the principal of the Note(s) held by such Investor plus all unpaid accrued interest through the final consummation of the Change of Control, or (ii) immediately prior to the consummation of the Change of Control, convert the principal and accrued interest under the Note into shares of the Company's common stock a price per share of Company common stock assuming a \$10,000,000 fully diluted pre-money valuation of the Company.

A "**Change of Control**" means (i) any liquidation, dissolution, bankruptcy or winding up of the Company, whether voluntary or involuntary, (ii) a merger, consolidation, or share transfer or issuance or similar transaction or series of related transactions involving the Company whereby as a result of such transaction the shareholders of

the Company immediately prior to such transaction do not hold more than 50% of the outstanding voting securities of the Company (or the surviving or resulting entity or its direct or indirect parent entity) after giving effect to such transaction or series of related transactions or (iii) the sale of all or in excess of 40% of the Company's shares by existing holders, or (iv) the sale or exclusive license of all or substantially all of the Company's intellectual property or assets.

Event of Default:

The Notes will be in default and all principal and interest shall be due in full upon demand of a majority in interest of the Notes in the event of any of the following:

- 1) Failure to pay interest or principal when due;
- 2) Bankruptcy or insolvency proceedings;
- 3) Any default by the Company under any other material indebtedness and the failure to cure such default within 10 days of the receipt of written notice of the default; or
- 4) Any material breach by the Company of the terms of the Notes and the failure to cure such material breach within 10 days of the receipt of written notice of the breach from the Investors.

Conditions to Closing:

The Company shall obtain all necessary corporate and shareholder consents, waiver and agreements as shall be necessary to execute and deliver the definitive agreements including the Note Purchase Agreement, and to issue and deliver the Notes and to amend its Articles of Incorporation to provide for additional authorized capital in order to perform the terms and conditions of the definitive agreements if so required. The Closings shall be subject to the satisfactory due diligence review of the Company by the Investors and their counsel and to the execution of definitive agreements in form and substance satisfactory to the Investors and their counsel.

The Company and the investors shall bear their respective legal and other expenses with respect to the transaction.

Confidentiality:

Neither the Company nor the Investors shall disclose the terms of this Term Sheet with any person other than prospective Investors and purchasers of the Notes.

Governing Law:

The definitive documents governing the issuance and sale of the Notes will be made and governed under the laws of the State of Nevada.

Declaration of G. Bradford Solso

Exhibit 2-TEGG Glen

Blackjack ... Completely Reinvented

Deal

Color Insurance

21 or Nothing

to create a revolutionary new way to play the best Score & UP to 21 or DOWN 1 to Nothing

THE CITY OF FORT & CASINO GAMING

AA0186

Declaration of G. Bradford Solso
Exhibit 3-Hyde Email June 22, 2015

From: Crosby Hyde
To: [G. Bradford Solso](#)
Subject: Thanks for conversation--Full Color Games investment
Date: Monday, June 22, 2015 8:54:39 PM
Attachments: [FINAL June 17 Full Color Games PPT-for Investors.ppt](#)

Brad, thanks for call and chance to impart FCG's milestone's which have been recently completed. Again, totally your call on if/how much you might like to increase your current level. \$50k would be a minimum as we are exclusively managing time and investors levels in increments of \$25k.

I'm glad we caught up so I feel good about sharing any and all details I've learned in the last 4-6 weeks. Our newly updated FCG overview is attached. With Glen's pipeline and turnaround time for docs given your IRA source of funds, we should probably update him no later than Thursday morning to enable funds to be received by next Tuesday June 30th at close of this round. I'll look for your note then, thanks

Thanks, Cros

Crosby K. Hyde
Full Color Games
Crosbyhyde@Comcast.net
Cell: 415-606-4145

From: Brad Solso [mailto:bsolso@ashwoodmp.com]
Sent: Sunday, June 14, 2015 9:30 AM
To: 'Brad Solso'
Cc: rfigone@olympicclubfoundation.org
Subject: Sports and Education

Since 1992, the Olympic Club Foundation has supported youth athletics based on the belief that participation in organized athletics enriches young lives and develops future community leaders. Along the way, we have met many amazing coaches, like Ryan Burke of the Oakland Warthogs or Ben Gucciardi of Soccer without Borders or Noah Jackson of the First Base Foundation or many more like them, who have given of themselves to provide an opportunity for less advantaged youth. This [article](#) in the New York Times reinforces our mission in the simple statement by 14 year old Zion Spearman-"It keeps me off the street. I always have something to do". But equally important in this article is the importance of Steve Bandura-coach, mentor, advocate, educator, and the importance of high expectations. Please enjoy the article and take pride in your support for the less privileged youth and their amazing coaches.

On May 30th, we held our 9th Ultimate Wine Dinner, a fabulous event that featured a 4-course meal designed by Maurine Sarjeant, Executive Chef of Beringer Winery's Hudson House and paired beautifully with the wines of Beringer Winery, Selby Winery and Fleury Estate. While the final accounting is not complete, preliminary results suggest that the 9th Ultimate Wine Dinner, chaired by Tony Scuderi will be set another fundraising record. Our annual campaign is also underway and more than 350 Olympians have made a donation, a great start but only 50% of our goal to exceed 700 donors this year. If you haven't already made a contribution to the annual campaign, please consider making a contribution [online](#) today. With your help, we will pass an amazing milestone in 2015, **\$5.0 million in total grants** since inception.

Thanks for your support.

AA0187

Declaration of G. Bradford Solso
Exhibit 3-Hyde Email June 22, 2015

For the Kids!!!

Brad

G. Bradford Solso

Ashwood Management Partners

(650) 867-0076

www.ashwoodmp.com

www.olympicclubfoundation.org

www.abilitypath.org

www.communitygatepath.org

Declaration of G. Bradford Solso

Exhibit 3-A FINAL June 17 Full Color Games PPT-for Investors

Full Color[®]Games, Inc. Business and Financial Overview



Full Color[®]Games, Inc.

David Mahon, CEO & Inventor

Glen Howard, President

Crosby Hyde, Vice President of Business Development

Full Color®Games, Inc. - Timeline to Revenue

- Completion of **\$1,500,000 SEED NOTE** by June 30, 2015 enabling Full Color®Games, Inc. to expand team, open Las Vegas office and launch products.
- Launch **SOCIAL CASINO** versions of *21 or Nothing®* and *Full Color®Poker* on or about August 15, 2015. Games will be available for IOS and Android devices and on Facebook and Google sites. First revenue from SOCIAL will be in Q4 2015 and is estimated to generate \$0.20 per day for each active daily user - growing to \$0.50 per day over the next 4 quarters. We are targeting rapid growth to 1,000,000+ active daily users.
- Launch **REAL MONEY CASINO** alpha versions of *21 or Nothing®* and *Full Color®Poker* by late September 2015 (G2E event in Las Vegas). First Real Money Operator will be Bet365.com with Full Color®Games, Inc. hosted on the Microgaming and Playtech Platforms. Currently in discussion with 2nd "Top 10" Operator and plan to have relationships with 3 or more major operators post G2E Event. First revenue from REAL MONEY will be in Q1 2016 and is expected to generate \$7 per day for each active daily gambler - growing to \$10+ over the next 4 quarters. We are targeting rapid growth to 100,000+ active daily gamblers.
- Enter into Production and Distribution Agreement(s) for **CARD DECKS & HOME GAME KITS** and other general Full Color®Games, Inc. merchandise in 4Q 2015.
- Begin Penetration of **LAND BASED CASINOS** with Table Games and Console/slot Machines in 2Q 2016
- Enter **EDUCATIONAL GAMES** Market in 2H 2016 with Full Color® Games branded products
- Engage in Major Marketing Promotions starting in 3Q 2015 to drive downloads, active daily users, merchandise sales and brand Full Color® Games.
- The activities above could generate over **\$1 MILLION PER DAY** at targeted daily users cited for SOCIAL and REAL MONEY. This equates to \$360 million annual run rate or a company valued at over \$1 Billion.

Why Invest in Full Color®Games, Inc.?

- Color®Games, Inc. has an Extensive IP Portfolio that will disrupt the Casino Gaming Industry
 - First new deck of cards in over 600 years
 - Unique and proprietary – fresh content
 - Physical and virtual forms
 - Can be played by anybody, of any age, in any language, anywhere in the world
 - A single brand that creates an entire Gaming Paradigm
- Massive Casino Gaming Market Begging for new content
 - \$50 Billion Market for Social Casino
 - \$500 Billion for Real Money Casino
 - 3 Billion Mobile Devices
- Full Color®Games, Inc. Has “Trifecta” of IP Protection
 - Patents, Trademarks and Copyrights
- IP has been Validated by two Independent Math Laboratories - BMM & GLI
 - *21 or Nothing®* and *Baccarat complete*
 - Full Color® *Poker* to be completed within 30 days
- First Two Games - *21 or Nothing®* and *Full Color® Poker* are ready to commercialize.
 - 8 to 10 more casino games can be released within 12 to 18 months

Why Invest in Full Color®Games, Inc.?

- A Development and Distribution Agreement has been signed with Ingenuity Gaming
 - Ingenuity is one of the largest and most favored developers of Casino Games
 - Located in cost efficient Delhi India with 250 employees
 - Release 300 new games per year
 - Clear leader in the space – relationships with Microgaming and Playtech
 - We have profit share agreement with Ingenuity to align interests and promote rapid growth
- A Development Agreement with top 3D graphics provider (Nurv.com) has been executed
 - Nurv will allow Full Color®Games, Inc. to offer superior user experiences in both social casino and real money
- Bet365.com, The largest Real Money Operator in the world, has agreed to provide Full Color®Games, Inc. to their gambling customers
- Full Color®Games, Inc. has signed a license agreement with Microgaming, one of the largest global platforms for real money gaming. Full Color®Games, Inc. will have similar license agreements with Playtech and other major gaming platforms

Why Invest in Full Color®Games, Inc.?

- Igaming Company Valuations are very attractive
 - 3x to 5x Revenue multiples
 - 10x earnings multiples
 - Billion Dollar Brands include Supercell, King Digital, Zynga, Machine Zone, DoubleDown (IGT), Churchill Downs acquires Big Fish Games, etc.
- Extensive Marketing Plan for Launch of Games
 - Social Media Blitz
 - National TV Tour – Great News Story
 - Russian Roulette “No Bet, Side Bet” for *21 or Nothing*®
 - Tournaments and Casino Nights to be hosted around the country
 - Reality TV show - King of Gaming
- Maximum Leverage in Full Color®Games, Inc. Revenue Model
 - Social Casino – Active daily player is worth \$.30 to \$.50 per day from InApp Purchases
 - Real Money Gaming – Active daily gambler is worth \$10 each per day (\$2000 lifetime value)
 - Card Decks and Home kits have high margins

Why Invest in Full Color®Games, Inc.?

- Liquidity or Exit Plans
 - Raise a \$5 million to \$10 million private equity round in Q4 2015
 - As Private Company, Consider Paying 25% of earnings as dividends
 - Target an IPO of \$100 million or more in approx. 18 to 30 months
 - Use cash flow to acquire other companies and dominant industry
- An **Investment of \$110k** today buys 1% of Full Color®Games, Inc. at the current \$10M Valuation Cap
 - An exit at \$1B = 100x return or an \$11 Million return of capital *
 - An exit at \$500M = 50x return or an \$5.5 Million return of capital*
- An **Investment of \$50k** today buys 0.45% of Full Color®Games, Inc. at the current \$10M Valuation Cap
 - An exit at \$1B = 100x return or a \$5 Million return of capital*
 - An exit at \$500M = 50x return or an \$2.5 Million return of capital*

*no dilution assumed

From: Brad Solso
To: [Glenn Howard \(gchoward@gmail.com\)](mailto:gchoward@gmail.com); [Crosby Hyde](#)
Subject: Full Color
Date: Thursday, December 3, 2015 8:27:55 AM

Glenn & Crosby-

Thanks for organizing the meeting with David. While some of the background information was interesting, I would be remiss if I did not express my disappointment. The rambling stream of consciousness was not helpful in understanding the decision to delay launch nor was it particularly respectful of my time. I expected a thoughtful, direct update of the Company's progress (shame of me) and insight into the decision to change the launch plan. Instead, I got three plus hours of "I am a brilliant mathematician, the next coming of Steve Jobs", hyperbolic assessment of meetings with market participants for which, it appears, no agreements have been concluded, "we have to go slower because the market is huge", paranoia laced assessments of the distribution options that would result in being nickel and dimed, etc., etc., etc.

As I mentioned, last night, it seems that the company is faced with a very simple question regarding its "go to market" strategy. Do we go direct (i.e. build a server and integrate directly with the game operators) or do we go indirect (e.g. work with Playtech to distribute game content). Each carries its own set of risks & opportunities. While I appreciate that you have indicated that you are building a server, I do not understand why the distribution options are mutually exclusive. If we have all this "unprecedented" interest from market participants (e.g. cibas?, Bet365, etc.), then it would seem that we would have the ability to negotiate favorable, non-exclusive arrangements that would allow a market entry through the most expeditious channel without foreclosing other options.

Nonetheless, if we are really talking about a market launch on April 1st, then this discussion is fairly academic.

Note, I remain very happy with the investment; however, I would appreciate a brief update on the go to market strategy, including some insight into the market participant structure that identifies the prioritized launch partners and the status of our relationship. FCG may, in fact, be the greatest gaming innovation since the 14th century but ultimately, its market success will depend on real customers playing the games. Remember, even Steve Jobs had the [NeXT](#) computer. Rest assured that I am not trying to micromanage the business but I do want to have reasonable expectations about when and where we will be in market so that i) I can go to sites & see the games and perhaps even test the experience as a live player and ii) understand the objectives and progress should future investments be required.

Thanks and best regards

Brad

G. Bradford Solso

Ashwood Management Partners

(650) 867-0076

www.ashwoodmp.com

www.olympicclubfoundation.org

www.abilitypath.org

www.communitygatepath.org

Declaration of G. Bradford Solso
Exhibit 5 Email from Hyde to Solso dated January 18, 2016

From: Brad Solso
To: ["Glen Howard"](#)
Subject: FW: Series A bullets- for Brad
Date: Monday, January 18, 2016 10:29:41 AM

Glen-

I appreciate you wanting to get info out asap but the plan to raise funds through an entity other than FCG, Nevada, is material. I would appreciate a more thorough briefing that explains the new structure and addresses the mechanics of the conversion for the existing notes. Also, I would like to understand the implications of the Sebas investment. Lastly, when we last talked, I understood that a term sheet was in negotiations with Credit Suisse. Did these negotiations terminate? If so, why did they terminate and what is the implication to any other investor?

Thanks

Brad

From: Crosby [<mailto:Crosby@fullcolorgames.com>]
Sent: Monday, January 18, 2016 10:01 AM
To: Brad Solso
Subject: RE: Series A bullets- for Brad

Brad,

This quick summary from Glen is based upon our conversation and are for your eyes only please. Several of these bullet points are derived from previous Credit Suisse discussions initiated in UK and where we have been 'coached' to create new FCG structure for the ability to receive said Series A funds. Mostly we have heard the valuation and upfront equity capital are relative to FCG's IP distribution potential. This may create another series of questions, and I'm using this w/Wendy and a few other contacts if/when they have an SF or Western Region entity who may wish to discuss this with us. Preliminary is naturally an understatement here and likelihood is many US institutions do not wish to fund casino/gambling oriented pre-launch companies and we fully realize and have heard that before. Glen is with our CTO and David in Costa Rica all week fyi. See you tomorrow at OC, Cros

From: Glen Howard [<mailto:Glen@fullcolorgames.com>]
Sent: Saturday, January 16, 2016 6:18 PM
To: Crosby <crosby@fullcolorgames.com>
Subject: Series A bullets

Series A bullets per Glen Howard. Not fully socialized with exec team yet.

Seeking \$10m to \$15m series A from institutional investor in March/April 2016. Funds to be used for full product rollout and marketing expenses in 2H 2016 on a FCG remote gaming server.

Pre-money Valuation open to discussion but believe \$65m to \$95m is justifiable.

FCG is planning a soft launch to limited market at ICE (early February) of 21 or Nothing on Live Dealer and online gaming platform. Partnerships are in place to execute this.

International Corporate structure has been identified to optimize taxes and keep offshore revenues offshore and exempt from US taxation. Structure is currently being put in place.

Desired Institutional investor should be capable of investing in Casino Gaming company and be familiar with offshore structures.

FCG is likely to IPO outside of US when company progress warrants it.

Best regards,

AA0196

Glen



The Next Generation of
Card & Casino Based Gaming
[FCG Trailer](#)

Full Color Games, Inc.
[3225 McLeod Dr., Ste 100](#)
[Las Vegas, NV 89121](#)

Glen Howard
President

glen@fullcolorgames.com
[\(650\) 464-1257](tel:(650)464-1257) Cell



[G2E Product Intro](#)
www.fullcolorgames.com

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Glen



The Next Generation of
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Glen Howard
President

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[G2E Product Intro](#)
www.fullcolorgames.com

Declaration of G. Bradford Solso
Exhibit 7 Email Press Release date February 2, 2016

G. Bradford Solso

From: Full Color Games, Inc. <support=fullcolorgames.com@mail70.suw17.mcsv.net> on behalf of Full Color Games, Inc. <support@fullcolorgames.com>
Sent: Tuesday, February 2, 2016 1:56 AM
To: G. Bradford Solso
Subject: Full Color® Games debuts real money RNG & Live Dealer Games at ICE 2016 London

Visit Full Color® Games @ ICE Booth N1-564

[View this email in your browser](#)



Full Color® Games debuts it's real money casino games at ICE 2016 in London @ Booth N1-564 ready for RNG & Live Dealer Integrations

Introducing the world's first and only entirely new class of card and casino gaming in the history of time at the ICE Totally Gaming 2016 show in London, England today, February 2 ~ 4.

Discover a brand new way to play all the world's most popular card and casino games that are easier and more fun to play than the traditional games in what industry titans are saying is the single most disruptive intellectual property innovation the casino gaming industry has ever seen.

Full Color® Games are available on its own bespoke Live Dealer software and through a UK Gaming commission licensed RGS system ready for direct integrations to operators with gaming math certifications by BMM & GLI.

Come by our booth N1-564 and see it live or if you can't make it click on the links below to see a sneak preview of the games and the reality TV show being filmed around the inventor, David Mahon of its birth, launch and forthcoming global release of this revolutionary new paradigm of games!

[Full Color® Games New Piece](#) or [Full Color® Games TV show trailer](#)

Is Full Color® Games the unicorn of casino gaming innovation that the industry and consumers have been looking for? Come to the booth, play the games and decide for yourself.



21 or Nothing®

Blackjack Completely Reinvented

[Learn More](#)



Full Color® Poker

Video Poker Reincarnated

[Learn More](#)



Full Color® Baccarat

Baccarat Completely Simplified

[Learn More](#)



Share



Tweet



Forward



Share

Full Color® Games, Full Color® Cards and the Full Color® Gaming system was invented by and is ©2016 by David W. Mahon under exclusive license to Full Color Games, Ltd. is an Isle of Man Company. All Rights Reserved.

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You can [update your preferences](#) or [unsubscribe from this list](#)

Declaration of G. Bradford Solso
Exhibit 8 Email from Howard to Investors dated April 4, 2016

From: Glen Howard
Cc: [Mahon David](#); [Martin Linham](#); [Crosby: Glen Howard](#); [Mark Munger](#); [Newman Richard](#); [Sandyford-Sykes Ashley](#); [Terhune-Honoré Cheryl](#)
Subject: Full Color Games Seed Note Investor Update - Save The Date - April 11th, 2016 at 1PM (PDT)
Date: Monday, April 4, 2016 10:10:46 PM
Attachments: [image002.png](#)

To all our FCG Investors,

Please save Monday, April 11th at 1PM (Pacific) for an Investor update. We are excited to share the significant progress the company has made and discuss the conversion of the seed note that you are all part of.

We will be utilizing a videoconferencing service called [Join.me](#) and I will be forwarding a calendar invite with the details shortly. We are planning a 90 minute presentation with some extra time for Q and A afterwards. For those of you that cannot make the April 11th call please note that we are also planning to make a recording of the call available.

We look forward to providing this update.

Best Regards,

Glen



The Next Generation of
Card & Casino Based Gaming

Full Color® Games, Inc.
3773 Howard Hughes Parkway, Suite #160N
Las Vegas, NV 89169

Glen Howard
President

[Product Launch](#)
[FCG Product Trailer](#)

Email: glen@fullcolorgames.com
Direct: 650-464-1257 iPhone
Office: 702-749-4357 x104
Skype: gchoward1

This message contains information that is confidential and privileged. Unless you are the intended recipient (or

AA0203

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 reply e-mail and delete the message.

Declaration of G. Bradford Solso
Exhibit 9 Email from Solso to Howard dated June 21, 2016

From: Brad Solso
To: ["Glen Howard"](#)
Subject: Financing & Update
Date: Tuesday, June 21, 2016 7:29:42 AM

Hi Glen-

I hope things are going well and your rehab from knee surgery is complete. I received a text from Crosby indicating that the Sebas investment was completed. I would appreciate some insight into the final terms and an update on the roll out of the 21 or nothing. Also, you had indicated that you would provide some visibility to the ppm. A draft plus the status of the UK financing would also be appreciated

Thanks and best regards

Brad

G. Bradford Solso

Ashwood Management Partners

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Thanks and best regards

Brad

G. Bradford Solso

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Inside this Update

- **FULL COLOR GAMES LTD**
- **\$3 MILLION RAISED & FUNDED**
- **GAMING LICENSE APPLICATIONS**
- **FULL COLOR® CARDS U.S. COPYRIGHTS**
- **REAL MONEY GAMING DISTRIBUTION**
- **21 OR NOTHING® CERTIFIED FOR PLAY**
- **EUROPEAN SERIES A DISCUSSIONS**
- **G2E 2016 LAS VEGAS**
- **EIG 2016 BERLIN**
- **SOCIAL GAMING DEVELOPMENT**
- **ICE 2017 LONDON**
- **LIVE DEALER BESPOKE SYSTEM**

WELCOME

OVERVIEW

Welcome to the first official quarterly shareholder update of Full Color Games Ltd, its subsidiaries and related companies.

We cannot possibly update you on all the incredible things that are going on inside the Company, but hopefully this long awaited update will give

each of you all a much desired overview of the key events that have transpired to date and insight to the pathways we are currently on.

It is prepared to provide you with an view of the company's current state of the union, goals, accomplishments, challenges and future milestones.

DISCLAIMER OF CONFIDENTIALITY

Please note that there are many forward looking statements that will be presented in these updates and we caution you to remember and understand that the B2C and B2B product distribution market for online real and virtual money casino games that we are pursuing are very dynamic and is subject to numerous regulatory restrictions, which differ from jurisdiction to jurisdiction and are beyond our control.

REVOLUTION THROUGH EVOLUTION

It has been a busy and challenging year as we prepare for the launch of the Company's flagship products during Q4 of 2016 as our content is scheduled and contracted to 'go live' during Q4 2016 as will be better explained below.

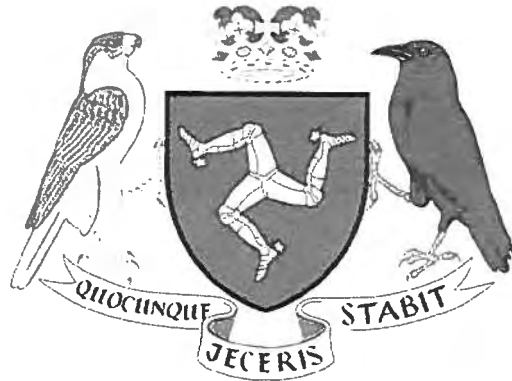
In late 2015, FCG shifted our business strategy from a sole B2C approach, where we release "one off" social products directly to the consumer, to add a major emphasis on a B2B strategy where the Company also delivers

a portfolio of products to 'real money' operators that collectively take bets from hundreds of millions of active players (online gamblers) as well as virtual money bets.

This additional focus was not only to bring the FCG content to market quickly but also to harness the infrastructure of the B2B customer base to eliminate the massive upstart cost that B2C branding would entail in terms of infrastructure and marketing as well as the ongoing licensing costs from regulators in every jurisdiction that the Company would wish to promote and market to. Building a portfolio of games for a B2B platform is not as simple as build once and deploy with with HTML5 development we are as close to that as possible. The process has taken many months of refinement and development in contractual negotiations and licensing to ensure that the Company content is not only available for 'real money' operators; on mobile devices, online and any other way that an operator wishes to distribute it, including from a bespoke Live Dealer studio solution; but also that the games are certified by independent testing laboratories and approved for distribution by the various regulatory authorities.

We are constantly working to increase our distribution in all markets and formats and have a number of very positive discussions and negotiations on-going with additional operators and platforms as is detailed below.

FULL COLOR GAMES LTD



ISLE OF MAN EVOLUTION

On May 8, 2016, with the leadership of our President Glen Howard and our SEC attorney, Jennifer Post, Esq, of Raines Feldman, LLP law firm, we completed the reorganization of the business as planned to allow the business greater opportunities for both raising of Series A funding and for online 'real money' distribution across the legal markets in Europe and beyond.

On the advice and counsel of KPMG and our legal advisers, the Company has completed the first stage of

Pursuant to Section 3(1)(c) of the Companies Act 2006

The Registrar of Companies hereby certifies that

FULL COLOR GAMES LIMITED

is this day incorporated under the Companies Act 2006.

This 21st day of January 2016

Mark Edwards
For Registrar of Companies

Due to the complexities of the international taxation system, and at the advice of counsel, it was necessary to incorporate a new entity, Full Color Games, N.A., Inc. ("FCGNA"), which was formed to facilitate all North American activities which must be ring-fenced for the purposes of transfer pricing, thus ensuring the maximum tax efficiency of the Group and a wholly owned subsidiary of FCGL. FCGNA is now fully operational and headquartered in Las Vegas, Nevada at the Howard Hughes Center as pictured

structural changes that are required to comply with legal and regulatory frameworks. This saw Full Color Games, Inc. become a shareholder in the newly formed Company, incorporated on the Isle of Man, Full Color Games Ltd (“FCGL”). The Isle of Man was chosen for a number of reasons including beneficial corporate taxation strategies, agile efficient and supportive governmental structure and it has been home to many of the largest online ‘real money’ operators and suppliers for many years (including Pokerstars, Playtech and Microgaming). It was also chosen as a corporate home due to the benefit of attracting investment from within the UK and Europe.

hereabove.

The next phase of corporate reorganization is rapidly approaching where further new corporate entities will be added as a requirement of FCGL holding a UK Operators License. This includes a dedicated Asian operating company, a dedicated Live Dealer operating company and a dedicated non-European company which will aide in the minimization of Value Added Tax on our development and distribution contracts. This is expected to be complete by the end of Q1 2017. It should be noted that further corporate restructuring may occur dependent upon governmental and regulatory requirements as FCGL enter into new contracts for distribution in new jurisdictions.

\$3 MILLION RAISED & FUNDED

SEBAS BASTIAN - THE MILLION DOLLAR MAN

It is with is with a great honor and an extreme privilege to announce a single

\$1 million dollar investment into Full Color Games Ltd, by Sebas Bastian and its successful closing one last Monday. It is the single greatest event that has ever occurred in the history of Full Color® Games since its inception.

Sebas, is not just an investor, not just a high limit poker and blackjack player, a successful entrepreneur and the owner of Island Luck casinos in the Bahamas, he has proven to be the "Rosetta Stone" to Full Color® Games.

Sebas not only brings his incredible insight as professional gambler, his extraordinary success as a businessman, his wisdom as an operator who built his own casinos from the ground up in a market before, during and after the implementation of regulation standards, he brings the full force of his relationships with his investment capital to Full Color® Games. His relationships, starting with Multislot have led to a plethora of other business opportunities that helped us crack the code into delivering our unique and proprietary casino games to the world of real money gaming as will be explained below.



INVESTMENTS TO DATE & STATE OF THE UNION

With the closing of the investment from the investment from Sebas, we have no successfully raised \$3 million dollars in angel money.

The Company has no loans and owns 100% of all of its assets free and clear. The Company has approximately \$700,000 in liquidity after all expenses, casino gaming licensing applications, overhead expenses and debts have been paid.

The Company expects to spend approximately \$250,000 of those remaining funds in the next 4 months leading up to ICE 2017 to complete the commercially releasable versions of the real money and social versions of 21 or Nothing®, Full Color® Baccarat & Full Color® Video Poker. This will include the electronic RNG (Random Number Generator) versions, the Live Dealer version and the Live Table versions of the games.

Although the details to the launch plans are far too exhaustive to be detailed here in this newsletter, we are preparing to have an investor call update in November when I return from London, Berlin and Chennai, India and go into greater detail that possible here as well as have an Q&A session. Bits and pieces of the licensing, intellectual property filings, distribution road maps, certifications, use of funds, additional fundraising efforts, casino gaming conferences, developments, strategic partners and launch details are explained below in the interim.

GAMING LICENSE APPLICATIONS



COMMISSION

UK GAMING COMMISSION

It is with extreme pleasure that we announce that the Company and its officers have successfully applied for our UK Gaming License after a long arduous process of preparing for our suitability reports. We expect to have our licenses issued within the next 4-8 weeks if we keep up our current pace of compliance.

THE BAHAMAS GAMING CONTROL BOARD

It is with extreme pleasure that we announce that the Company and its officers will be applying for our Bahamian casino gaming license by the end of October with the freshly minted Bahamas Gaming Control Board to go live on Island Luck.



MALTA GAMING AUTHORITY

It is with extreme pleasure that we announce that the preparations to apply to the Malta Gaming Authority for both our RNG product but also for our forthcoming Live Dealer bespoke system all of which will allow us get closer to going global as a supplier.

REAL MONEY GAMING COMPLIANCE AND REGULATION

One of the most complex parts of the business of real money gaming are the incredibly high barriers to entry which primarily relates to licensing and compliance along with the ever-increasing onus on the operator to ensure that there is no fraud, money laundering or dishonesty taking place in any part of its operation. Not only do the barriers keep getting higher, but the number of regulators continue to increase in order to put in a stop loss of money flowing out of their country in order for them to profit off the taxes from their own citizens.

There are hundreds of regulated markets around the world. The Company will ultimately need to be licensed in almost all of them in order to achieve it's full potential, a time and financial cost that is on the level of Uber, Paypal and AirBnB in scope. These processes require a great deal of man hours and will only become more complex and time consuming as distribution deals are signed with new operators in new jurisdictions. The Company will spend a significant amount of funds from the latest round of funding to achieve pursue the most valuable licenses first, being the first launch grounds of Bahamas, the UK and then Malta that opens us up to about half of the world.

In order to allow for the distribution of Full Color® Games content to online 'real money' operators through platforms such as the Microgaming

Quickfire platform, the Company was required to apply for and be granted a UK Gambling Commission Operators license. This license is now in the approval phase. As the Company agrees to terms for distribution of content with operators located in other reputable gaming centers, such as Malta and Gibraltar, there will be a further requirement to obtain additional licenses from the relevant regulators which is why we are moving forward now where we can. It is worth noting at this point that the majority of Tier 1 online 'real money' operators are located in either Malta, Gibraltar, Isle of Man or the United Kingdom.

Being licensed in UK and Malta also allows us to offer our games to "unregulated" jurisdictions, meaning countries that respect the UK and Malta licenses where there is no current gaming authority that further regulate our already regulated product in their jurisdictions.

The social gaming space is on the verge of massive regulation that could alter the entire space, severely impacting everyone that offers "virtual currencies", primarily caused by the eSports space and manipulated game code to create deceptive results like the following:

- *Consumers suffer unfair financial loss because scaling and/or mapping components contain incorrect/malicious code that causes the game to operate outside the published rules*

- *Consumers suffer unfair financial loss because the actual RTP% is not in line with the expected value/s.*

We are already aware of moves by the UK Gambling Commission who are seeking to make social gaming and eSports a licensable activity. With their weight in the industry, this could lead to another raft of new applications for licenses in whichever jurisdictions are affected. Needless to say it is important that we stay abreast of all of the regulations and consultative papers as well as maintaining our zero tolerance attitude toward failures and compliance breaches. The Company will set aside funds to act accordingly.

FULL COLOR® CARDS U.S. COPYRIGHTS

TERMINATION OF IP LEGAL REPRESENTATION

After losing my patience with the inexplicable delays in the issuance of my copyrights and patents that have never been issued or have been pending for nearly 7 years, I terminated our relationship with our current and long standing IP legal representation for cause and I finally took matters into my own hands to investigate the unacceptable delays that I was no longer willing to tolerate.

On August 30, 2016, I formally took over the filings, prosecution and issuance of my inventions of Full Color® Games and the Full Color®

Gaming System along with all of its related IP and filed a formal, complete and expedited US. Copyright for the Company's most coveted asset, and that is the copyrights for Full Color® Cards.



Full Color® Cards

3rd Edition (fully registered)

There are SEVEN current editions of Full Color® Cards. Each edition deals with the original incarnations, their evolutions, from paper player to electronic versions, "fat" number versions, bar code versions and beyond. The printed G2E 2014 deck to the left the 3rd Edition.

Copyright.gov

UNITED STATES COPYRIGHT OFFICE
a department of the Library of Congress

FULL COPYRIGHT PROTECTION HAS BEEN OBTAINED

After 7 years of failures of high priced lawyers to getting the key elements of the Full Color® Gaming System's primary IP formally protected with fully enforceable registrations, it is with a great honor that we report that exactly 7 days after David Mahon filed his primary printed and published decks of Full Color® Cards and their respective copyrights with the US Copyright Office, and immediately obtained a fully registered visual arts copyright for Full Color® Cards *3rd Edition* as witnessed below. We have finally obtained the most sought after piece of intellectual property protection for the Company from the United States Copyright Office further protectable by the Berne Convention Treaty.

Official United
States Copyright
Registration

VA 2-016-156

*Copyright protection
obtained officially on
September 6, 2016 seven
days after I personally filed
it myself. As an added
bonus the examiner
personally called me from
Washington and added the
full written rules for 21 or
Nothing® & Full Color®
Baccarat to the filing.*

Certificate of Registration



This certificate records the author's copyright
in the work and the date of registration. It is a
public record and is subject to the provisions of
the Copyright Act of 1976, as amended.

David W. Mahon
United States Register of Copyrights and Director

Registration Number
VA 2-016-156
Effective Date of Registration:
September 06, 2016

Title _____

Title of Work: Full Color Cards & Edition

Nature of Claim: Plaintiff's Claim

Completion/Publication _____

Year of Completion: 2014
Date of 1st Publication: September 06, 2016
Nation of 1st Publication: United States

Author _____

Author: David W. Mahon
Author Created: 2 D artwork, text
Citizen of: United States
Domiciled in: United States
Year Born: 1970

Copyright Claimant _____

Copyright Claimant: David W. Mahon
3225 McLeod Dr., Ste 100, Las Vegas, NV, 89121, United States

Rights and Permissions _____

Name: David W. Mahon
Email: david@fullcolorgames.com
Telephone: (310)880-8874
Address: 3225 McLeod Dr.
Ste 100
Las Vegas, NV 89121 United States

THE POWER OF THE BERNE CONVENTION TREATY

The Berne Convention, adopted in 1886, deals with the protection of works and the rights of their authors. It provides creators such as authors, musicians, poets, painters etc. with the means to control how their works are used, by whom, and on what terms. It is based on three basic principles and contains a series of provisions determining the minimum protection to be granted, as well as special provisions available to developing countries

that want to make use of them.

Although Full Color® Games seeks the trifecta of intellectual property protection of patents, copyrights and trademarks, there is none that is more powerful for the Company's revenue streams than the copyrights as it Full Color® Cards is a work of a "visual art" and the grand copyrights that come with it allow the Company to prevent any broadcast or publication of them without obtaining our consent in any audio / visual work through sync licensing and lets us control the rates as they are a privilege and not bound to compulsory licenses.



THE RAY SMITH PATENT CASE & NEW IP COUNSEL

The Company is pleased to announce major changes in our intellectual property, filings, prosecutions and protections strategies.

The Company is pleased to announce that we are hiring, arguably, the most successful casino gaming patent attorney and law firm in the world, Mark Litman of Mark A. Litman & Associates, P.A. to take over our intellectual

property, filings, prosecutions and protections strategies.

Mr. Litman's latest case before the United States Patent and Trademark Office, Patent and Appeal Board, resulted in a ruling that served the key foundation for the expedited issuance of the Full Color® Games IP through Mr. Litman's oral arguments that were put on record in the case law through the denial of a traditional table games patent through the ruling but saved in an admission by the USPTO that

- *That is not to say that all inventions in the gaming arts would be foreclosed from patent protection under § 101 . We could envisage, for example, claims directed to conducting a game using a new or original deck of cards potentially surviving step two of Alice .*

Mr. Litman was extremely familiar with Full Color® Games as he obtained a deck of Full Color® Cards at G2E 2014, the very same deck I just got our copyright issued on. Notwithstanding the above, we expect Mr. Litman to obtain a swift and expedient issuance of a plethora of Full Color® Gaming System patents in the very near future, all of which is paramount the growth of the Company! Stay tuned!

REAL MONEY GAMING DISTRIBUTION

IP / Games Creator



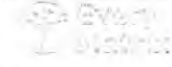
Software Developers



Remote Gaming Servers



Platforms / Aggregators



Operators



The Company has been in long search to obtain it's own Remote Gaming Server ("RGS") for global distribution as once each Full Color® Games format is developed & certified, it is done forever.

Each format is coded into a RGS that acts as either the direct integration layer to the operator or is integrated directly into a platform with 2 to 600 operators or an RGS aggregator that is integrated into the platform.

Full Color® Games has contracted with MultiSlot and Spin Gaming as it's software development and RGS partner who is already fully licensed and certified and is directly integrated into many aggregators, platforms and operators in all major markets worldwide.

The Full Color® Games IP stack through their RGS platform will be integrated into our own KingFisher RGS stack that will then go into the main platforms and aggregators around the world for major worldwide distribution.

New funding will allow the Company to get all the formats fully developed and fully integrated so the Company can effectuate its disruption plans to create its own Full Color® Casino tab and deliver games to thousands of online casino sites without delay.

21 OR NOTHING® CERTIFIED FOR PLAY



FCG's marquee 'real money' game of 21 or Nothing™ running on the Multislot Platform.

REAL MONEY GAMING APPLICATION APPROVED

The Company is pleased to announce that our first real money casino game, 21 or Nothing® software application has been approved by BMM to take real money bets. This compliments 21 or Nothing®'s already certified gaming math. Once we obtain our suppliers licenses as detailed above, the Company will begin to release the games around the world as detailed in our games distribution stack outlined above!

bmm testlabs

BMM CERTIFICATION TEST REPORT

Report Issue Date:	6 th October 2016
Jurisdiction Issued To:	Gaming Board for the Bahamas
Issued By:	BMM Testlabs Tanya Fidler, Executive Vice President, Operations 215 Pinal Road, Suite G, Las Vegas, NV 89119 702-407-2420 info@bmm.com
Compliance Tested by:	BMM Testlabs 215 Pinal Road, Suite G, Las Vegas, NV 89119
Integrator / User:	Full Color Games 3225 N. West Dr., Ste 100 Las Vegas, NV 89121
Compliance Software, for Games:	21 or Nothing® v2.0
Reference Standards:	IEC 607
Regulatory Standards:	FCC 47CFR15



BMM Certification for 21 or Nothing® on the Multislot RGS with specific emphasis on the Bahamas Gaming Control Board although certification is valid worldwide.



GLI-19 Interactive Gaming Systems v2.0

21 or Nothing® application certification is at the highest and most rigid standards in the world, GLI-19 Interactive v.2.0

This devotion to development has started to pay dividends with agreements with Island Luck, Multislot for the distribution and integration of the Company content to its 60+ operators, BetConstruct (an Eastern European distributor with over 100 operators), VideoSlots and Microgaming (the first, largest and most highly regarded platform operator in the world transacting in excess of 1 billion bets per week). The Microgaming deal will see our ability to distribute the Company's content to over 100 of their operators with others requiring additional licenses (see

below). Release on these platforms will be during Q4 2016 and Q1 2017 and we expect some initial revenues from these releases at the end of Q4 2016. Release on the Spin Gaming ROC server will be detailed below that takes us into even more coveted jurisdictions like Italy through GAN and social gaming through Blue Bat Games, and more.

EUROPEAN SERIES A DISCUSSIONS

As previously noted, FCG continues to be committed to raise a Series A equity round with our investment partners in the UK. The burden of due diligence and the standards of achieving the same are exceptionally high in the UK and the Isle of Man and even higher for gaming related companies, resulting in many man hours of work to satisfy accountants and lawyers even before we took the investment opportunity to market.

Having achieved the standards required, we approached the markets through our investment partners in the UK. Whilst we have engaged in a number of very positive discussions and demonstrations, momentum was lost in the UK due to the unexpected result of the Brexit vote in June. This result has been the single largest shock to the UK establishment in over 40 years and has rocked financial organisations to their core. There are still wide ranging issues and problems that face these institutions but we are happy to inform you that following the many weeks of crisis talks and

the Summer holiday period in the UK, we are now re-engaging with investors to drive this forward.

As many of you will be aware, raising Series A funding is not something where we simply pitch up, demonstrate the product, have a discussion and walk away with millions. We are dealing with some of the largest International investment banks in the world and some of the keenest, sharpest gaming sector investors around. These discussions continue and are looking positive at this time.



James Stocks & Co

We are pleased to announce that the CEO, David Mahon will be traveling to London this week to meet with Jim Stocks, founder of James Stocks & Co, whereby he begins formal negotiations for not only a major Series A type of raise but another set of titans in the industry, Victor Chandler (co-founder of BetVictor) and Michael Carlton (former CEO of BetVictor) who built a major online casino gaming portal, exited and is eager to get back

into the industry. BetVictor obtained License #1 in Gibraltar, one of the world's most sought after casino gaming jurisdictions due to its tax haven status for the industry. They are seeing the Full Color® Games unique and proprietary games and IP as a way to come in and take their experience and rolodex and built another empire. Stay tuned for updates!



Full Color Games Ltd CEO, Martin Linham leading the Series A round & controller of the Company's finances in Isle of Man by orchestrating all of the Series A meetings worldwide through his network.

G2E 2016 LAS VEGAS



G2E returns to Las Vegas and Full Color® Games was there!

The 2016 Global Gaming Expo ("G2E"), the world's largest land based casino gaming convention held at the Sands Expo Center in Las Vegas at the end of September one block away from the Company's North American offices.

The Company continues to be fiscally conservative with its funds and opted not to exhibit at the show itself but similar to G2E 2015 in order to save \$75,000 in booth expenses. Instead the Company chose to host all meetings in our Las Vegas offices and shuttle the casino gaming executives in from the Sands Expo Centre to our offices and wow them with our custom "casino gaming showroom".

We had meetings with some of the most highly regarded and largest online and social operators in the world including SkyBet, William Hill, Game Account Network and more. We expect these meetings to lead to more

distribution and licensing deals. Stay tuned for more details as we begin to close deals in Q4 2016 and Q1 2017.



Full Color Games, N.A., Inc. President, Glen Howard saving the Company money by shuttling casino gaming executives from Sands Convention Center to Full Color® Games Offices at G2E 2016

EIG 2016 BERLIN



David Mahon and Ashley Sandyford-Sykes, our Commercial Licensing Manager will both be attending the "Excellence in Gaming" conference in Berlin Germany next week. The Company has many more follow up meetings with the major operators and has special invites to the BDO private dinner where we are being introduced to high net worth individuals and other CEO level casino gaming executives through Keiran Storan. Look for great news coming out of this.

SOCIAL GAMING DEVELOPMENT



The Company is pleased to announce the completion of the social version of Full Color® Baccarat on all platforms. The games will be ported to HTML5 for development on the Spin ROC Server and then pushed out for global gaming in both social gaming development through a plethora of social gaming platforms that include, but are not limited to Gamehouse.com, Facebook.com, Foxwoods Casinos, Pechanga Casinos and so much more.



The is in final stages of contract negotiations to obtain it's own brandable RGS know as the Full Color® Games Remote Gaming Server from Spin Games out of Reno, NV.

ROC is a remote gaming server (RGS) and a for-wager game content delivery system designed to streamline the delivery of for-wager gaming content for the interactive market. A state-of-the-art content delivery system built for today's interactive gaming markets, the ROC development console supports the ability to use HTML5 game engines.

The ROC server focuses on having a robust and feature rich HTML5 game engines on the market. They are pushing the envelope of browser technology and device capability.

Spin will be doing the entire game development based on our Full Color® Game designs we already have produced. Our games on the ROC RGS will look and play like our land-based counterparts, only in the palm of your hand.

ROC Benefits

- GLI approved RNG
- Independent content game approval from backend system
- Plug and play dynamic with independent functionality
- Customized content and tournaments
- Customized peer to peer product systems
- State-of-the-art HTML 5 technology utilizing mobile and desktop delivery
- Interface and delivers to backend systems
- Developed for rapid deployment – seamless integration API's allow for fast and effective backend system integration

ROC Functionality

- Logging, reporting, security
- Games store function allows operators to download approved games
- Evaluation tool, evaluates game play and performance
- Redundancy and maintenance
- Supports multiple game engines
- Backend communication protocol integration tools
- Modular development architecture

The Company is entering into a long term relationship to develop our 21, baccarat and video poker formats for ICE 2017. Stay tuned for more details in the next newsletter.

ICE 2017 LONDON



FULL COLOR® GAMES TO EXHIBIT AT ICE 2017

The Company returns to its original booth again next year as we look forward to the ICE Totally Gaming conference in London in February 2017.

The Company has plans to exhibit and demonstrate a fully operational suite of Full Color® Games products at our booth to include 21 or Nothing®, Full Color® Baccarat and Full Color® Video Poker in both social and real money formats, and Live Dealer offerings for both 21 or Nothing® and Full Color® Baccarat.

This ICE 2017 exhibition should be a watershed event for the Company as we will continue to agree terms with operators for distribution of all of these products and give us an opportunity to agree terms and integration dates directly with decision makers. ICE 2017 is open to the general public and if you would like to attend then you should click on the above link and register for a place directly.



COMING SOON...

FULL COLOR® GAMES LIVE DEALER STUDIOS

Big surprises are coming soon in our next newsletter where we will demonstrate our own bespoke Live Dealer solution for 21 or Nothing® and Full Color® Baccarat, streaming live to your mobile and desktop devices from our offices in Las Vegas Nevada. Stay tuned!



Mark Munger, Full Color® Games CTO testing out the new barcode scanner equipment for our Full Color® Games Live Dealer Studio



Mark Munger and Glen Howard, preparing our disruptive Live Dealer online casino gaming studio for testing in Las Vegas

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Official Newsletter of Full Color® Games.

Our contact emailing address is:
david@fullcolorgames.com

Want to change how you receive these emails?
You can [update your preferences](#) or [unsubscribe from this list](#)

Declaration of G. Bradford Solso
Exhibit 11 Email from Howard to Investors dated April 17, 2017

From: Glen Howard
Cc: [Mahon David](#)
Subject: Full Color® Games Investor Call - Wednesday, April 19th at 10am PT / 1pm ET
Date: Monday, April 17, 2017 4:20:58 AM
Attachments: [image002.png](#)
[2017_04_16_FCG_Pitch_Deck_Investors.pdf](#)
[2017_04_16_FCGLTD_SIM_Budget.xlsx](#)
[Full_Color_Games_Integrations.pdf](#)

Dear FCG Investors;

Conference Call: David Mahon and I will be hosting an important conference call for all Full Color® Games Inc. investors on **Wednesday, April 19th, 2017 at 10AM PT / 1PM ET**. David will forward the [RingCentral.com](#) call in and screenshare links on a separate email.

Purpose of the Call: Address an impending breach of the terms and conditions of our Commercial License Agreement (“CLA”) for the exclusive rights to Full Color® Games without immediate and additional funding.

Issues to be covered on the Call: Use of Proceeds of all monies invested to date and provide an interactive discussion with existing investors so that we can update you on all elements of the business, how we got here and seek an immediate and necessary solution to our funding needs. The topics will include the milestones of success that we have had to date and the costs associated with creating them. We will go over how Full Color® Games has successfully built it’s commercial infrastructure for the global distribution of our rights to Full Color® Games that is designed to handle billions of monthly transactions from online gamblers around the world through thousands of online operators and distributors that we are now connecting to.

We will cover the topics of our Live Dealer solution and how our Kingfisher remote gaming system is our gateway to the world and controller of our financial revenue streams. You will see real world data from how this current system we are finally linked into is generating \$16 billion dollars in revenue and \$348 million in annual profit from just 14 Live Dealer tables and how FCG is poised to replicate it and more.

We finally have the infrastructure, business relationships, contracts and partnerships in place to go live and maximize the anticipated ROI of our original investments, however we do not currently have the necessary funding to complete the global launch as required by the CLA.

While there is great progress and a concrete rollout plan for the FCG product release, the Company requires \$1 million in additional capital to launch our products and move to a cash flow positive, self sustaining and self funding position by Q4 of 2017.

Included in this email is an advance copy of the Use of Proceeds spreadsheet for the \$1 million of additional funding and a 3 year pro forma report for your review on how we are poised to reach a 100% ROI and cash distributions in 2018.

Also Included in this email is a confidential link to Version 1.0 of our first commercial launch of 21 or Nothing® to both real money and virtual money operators on the licensed and approved remote gaming servers that will deliver it worldwide (Click the link and play the actual game below).

On an extremely positive note, Sebas Bastian, our single largest investor in Full Color Games

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Ltd, who has already invested \$1 million dollars, has verbally committed to investing another \$500,000 into the Company but this commitment will require other new and or existing investors to match his additional investments. We urge everyone to participate on the call as we are at a very serious crossroads here with our exclusive rights to the Full Color® Gaming System that we have all invested so much time, money, energy and efforts into acquiring and maintaining.

David and I look forward to providing you more details at the call at 10am PT / 1pm ET on Wednesday. Please do not hesitate to send us any questions that you want us to be sure to cover.

Best Regards,

Glen



The Next Generation of
Card & Casino Based Gaming

Full Color® Games, N.A., Inc.
3225 McLeod Drive, Suite 100
Las Vegas, NV 89121

Glen Howard
President

Email: glen@fullcolorgames.com
Direct: 650-464-1257 iPhone
Office: 702-749-4357 x104
Skype: gchoward1

FCG Product Trailer

ATTACHMENTS:

21 or Nothing® Product Demo: Please check out and play our RNG (Random Number Generated) version of 21 or Nothing® to see why everyone loves this game more than Blackjack.

This is our PRIVATE CONFIDENTIAL LINK that requires no login and no passwords. It is intended for INVESTORS ONLY. Please DO NOT DISTRIBUTE TO ANYONE. This is Release Version 1.0 of our universal HTML5.0 app for real money and virtual money. You can play up to 3 hands on your smart phone and up to 5 hands on your Tablet or Desktop. Click on the following link to play; http://fullcolor.spingames.net/launch/blackjack/fullcolor_21ornothing/standard

if you are on an iPhone or an Android Phone, CLOSE ALL WINDOWS IN SAFARI OR CHROME BROWSERS and roll phone sideways for full screen experience. If (when) you run out of money, you have to relaunch from the

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link above to get back to \$10,000.

FCG Investor Pitch Deck: To better prepare you for the upcoming call, please review the attached Investor Pitch Deck.

FCG \$1 million Budget and Cash Flow Projections: The attached spreadsheet details our use of proceeds and revenue projections for our \$1million capital raise. It also provides more details of our rollout schedule.

FCG Integrations: The attached Integration diagram will give you a great view of the massive network of distributors and Operators that we have access to for Live Dealer and RNG play.

Declaration of G. Bradford Solso
Exhibit 12 Email from Solso to Howard dated April 17, 2017

From: G. Bradford Solso
To: "glen@fullcolorgames.com"
Cc: "david@fullcolorgames.com"
Bcc: "david.eckles@gmail.com"; Crosby Hyde
Subject: FCG Performance
Date: Monday, April 17, 2017 10:02:31 PM

Glen-

Thank you for the information related to the cash requirements for FCG. I must say that I am concerned that the first financial conversation that we have had since the initial investment is about an impending contractual breach and cash crisis. Nonetheless, in order to consider an additional investment, some customary diligence materials are required. Please provide the following documents at your earliest convenience.

1. A organization chart showing all entities in the FCG family of companies (the "FCG Companies")
2. Detailed Capitalization Tables for each of the FCG Companies
3. Certificate of Incorporation or equivalent for each FCG Company
4. Income Statement and Balance Sheet for FCG, each subsidiary and the Isle of Mann entity from inception to March 31, 2017. These do not have to be prepared by a 3rd party. Detailed reports from quickbooks or the equivalent would be fine.
5. Copies of all agreements related to the FCG technology between any of the entities and David Mahon or any entity either controlled by David Mahon or which David Mahon is a significant shareholder, including the CLA referenced in your email
6. Copies of any agreement for integration, localization (e.g. language conversion), software development between any of the FCG Companies and any gaming platform
7. Copies of any agreements, certifications, licenses or other documents with standards organization or regulatory authorities.
8. A detailed plan, including cash requirements, to get one or more games to market and generating revenue within 30 days.
9. A list of the board of directors for each of the FCG Companies with bios.
10. A list of the officers for each of the FCG Companies with bios.
11. Summary of the terms under which Sebas is prepared to invest an additional \$500,000, including pre-money valuation, preferences and other rights. Please also contrast the proposed Sebas investment terms to the prior investment arrangement with Sebas.
12. Summary of all bank accounts and list of signatories for each account.

I look forward to the call on Wednesday but caution that a review of the pitch deck and integration documents will not be terribly productive. Since you have characterized this as a crisis (i.e. "impending breach of the terms and conditions of our Commercial License Agreement ("CLA") for the exclusive rights to Full Color® Games without immediate and additional funding"), please provide the information above by the end of day tomorrow so that it can be reviewed before the call and be prepared to discuss the minimum requirements necessary to manage the crisis. Lastly, in light of the resignation of the CFO and the Chief Legal Officer (with whom you show a pending settlement), please be prepared to discuss the reasons for the resignations and any claims that may exist.

AA0244

Thanks and best regards
Brad

G. Bradford Solso
Ashwood Management Partners
(650) 867-0076

www.ashwoodmp.com
www.olympicclubfoundation.org
www.abilitypath.org
www.communitygatepath.org

Declaration of G. Bradford Solso
Exhibit 13 Email from Solso to Mahon dated April 19, 2017

From: [G. Bradford Solso](#)
To: ["David Mahon"](#)
Cc: [a.rasor@yahoo.com](#); [adam@adamhodsoncpa.com](#); [aptracy@yahoo.com](#); [alex@alexcurvlo.com](#); [a_hautau@yahoo.com](#); [amish@msearchllc.com](#); [bmarcus@vierramagen.com](#); [c.tarpley@att.net](#); [cheryl@fullcolorgames.com](#); [ck@capitalpacific.com](#); [Crosbyhyde@comcast.net](#); [dttarp@gmail.com](#); [david.eckles@gmail.com](#); [DetlefBittner@gmail.com](#); [djedmcdonald@aol.com](#); [eduardo.emanuelli@hubinternational.com](#); [eric.little@mycarolinacpa.com](#); [erickxh@gmail.com](#); [glen@fullcolorgames.com](#); [jmhorn@gmail.com](#); [jpollock@pollockfinancial.com](#); [brokersfa@aol.com](#); [jtarpley@reactioncomm.com](#); [mail@castaldoproperties.com](#); [jeffrevopollock@gmail.com](#); [jeremiah.rutherford@voip-dragon.net](#); [kenferrone@yahoo.com](#); [ferronesusan@yahoo.com](#); [teresa@tmbuilders.com](#); [inlv@cox.net](#); [jillhoward@gmail.com](#); [jfbrock@cokecce.com](#); [jfbrock4@gmail.com](#); [johnrussellfeist@gmail.com](#); [kelly@broadwingcapital.com](#); [eric@kqnllc.com](#); [marabrazar@gmail.com](#); [MarcelDuvekot@yahoo.com](#); [memmerso04@yahoo.com](#); [mark@fullcolorgames.com](#); [mtc@breezeworks.com](#); [megantarp@gmail.com](#); [miabanks1@gmail.com](#); [ferrone.monica@gmail.com](#); [nick@fullcolorgames.com](#); [philipkentcooke@gmail.com](#); [scott.tarpley@beqom.com](#); [ShannonTobin@Yahoo.com](#); [steve@eggmganglobal.com](#); [waltercii@yahoo.com](#); [wsbolton@me.com](#)
Subject: RE: 2017_04_17_FCGI_Investor_Call - Invitation to collaborate
Date: Wednesday, April 19, 2017 6:20:43 PM

David-

Below is the list of question raised in my earlier request to Glen Howard and commentary in red indicated the status based on the information sent in this email. I have added a few additional questions based on my review of the materials that have been provided. Lastly, I reviewed the Isle of Man Companies Act of 2006 and there is nothing in the Companies Act that prevents you from sharing the information requested. Please let me know can expect to get the rest of the materials at your earliest convenience. Of the outstanding items, the most important in terms of considering an investment are i) CLA, ii) Cap Table for FCG Ltd and iii) income statements for FCG Inc. & FCG Ltd.

Thanks

Brad

1. A organization chart showing all entities in the FCG family of companies (the "FCG Companies") Organization Chart does not reflect Full Color Games, Inc. Please show how it fits into the structure
2. Detailed Capitalization Tables for each of the FCG Companies – Capitalization Table was provided for Full Color Games, Inc. Capitalization tables for FCG Ltd & FCG NA are still outstanding.
3. Certificate of Incorporation or equivalent for each FCG Company –Certificate provided for FCG Ltd. Please also provide Articles. Nothing provided for FCG Inc. or FCG NA
4. Income Statement and Balance Sheet for FCG, each subsidiary and the Isle of Mann entity from inception to March 31, 2017. These do not have to be prepared by a 3rd party. Detailed reports from quickbooks or the equivalent would be fine. –Balance Sheet provided for FCG Inc. and FCG Ltd. Income Statement is still outstanding.
 - a. FCG Inc. balance sheet list as assets-Capitalized Development Costs of \$798,041.69 for various elements of the FCG Product including Programming (\$386,663.82) and Web Development (\$135,853.41).
 - i. Please provide additional information itemizing these costs by specific games (e.g. 21 or Nothing), integrations, RGS and/or other appropriated category.
 - ii. Please describe how these assets will be utilized in the deployment of the games through FCG Ltd.
 - b. FCG Inc. balance sheet lists as an asset- Investment in FCG LTD \$128,006.41. There

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does not appear to be any corresponding capital reflected in the balance sheet of FCG LTD

- i. Please provide details, including capitalization table (See 2 above) regarding the establishment of FCG LTD, including the following
 1. How many shares were issued to FCG Inc. in respect of its investment in FCG LTD?
 2. What is the total outstanding share capital of FCG LTD
 3. How many shares were issued to Sebas in respect of his investment
 - ii. Please provide tax analysis demonstrating that the technology transfer from FCG Inc. to FCG LTD qualified as a tax-free transaction
5. Copies of all agreements related to the FCG technology between any of the entities and David Mahon or any entity either controlled by David Mahon or which David Mahon is a significant shareholder, including the CLA referenced in your email-No Documents provided
6. Copies of any agreement for integration, localization (e.g. language conversion), software development between any of the FCG Companies and any gaming platform-No Documents provide
7. Copies of any agreements, certifications, licenses or other documents with standards organization or regulatory authorities.-Copy of email chain starting with email from Martin Linham to Ranjit Singh, Gambling Commission. Uk announcing his resignation and an email from Ranjit Singh, dated April 7, 2017 requesting additional information in respect of the application. The open items appear to be more extensive than the "Newman Settlement" as described in the call. Specifically, the gambling commission requested the following information
 - a. Newman Shares
 - i. Who is the legal owner/holder of shares relating to Newman
 1. **Solso Comment:** Newman/Cooper Blackstone LLC is listed a shareholder in FCG Inc. Since FCG Inc. is the investor in FCG LTD, how did the Newman/Cooper Blackstone settlement become an issue in FCG LTD obtaining a UK Gaming License?
 - b. Funding
 - i. Please provide update on the additional funding that is being sought
 - ii. Provide further clarification of the \$1 million in-kind as part of DaVinci Holdings agreement
 - iii. Provide amended financial forecasts
 - iv. Provide clarification on "investing in liquidity over the coming 3 years"
 - c. Full Colour Games N.A. Inc.
 - i. What are the service level agreements between Full Color Limited and companies within the group
 - d. Third Party Agreements
 - i. Provide further information relating the agreements in place with relevance to hosting Full Color Games Limited's infrastructure
 - e. Remote Technical Standards
 - i. Provide details how Full Color Games Ltd meets points 1-14 of the RTS and IPA 1-7
 - f. Jurisdiction

- i. Provide specific details of all jurisdictions that will be targeted
8. A detailed plan, including cash requirements, to get one or more games to market and generating revenue within 30 days. No materials responsive to this request
9. A list of the board of directors for each of the FCG Companies with bios. –Board of Directors for FCG LTD provided but no bios. Listing includes Martin Linham who resigned on March 30, 2017 and Richard Newman who, based on this call “has committed actional acts” and is the subject of the Newman Settlement”. The remaining two directors are David Mahon and Lee John Bernard Murphy. Who is Mr. Murphy and what is his role with the FCG LTD? No information was provided with respect to FCG Inc. or FCG N.A.
10. A list of the officers for each of the FCG Companies with bios.-No information was provided
11. Summary of the terms under which Sebas is prepared to invest an additional \$500,000, including pre-money valuation, preferences and other rights. Please also contrast the proposed Sebas investment terms to the prior investment arrangement with Sebas.-limited information was provided.
12. Summary of all bank accounts and list of signatories for each account.-no information was provided

From: David Mahon (via Google Drive) [mailto:drive-shares-noreply@google.com]

Sent: Wednesday, April 19, 2017 10:30 AM

To: G. Bradford Solso <bsolso@ashwoodmp.com>

Cc: a.rasor@yahoo.com; adam@adamhodsoncpa.com; aptracy@yahoo.com; alex@alexcurylo.com; a_hautau@yahoo.com; amish@msearchllc.com; bmarcus@vierramagen.com; c.tarpley@att.net; cherylt@fullcolorgames.com; ck@capitalpacific.com; Crosbyhyde@comcast.net; dttarp@gmail.com; david.eckles@gmail.com; DetlefBittner@gmail.com; djedmcdonald@aol.com; eduardo.emanuelli@hubinternational.com; eric.little@mycarolinacpa.com; erickxh@gmail.com; glen@fullcolorgames.com; jmhorn@gmail.com; jpollock@pollockfinancial.com; brokersfa@aol.com; jtarpley@reactioncomm.com; mail@castaldoproperties.com; jeffreyopollock@gmail.com; jeremiah.rutherford@voip-dragon.net; kenferrone@yahoo.com; ferronesusan@yahoo.com; teresa@tlmbuilders.com; jnlv@cox.net; jillhoward@gmail.com; jfbrock@cokecce.com; jfbrock4@gmail.com; johnrussellfeist@gmail.com; kelly@broadwingcapital.com; eric@kgnhllc.com; marabrazar@gmail.com; MarcelDuvekot@yahoo.com; memmerso04@yahoo.com; mark@fullcolorgames.com; mtc@breezeworks.com; megantarp@gmail.com; miabanks1@gmail.com; ferrone.monica@gmail.com; nick@fullcolorgames.com; philipkentcooke@gmail.com; scott.tarpley@beqom.com; ShannonTobin@Yahoo.com; steve@eggmanglobal.com; waltercii@yahoo.com; wsbolton@me.com

Subject: 2017_04_17_FCGI_Investor_Call - Invitation to collaborate

David Mahon has invited you to **contribute** to the following shared folder:



2017_04_17_FCGI_Investor_Call



Full Color Games, Inc. Investors

The following is a CONFIDENTIAL list of documents for Full Color® Games

AA0248

There are some documents that I do not have permission to share so this is all I can put out per Brad's Request.

Regards,
David Mahon



Google Drive: Have all your files within reach from any device.
Google Inc. 1600 Amphitheatre Parkway, Mountain View, CA 94043, USA



IN THE SUPREME COURT OF THE STATE OF NEVADA

BRIAN MARCUS, an individual,
Appellant,

Case No. 79512

vs.

FULL COLOR GAMES, INC., A
NEVADA CORPORATION,
Respondent.

APPEAL

from a decision in favor of Respondent
entered by the Eighth Judicial District Court, Clark County, Nevada
The Honorable Mark R. Denton, District Court Judge
District Court Case No. A-17-759862-B

APPELLANT'S APPENDIX VOLUME III

JOSEPH A. GUTIERREZ, ESQ.
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Attorneys for Appellant Brian Marcus

DATE	DESCRIPTION	VOLUME	PAGES
05/01/2019	Affidavit of Service	V	AA0789 – AA0790
08/30/2017	Amended Verified Shareholder Derivative Complaint and Amended Complaint	I	AA0035 – AA0068
02/04/2019	Defendant Full Color Games, Inc.’s Amended Answer, Counterclaims, and Third-Party Complaint	IV	AA0569 – AA0783
02/01/2019	Defendant Full Color Games, Inc.’s Answer, Counterclaims, and Third- Party Complaint	III	AA0359 – AA0568
06/14/2019	Full Color Games, Inc.’s Opposition to Third-Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0926 – AA0936
08/26/2019	Notice of Appeal	VI	AA0965 – AA1062
07/29/2019	Notice of Entry of Order on Third Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0958 – AA0964
07/29/2019	Order on Third-Party Defendant Brian Marcus’ Special Motion to Dismiss	V	AA0954 – AA0957

	Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
11/27/2017	Plaintiffs' Opposition to Defendants' Motion for Summary Judgment on all Derivative Claims Set Forth in the Amended Verified Shareholder Derivative Complaint and Counter-Motion for Leave to File an Amended Complaint	I/II/III	AA0069 – AA0323
12/06/2019	Recorder's Transcript of Hearing Re: Third-Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	VI	AA1063 – AA1074
01/12/2018	Second Amended Verified Shareholder Derivative Complaint and Second Amended Complaint	III	AA0324 – AA0358
02/11/2019	Summons	V	AA0784 – AA0788
06/21/2019	Third Party Defendant Brian Marcus' Reply in Support of Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0937 – AA0953
05/15/2019	Third Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party	V	AA0791 – AA0925

	Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
08/11/2017	Verified Shareholder Derivative Complaint and Complaint	I	AA0001 – AA0034

CERTIFICATE OF SERVICE

I certify that on the 14th day of February 2020, this document was electronically filed with the Nevada Supreme Court. Electronic service of the foregoing: APPELLANT’S OPENING BRIEF and VOLUMES I-V of the JOINT APPENDIX shall be made in accordance with the Master Service List as follows:

Mark A. Hutchison
Todd W. Prall
HUTCHISON & STEFFEN, PLLC
10080 West Alta Drive, Suite 200
Las Vegas, Nevada 89200
Attorneys for Respondent Full Color Games, Inc.

DATED this 14th day of February 2020.

/s/ Brandon Lopipero

An Employee of MAIER GUTIERREZ & ASSOCITES

Declaration of G. Bradford Solso
Exhibit 14 Full Color Games Recapitalization Principles date April 26, 2017

Full Color Games, Inc. Recapitalization
Principles

1. **All rights, title and interests in and relating to Full Color intellectual property ("FC-IP")** will be irrevocably assigned or otherwise conveyed to Full Color Games Inc. ("FCGI") by David Mahon and any affiliate.
2. **FCGI will pay a royalty**, in perpetuity, beginning 30-days after [the closing of a Qualified Financing (defined below) or the execution of a commercial agreement with a third party for the paid use and marketing of the FC-IP] of the greater of: (i) \$10,000 per month or (ii) 20% of the net revenues derived from the license of the FC-IP.
 - a. **Net Revenues** are defined as revenues recognized by FCGI, in accordance with generally accepted accounting principles ("GAAP") in the United States less all expenses directly ("Costs of Revenue") related to the production of the revenues. For the avoidance of doubt, Costs of Revenues does not include sales, marketing and general and administrative expenses.
3. A **"Qualified Financing"** is the issuance by FCGI of equity securities or debt instruments in an aggregate amount of not less than **[\$1,000,000]**.
4. **FCGI will provide a general release to David Mahon** and any affiliate relating to any claims arising from or relating to any and all disclosed actions or inactions during his time as CEO of FCGI, Full Color Games, Ltd ("FCGL") and/or Full Color Games, N.A. ("FCGNA").
5. **David Mahon and his affiliates will provide a general release** to FCGI and all FCGI-related entities, including, but not limited to, FCGL and FCGNA, their respective shareholders, all past employees, contractors, vendors and agents relating to any claims arising from or relating any and all disclosed actions or inactions, including any claims relating to his resignation of all positions from such entities.
6. **David Mahon will resign from all positions (including, but not limited to, as CEO, Director, Manager, etc)** of all FCGI-related entities, including, but not limited to, FCGI, FCGL and FCGNA and return all property of such entities
7. **David Mahon will return all stock**, whether common, preferred, ordinary or preference shares, in all FCGI-related entities, including, but not limited to, FCGI, FCGL and FCGNA, held by David Mahon directly or indirectly through an affiliate, including, but not limited to, IPH LLC, IPH LTD, NDA LLC and NDA LTD and the respective FCGI-related company will pay David Mahon or the affiliate an amount equal to the cash amount actually paid by David Mahon or the affiliate to the respective company for the shares.
8. **David Mahon will provide a comprehensive list of all FC-IP** including all known and potential future applications involving the five-card deck of cards and any related passwords or access to FC-IP systems.
9. **David Mahon will provide all documentation including, but not limited to, the mathematical calculations** underlying any the current games or any games underdevelopment, including, but not limited to Full Color 21 or Nothing, Full Color Baccarat, Full Color Poker and Full Color Solitaire.

10. **David Mahon will assist FCGI**, at FCGI's request and expense, any claim or actions that challenges the intellectual property rights related to the **FC-IP**.
11. **David Mahon will provide a full accounting** of the expenditures of the FCGI, FCGL and FCGNA, including an income statement and balance sheet
12. **Parties will enter into mutual agreements relating to confidentiality, non-disparagement, non-compete and similar provisions.**

Declaration of G. Bradford Solso

Exhibit 15 Email from Howard to Potential Investors in Full Color Games Group dated June 29, 2017

G. Bradford Solso

From: Glen Howard <glen@fullcolorgames.com>
Sent: Thursday, June 29, 2017 7:31 PM
Cc: Mahon David; Howard Glen
Subject: Plan to Move Forward - Overview of Full Color Games Group, Inc.
Attachments: PastedGraphic-1.tiff; 2017_06_29_FCGG_Investor_Overview_Release.pdf

To Our Trusted Friends and Advisors,

Please find attached a detailed overview of Full Color Games Group, Inc which is a new Nevada Corporation that has been setup to facilitate the path forward for Full Color Games. Please maintain this material as CONFIDENTIAL.

David and I look forward to your feedback and the opportunity to answer any questions you may have.

Best Regards,

Glen

The Next Generation of
Card & Casino Based Gaming

Full Color® Games Group, Inc.
3225 McLeod Drive, Suite 100
Las Vegas, NV 89121

Glen Howard
President

FCG Product Trailer

Email: glen@fullcolorgames.com
Direct: 650-464-1257 iPhone
Office: 702-749-4357 x104
Skype: gchoward1

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 reply e-mail and delete the message.

Declaration of G. Bradford Solso
Exhibit 15-A Investor Overview-Full Color Games Group

The following material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. We are not soliciting any action based on this material. It is for your general information only. Before acting on this material, you should consider whether it is suitable for your particular circumstances and, if necessary, seek professional advice. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses including a complete loss of all capital invested. Any shares discussed herein are Shares that are not being registered under the Securities Act of 1933, as amended (the "1933 Act") on the ground that the issuance thereof is exempt under Section 4(2) of the 1933 Act and Rule 506 of Regulation D promulgated thereunder, and that reliance on such exemption is predicated in part on the truth and accuracy of any purchaser's representations and warranties, and those of the other purchasers of Shares.

June 29th, 2017

To Our Trusted Friends and Advisors:

By now you should be aware of the fact that the Commercial License Agreement ("CLA") for Full Color® Games Intellectual Property Rights ("FCG-IPR") that was once exclusively licensed to Full Color Games Ltd ("FCGL") was terminated on May 31, 2017 with Intellectual Properties Holding Ltd ("IPHL").

That CLA was managed by IPHL by way of an Intellectual Property Rights Management Agreement ("IPR-MA"). As a result of the termination of the CLA with FCGL, IPHL further terminated its IPR-MA with its Licensor, Intellectual Properties Holding, LLC, a Nevada limited liability company, ("IPH") on May 31, 2017.

As a result, all rights to all FCG-IPR, including all of its improvements to date, pursuant to the CLA and the IPR-MA, reverted, in full, free and clear of all encumbrances back to the USA to IPH with all of its improvements to date, per the terms and conditions of the CLA.

IPH owns and controls 100% of all the master licensing rights to all FCG-IPR as invented, created and wholly owned by David W. Mahon as registered with United States Patent and Trademark Office ("USPTO") and US Copyright Office ("USCO").

NEW LICENSEES

IPH seeks to commercialize its rights to the FCG-IPR through a new Exclusive Commercial License Agreement ("ECLA") to a qualified corporation that can take the existing FCG-IPR and finally commercialize it.

Full Color Games Group, Inc., a Nevada corporation was formed on June 9, 2017 ("FCGG") and seeks to be deemed a qualified corporation by IPH and obtain the ECLA.

In order for FCGG to become qualified by IPH, it must raise and close a minimum of \$250,000 in order to acquire the ECLA. The proposed plan is to raise those and additional funds through a \$500,000 Convertible Note ("CNote") that will convert into Preferred Seed Shares as defined below. FCGG seeks to raise these funds through "known investors" who are people such as yourself that are accredited investors who

have real money casino gaming investment experience in the global casino gaming industry as well as those who understand the risk vs. rewards associated with investing in such an industry, much more in disruptive methodologies.

FCGG has established minimum thresholds that it refers to as “*Minimum Amount of Investment*” to participate in this financing and then priced the shares at a \$5.13 million pre-money valuation with a **3x** liquidation preference to guarantee a priority return of capital to everyone that participates as an extraordinary measure of reward in relation to the associated risk of the investment. After that priority return has been paid, preferred shareholders will share on a pro-rata basis with the Common Shareholders. For example, a \$10,000 investment in Preferred Seed Shares today will pay you back a full \$30,000 (3x) before any of the Common Shareholders can receive a penny. You will receive a separate email that designates your *Minimum Amount of Investment* to participate in this financing.

NEW FUNDING DETAILS:

- Up to \$500,000 will be raised on a CNote that will convert into 2,423,633 non-voting Preferred Seed Shares based on a triggering event.
- The conversion price will be set today at \$0.2063 (20.63 cents) per share (\$5.13m pre-money valuation) and will be triggered (converted) upon the first commercial release of a Full Color® Games product.
- Invited participants must invest their allotted *Minimum Amount of Investment* in the CNote to participate. You will be notified in a separate email of this amount.
- Participants may request to invest more than their *Minimum Amount of Investment* if they wish to purchase unallocated shares.
- The FCGG Board will determine who may purchase the unallocated shares if they are over-subscribed. This CNote offering will not exceed \$500,000.
- **Investors who choose not to participate, will not receive any Preferred Seed shares.**
- The Closing date will be at midnight on July 14th, 2017.
- All Preferred Seed shares received upon conversion will be non-voting shares.
- 100% of all voting shares of FCGG have been issued to IPH.
- Investors who choose to participate must satisfactorily complete a *Bad Actor Questionnaire*. This form is a mandatory self-certification whereby any Shareholder of FCGG confirms themselves as being capable of being found “suitable” by FCGG and by any real money gaming authority having jurisdiction required to acquire necessary gaming licenses in order to effectuate any part of the ECLA. Reference: [Licence Conditions and Codes of Practice \(LCCP\) for UKGC](#).

FCGG GOVERNANCE & OVERSIGHT

Upon the issuance of the ECLA, FCGG shall form a Board of Directors to ensure proper governance, oversight, transparency, operating plans and management responsibilities of FCGG. See “FCGG Board of Directors” paragraph below for more detail.

PURPOSE OF THE COMPANY

The primary value of the FCG-IPR resides in its ability to commercialize itself worldwide through all 240 countries in all languages to all people around the globe due to its universal appeal. In order to maximize its full potential, FCGG was formed to become the master licensor of Full Color® Games products and issue sublicenses when and where it deems fit to establish, develop, market, promote and exploit the value of the Full Color® Games global brand. This requires an elaborate corporate infrastructure that will evolve over time whereby it will form many subsidiaries and sub-license its own rights around the world for both real money and virtual money gaming, in both regulated and unregulated markets and in order to maximize tax management solutions, governmental restrictions and monetary exchange systems in order to maximize its cash flow and cash distributions to shareholders. In short, FCGG will be the apex of the licensing structure whereby Shareholders will see their proportionate share of ALL revenues related to the distribution of Full Color® Games pursuant to the ECLA regardless of how FCGG sublicenses out its rights. This will ensure that all power is maintained here in the USA whereby we can maintain complete control, transparency and distribution of dividends that isn't so easily obtained, maintained or transacted by having foreign entities as the apex of ECLA.

Additional subsidiaries will only be formed (yet wholly owned by the FCGG) when it is necessary for us to distribute our rights afforded to us under the ECLA specifically including but not limited to streamlining the application and approval process for acquiring new and necessary gaming licenses to commercialize and monetize our rights.

FCGG intends to structure itself in ways that would enable the company to go public through an IPO.

FCGG BOARD OF DIRECTORS

The Company intends on creating a new 3-person Board of Directors ("BOD") to oversee management and operations. The BOD shall initially consist of David Mahon as Chairman and CEO, Glen Howard as President, and [Jean-Pierre Houareau](#) ("JP") as an outside Director with significant casino gaming CFO and management experience. JP also holds a UKGC Personal Management License ("PML") of which all Shareholders (with ≥3% ownership in FCGG), Directors or executive management must obtain. The BOD will also grant board observation rights to [Hilary Stewart-Jones](#) of DLA Piper who is currently acting as our primary legal advisor. For the first 6 months, the BOD shall meet monthly. After that, the BOD will decide its own schedule.

The BOD plans to take up such key matters as;

- Approval and Management of the Operating Budget
- 3-year Product roadmap
- Product launch plans & priorities
- Hiring Plans to execute and achieve near term revenue projections
- Coordinate & Initiate Applications for Key Gaming Licenses

- Manage all Compliance Issues related to Casino Gaming Licenses
- Formulate FCGG Dividend Distribution Policy
- Series A Fundraising Plans – FCGG plans to raise more funds in 3 to 6 months
- CEO Succession Plan
- Insurance matters (Business insurance, Key Man Insurance, etc.)
- Contracts with key personal, contractors and contract partners
- Standardizing FCGG legal docs for Operators & Distribution Partners
- Office Space requirements
- Management/Employee Option Pool
- Investor Relations and Quarterly Updates
- Company Tax, audit and compliance matters
- Banking Relationships & Safeguards

TRANSPARENCY

The Company intends to provide the BOD with monthly financial reports and business statements. The financial reports shall include Balance Sheet, P&L, Budget Updates, Bank distributions and Cap table.

The Company intends to provide Investors with written quarterly financial data and business updates.

OPERATING PLAN

The Company will put forward a \$500,000 twelve-month operating plan itemizing all expenses to be incurred and the projected revenues. Such plan will include all projected monthly expenses and a product rollout plan with revenue projections. Any significant deviation from this plan will require BOD approval.

The Operating Plan is subject to change based on market conditions, licensing delays, operator integrations, sub-licensing deals and other business opportunities that come our way as the Full Color® Games brand begins to gain national and international exposure. The FCG-IP has an extremely long list of Tier 1, 2 and 3 operators in both regulated and non-regulated, real money and virtual money markets that will take the product as soon as it is ready. FCGG intends to stay focused on it's existing integrations with Spin Games (USA), it's new integration with Gameiom (Europe & Asia) for now while taking advantage of its ability to do direct operator integrations as much as distributor deals in both the [random-number generation](#) ("RNG") and live dealer ("LD") markets.

MANAGEMENT RESPONSIBILITIES

David Mahon (CEO & Inventor) and Glen Howard (President) and any other executives contracted by the Company shall enter into contracts with the company that shall be BOD approved. Such contracts shall specify minimum monthly income based on certain minimum revenues being achieved. Such contracts will also spell out specific job responsibilities of Mahon, Howard and other Executives. This new structure is intended

to offload CEO David Mahon so he can focus on the top company priorities of launching products and achieving revenue.

It is believed to be in the best interest of the Shareholders and management that Mahon spend the majority of his time on existing product development of 21 or Nothing® and Full Color® Baccarat, product release plans, gaming math approval, licensing, operator integrations, QA, IP related matters, international vendor relationships and marketing activities and conferences that promote product usage. Howard will handle employee management, U.S. vendor relationships, office operations, investor relations, financial activities including fundraising, banking relationships, expense management, payroll, accounting matters and tax and reporting matters. Several of these functions like legal and accounting will be outsourced until the company is of sufficient size and revenue to bring such expertise in house.

LEGAL COUNSEL

FCGG has obtained the legal and consultation services of [James \(Jim\) Jensen](#) of [Perkins-Coie, LLP](#) ("PC") of Palo Alto, CA for it's company formation, SEC and investor relations counsel. PC will be providing all subscription docs, share issuance agreements, CNote docs, NDA's, self-certifications, et. Al. related to any and all SEC regulated investments.

FCGG has obtained the legal and consultation services of [Hilary Stewart-Jones](#) of DLA Piper, London. She has strong expertise within the gaming industry and specifically focuses on intellectual property and technology in the gambling sector. She is currently engaged at no cost to FCGG as she is very excited about the future prospects and opportunities of FCGG and it's ECLA.

FCGG has obtained the legal and consultation services of [Mark A. Litman](#) of Mark Litman & Associates, P.A. for its intellectual property counsel by way of IPH. Mark Litman is considered one of the world's leading authorities on casino gaming patents, trademarks and copyright law. He has argued before the USPTO creating case law critical to the issuance of patents related to FCG-IPR.

BANKING RELATIONSHIPS

FCGG has been authorized to open bank accounts at Bank of America and will initially have Mahon and Howard with signatory power. FCGG's accountant shall be granted viewing options and oversight to the bank accounts. Expenses of \$10,000 or greater that are not itemized in the operating budget will require two executive signatures.

ACCOUNTING MATTERS

FCGG shall retain the services of [Adam Hodson, CPA](#) ("AHC") for all USA accounting and tax counsel. AHC shall provide accounting services to prepare financial reports, tax filings and audit reports as necessary. As the company grows it will seek the advice of other tax professionals worldwide by the likes of KPMG or BDO, each of whom are already familiar with the FCG-IP.

THE EXCLUSIVE COMMERCIAL LICENSE AGREEMENT (ECLA)

The FCG-IP is poised to disrupt the \$500 billion dollar regulated casino gaming market which more than doubles when you add the non-regulated markets to it. If FCG-IPR obtains even 1/10th of 1% of that market share of over \$1 trillion globally, it's market cap could make it the single largest casino gaming company on the planet.

Simply stated, FCGG cannot afford to pay for an all-inclusive global license for the development, distribution and commercialization rights to the full suite of Full Color® Games and all its related intellectual property rights of the games that the FCG-IPR is capable of producing now or over the lifetime of the author plus the 70 years it is protected by through the fully registered copyrights of Full Color® Cards and the pending FCG-IPR patent applications currently before the USPTO.

To put this into perspective, no one could afford to buy the original master license to Coca-Cola, McDonald's, Starbucks, Monopoly or any other globally recognized brand that started with one product (soda, hamburgers, coffee or a board game) whereby each of the respective brands are licensed worldwide and doing billions of dollars in revenue annually in a countless number of product lines that extend far beyond their namesake products. FCG-IPR is poised to replicate each of their global product lines.

In the realm of reality, IPH recognizes that 100% of nothing is nothing as much as FCGG recognizes there is no way on earth it can afford the ECLA.

IPH recognizes that certain compromises must be made in order to compliment each other, benefit together and get its first products to the global marketplace as much as any investor in FCGG must also recognize that it must do the same in order to gain access to the global commercialization rights and their perpetual revenue streams.

In an ideal world, IPH would only issue one FCG-IPR product license at a time to FCGG and require FCGG to prove it has the financial wherewithal to actually commercialize it before it grants any other licenses in order to avoid any further delay to its revenue streams in order to ensure that it avoids repeating any of its setbacks it has already experienced by the failures of previous Licensees.

In an ideal world, FCGG would have all of the FCG-IPR from the start so that it never has to bid or negotiate against other competitors for any or all other rights to the FCG-IPR if it is the entity that is ultimately responsible for funding the first success of the first product that paves the way for additional FCG-IPR products to launch and trade on the currency of that first success. In an ideal world, FCGG would be the sole beneficiary of its original investments, its best efforts and financial resources that makes it possible in the first place.

In the real world, the ECLA does include an all-encompassing and unprecedented series of inventions that includes the entire suite of Full Color® Games and distribution rights

to them, both known and unknown from now in perpetuity. Currently those include 10 different existing formats that include 21, baccarat, slots, bingo, poker, dice, keno, lotto, roulette and solitaire. These include games that are already created, conceived or formulated by David W. Mahon as well as any open source game development kits Mahon intends to produce to allow others around the world to create new games through sublicensing over time.

In the real world, the ECLA also includes millions of dollar's worth of infrastructure that FCGG will instantly obtain. This infrastructure was created through 6+ year's worth of IPH relationships that include existing licensing relationships with software providers that allow for the near instant commercialization of the FCG-IPR through its random-number generation ("RNG") product, its live dealer product ("LD") and the remote gaming servers ("RGS") used to deliver them both. All FCGG investors get these instant benefits of evolution.

And finally, the ECLA also includes a grant of FCG-IPR rights at no upfront cost to FCGG. In summary, the value of the ECLA far exceeds the new investment dollars being raised to obtain it.

Never before in the history of time has anyone been able to disrupt the casino gaming market on a worldwide basis and across multiple formats. Such a disruption, should it actually occur and reach its full potential, truly has an incalculable value to it, motivating IPH to hold out for its true value to be quantified based on its first release of 21 or Nothing® before it issues out any additional licenses related thereto in what is sure to be followed by a bevy of other disruptive products. At that point, no one would be able to afford to purchase any additional rights and more importantly there is no way on earth IPH would sell those rights.

Therefore, in order to come to a fair and equitable agreement and bridge the gap between the unattainable ideal world and the attainable real world, both parties in IPH and FCGG have agreed to a pre-negotiated and non-negotiable equal-equal 50/50 revenue share in all revenue generated by the FCG-IPR as defined in the ECLA. IPH shall have no rights to re-negotiate the ECLA and FCGG will have all the rights to all Full Color® Games products now known or unknown in perpetuity.

PRODUCT ROADMAP

Here is a brief roadmap of what games FCGG plans to launch in the next year and then other formats that are expected to follow as soon as market conditions warrant it. Each game is projected to represent a market opportunity exceeding hundreds of millions of net gaming revenue ("NGR") per year. These games are all covered by the ECLA including all versions of play such as Live Dealer, computer RNG, physical tables and home game versions as well as any associated merchandise sales.

- 21 or Nothing® – version 1 is ready for release in social and subject to real money gaming licenses being issued by the authorities having jurisdiction (“AHJ”) where regulated.
- Full Color® Baccarat – Coming 4Q2017
- Full Color® Slots – Anticipated 2018
- Full Color® Roulette – Anticipated 2018
- Full Color® Bingo – Anticipated 2019
- Full Color® Poker – Anticipated 2020
- Full Color® Craps

All dates may be accelerated depending on growth, funds available and if and when FCGG goes public.

NEXT STEPS TO PRODUCT LAUNCH AND REVENUE

- Complete the initial \$250K (minimum) of the CNote – July 14, 2017
- Complete \$500K CNote – End of July to Mid August 2017
- Apply for New Jersey GC License – Mid July 2017
- Apply for UKGC license – End of July 2017 (expected 10-12 week process)
- Finalize distribution contracts with Spin Games and Gameiom.
- Complete BMM math approval of V1 of *21 or Nothing*®
- Sign Revenue share agreements with NJ Operators
- Sign Revenue share agreements with Gibraltar & Asia Operators
- Complete Live Dealer offering with ReDIM team in India (4 weeks)
- Go live with NJ Operators via Spin Roc 3 Server (approx. 10 weeks)
- Go Live with Gameiom unregulated Asian Operators (approx. 12 weeks)
- Apply for Gibraltar Gaming license (4 week process after UKGC license is issued)

CAPITALIZATION – BASED ON \$500K BEING FUNDED

- The initial capitalization of FCGG will include approx. 25M Common Shares with ~86% held by IPH LLC, ~8% held by The Howard Trust and ~6% Others.
- Upon the conversion of a full \$500k Convertible Note there will be ~27.3M total shares (Preferred + Common) outstanding with ~8.9% held by investors, ~78.6% by IPH LLC, ~7.6% by The Howard Trust and ~4.9% by others.

NEXT STEPS

Thank you for your time and interest in reviewing this opportunity to consider an investment in FCGG. Qualified and interested investors will be receiving a personal email with details on your *Minimum Amount of Investment* and the next steps to participate. We plan to close the funding no later than July 14th, 2017.

Please do not hesitate to call Glen Howard (650-464-1257) or David Mahon (310-880-8874) with any questions, comments or concerns.

EXHIBIT 6

EXHIBIT 6

DECLARATION OF DAVID ECKLES

I, DAVID ECKLES, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. I am a current shareholder in Full Color Games, Inc. ("FCGI") David's Hard Work Trust LTD

4. My intent with this writing is to recount the communications and events that led up to the breakdown of communication between shareholders like myself, David Mahon and Glen Howard.

5. While I did not know either of these individuals, I had known Crosby Hyde for a several years and trusted his integrity. Hyde knew of my concerns and tried to reassure me that Howard was a sophisticated and seasoned executive that had been involved with start-ups and raising money.

6. After some brief due diligence on Howard, we turned to Mahon as the creator of the game. Mahon was billed as brilliant, myopic in his attention to detail, unable to delegate, and a person trying to take on too much himself. The inference being that Howard knew his operating style and would be the guiding force to insure timetables and deliverables were met.

7. On or about June 4, 2015, I received a phone call from Crosby Hyde (at the time Crosby was trying to raise money for FCG – I did not know his official title at this time). Hyde arranged a phone call with Howard, who was billed as the President of FCG, on June 18, 2015.

8. From June 19, 2015 until December 17, 2015 when I transferred my first money into FCG (\$110,000 on June 25, 2015, and \$50,000 on December 16, 2015), numerous phone calls were had with Hyde and Howard regarding structure, what the equity investment would look like, timing

1 of the rollout, etc. On July 19, 2015, we talked about the office space they were going to rent in Las
2 Vegas.

3 9. On August 5, 2015, Hyde took all of my questions and requests, where is cash flow
4 statement, roll-out schedule, sources and uses, balance sheet, etc., to Howard. In other words, the
5 answers to financial questions that that any sophisticated investor would want before making an
6 investment. No real financial information has ever been provided by Howard or Mahon to answer
7 our questions.

8 10. A lunch was schedule with Howard for October 11, 2015, which was cancelled and a
9 breakfast took place on November 19, 2015 at the Olympic Club with Hyde. Again at the meeting, I
10 asked for specific details of the operation and the financial information.

11 11. On December 2, 2015, at the Olympic Club in San Francisco, Hyde arranged for
12 Mahon and Howard to meet with the investor pool Hyde had identified. This was the first time in
13 which we all met Mahon and learned in more detail about the game, its history of development and
14 its potential impact on the on-line betting marketplace.

15 12. On December 17, 2015, I corresponded with Howard, signed the paperwork and
16 transferred my second investment to FCG, of \$50,000 for a total of \$160,000.

17 13. Very little information was ever forthcoming from management.

18 14. We were not told our investment was going toward recruiting other investors (later
19 identified as Sebastian Bastian from the Bahamas), setting up Isle of Man companies, changing the
20 structure of our ownership, etc.

21 15. We were led to believe that our investment and that of Bastian was going to make our
22 rollout easier and quicker.

23 16. On May 31, 2016, Hyde informed me that Bastian has signed and we are waiting for
24 his \$1 million to be deposited into the bank.

25 17. On June 1, 2016, Hyde told me that Mahon and Mark Munger were in the process of
26 finalizing the details on the launch and they would reach out soon.

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1 18. On June 28, 2016, I had still not received any communications so I contacted Hyde,
2 who happened to be in Las Vegas at the time. Hyde told me that I am clairvoyant and promised to
3 get me the information I have been asking for. He also told me that we have only received half of the
4 Bastian's money but the other half will be in the bank by Monday or Tuesday. He told me that with
5 Bastian on board we are going to launch in late August or early September 2016.

6 19. Hyde informed me that the management team is working with a British bank to help
7 with future investments and to establish a methodology for establishing a value on FCG, which we
8 were told would mean our initial investment would be worth 10 times the amount we initially invested.

9 20. On September 12, 2016, Howard responded to my phone call and said he was in the
10 Bahamas and would call me back.

11 21. On September 12, 2016, Howard called me and we discussed the launch and the lack
12 of transparency. Howard informed me he was just as frustrated with Mahon, that he was being
13 eliminated from decisions and he too wanted to give an update to the investors, as he said we deserved
14 it and there is no reason it could not be provided.

15 22. No answers or updates were received from FCG until December 10, 2016, when a call
16 was schedule for the 12th.

17 23. The next communication with Howard did not come until March of 2017, when I was
18 in Las Vegas and we talked again about my frustrations. Howard again commiserated with me, and
19 my frustrations, because he said he had the same.

20 24. About this time I began a dialogue with Brad Solso, who is taking a very analytical
21 look at the investment and is just as frustrated as I am with the lack of information, transparency and
22 the autocratic rule of Mahon.

23 25. On April 17, 2017, I placed a call to Brad Solso and he informed me he is talking with
24 Mahon and Howard and that he will call me back.

25 26. From April 17, 2017 until April 27, 2017, Brad Solso and I talked a lot about what we
26 could do to bring the investor group together to ensure we would be able to see our investment bear
27 fruit.
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2 27. On April 19, 2017, Phillip Cooke wrote Mahon and raised the questions Brad Solso
3 and I had been raising for some time related to our investments and the lack of transparency.

4 28. In a call with Crosby Hyde on June 26, 2017, he told me that Howard is working on
5 an investor update and the fundraising options, and we should receive in an e-mail the following day.

6 29. On July 5, 2017, Mark Munger, Glen Howard and I participated on a call to discuss
7 our need for information, the frustration we are feeling, and the entire process that Howard and Mahon
8 are going through to marginalize the investors input and influence.

9 30. I told Howard that I am not happy with him, and that he has to make a decision whether
10 he is with the investors or he is with Mahon. Given that amount of complaints Howard had with
11 Mahon, how much of Howard's frustration he had shared with Brad Solso and myself, he steadfastly
12 remained loyal to Mahon. Howard said what we were asking for was realistic; it was just that Mahon
13 would not budge and inch.

14 31. On July 23, 2017, I received an e-mail from Howard saying that he and Mahon wanted
15 to talk with me, alone.

16 32. On July 24, 2017, I talked with Brad Solso prior to my call with Mahon and Howard.
17 Brad told me that Mahon and Howard have reached out to him as well and they were set to talk later
18 in the day.

19 33. The gist of the call with Mahon and Howard is as follows: Mahon told me that I am
20 not a bad actor, I have always been forthright and professional and he wants to do a special deal for
21 me, but he wants me to promise me that I will not share this information with anyone else. I refused
22 to do so, but Mahon could not help himself and he told me anyway. Mahon told me that if I give up
23 my right to sue, agree to a release of all claims, agree to the terms that have been provided, he will let
24 me transfer my shares into the company without having to put any additional money.

25 34. Brad Solso called me after his call with Mahon/Howard and told me they made him
26 the same offer.

27 35. At that point, I decided that Mahon could not be trusted and that Howard was
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1 complicated with his conduct and in his camp.

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7 36. I decide to work with Mark Munger, who I had spoken to about filing a lawsuit that
8 would protect our rights as shareholders and get to the bottom of the financial improprieties and lack
9 of transparency by Mahon and Howard.

10 I declare under penalty of perjury under the laws of the United States of America that the
11 foregoing is true and correct to the best of knowledge, information and belief.

12 DATED this 16 day of November, 2017.

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DAVID ECKLES

EXHIBIT 7

EXHIBIT 7

DECLARATION OF TERESA MOORE

I, TERESA MOORE, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. In October of 2012, I was first introduced to Full Color Games, specifically Full Color® Solitaire by Mark Munger at a family gathering.

4. Following the gathering, Mark forwarded to me an email me had received dated October 22, 2012 from David Mahon that included a YouTube link to see an overview of the solitaire product.

5. Over the next few years as the product was expanded to 21 or Nothing and Baccarat, my husband and I made our decision to make a \$50,000 investment in September of 2014.

6. We did have a phone conversation with David Mahon just prior to our decision to invest.

7. The purpose of the call with Mr. Mahon was to review and understand our investment in Full Color Games.

8. On September 23, 2014, Glen Howard sent an email to Mark asking him to *"Please forward the attached Investment Information form to your sister for the \$50k investment"*.

9. On that same day Mark did forward the email as Mr. Howard requested introducing Glen as the person *"who leads up the investors"*.

10. Initially we invested through our S-Corp and a few months later renamed the investment in our Family Trust which was agreed to by both Mr. Mahon and Mr. Howard.

11. On September 29, 2014, we sent an email to Mr. Howard which included the Investment Information form he had requested. In this email we also requested Mr. Howard send us

1 the wire transfer information to complete our investment. We received from our bank confirmation
2 of the successful wire transfer on October 3, 2014.

3 12. On June 4, 2015 we received an email from Glen Howard regarding "Amendment 1 to
4 Convertible Note". This email was seeking the approval to increase the total of Notes to be sold and
5 amend the closing date to September 30, 2015 and extend the maturity date of the notes to June 30,
6 2016.

7 13. Mr. Howard stated in his email that the changes would allow the Company to complete
8 addition funding to achieve the "commercialization of Full Color Poker and 21 or Nothing prior to
9 seeking a Series A equity round.

10 14. We returned this amendment to Mr. Howard on November 11, 2015 and received a
11 fully executed copy of the amendment from Mr. Howard signed by David Mahon on November 11,
12 2015 via email.

13 15. Larry and I did participate in a few "investor calls" as well as receive emails and an
14 investor newsletter. Through these communications we were never told that our investment did not
15 included the Intellectual property/ License(s)/Trademarks/Copyrights of Full Color Games. In fact,
16 it was quite the opposite.

17 16. We had always been led to believe that this intellectually property were considered a
18 part of the "Assets" of the company.

19 17. We would have not invested in Full Color Games if we were told that the company did
20 not own the intellectually property it had represented was an asset of the company.

21 I declare under penalty of perjury under the laws of the United States of America that the
22 foregoing is true and correct to the best of knowledge, information and belief.

23 I declare under penalty of perjury under the laws of the United States of America that the
24 foregoing is true and correct to the best of knowledge, information and belief.

25 DATED this 21 day of November, 2017.

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27 TERESA MOORE
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EXHIBIT 8

EXHIBIT 8

DECLARATION OF LARRY MOORE

I, LARRY MOORE, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. In October of 2012, I was first introduced to Full Color Games, specifically Full Color® Solitaire by Mark Munger at a family gathering.

4. Following the gathering, Mark forwarded to me an email me had received dated October 22, 2012 from David Mahon that included a YouTube link to see an overview of the solitaire product.

5. Over the next few years as the product was expanded to 21 or Nothing and Baccarat, my wife and I made our decision to make a \$50,000 investment in September of 2014.

6. We did have a phone conversation with David Mahon just prior to our decision to invest.

7. The purpose of the call with Mr. Mahon was to review and understand our investment in Full Color Games.

8. On September 23, 2014, Glen Howard sent an email to Mark asking him to *"Please forward the attached Investment Information form to your sister for the \$50k investment"*.

9. On that same day Mark did forward the email as Mr. Howard requested introducing Glen as the person *"who leads up the investors"*.

10. Initially we invested through our S-Corp and a few months later renamed the investment in our Family Trust which was agreed to by both Mr. Mahon and Mr. Howard.

11. On September 29, 2014, we sent an email to Mr. Howard which included the Investment Information form he had requested. In this email we also requested Mr. Howard send us

1 the wire transfer information to complete our investment. We received from our bank confirmation
2 of the successful wire transfer on October 3, 2014.

3 12. On June 4, 2015 we received an email from Glen Howard regarding "Amendment 1 to
4 Convertible Note". This email was seeking the approval to increase the total of Notes to be sold and
5 amend the closing date to September 30, 2015 and extend the maturity date of the notes to June 30,
6 2016.

7 13. Mr. Howard stated in his email that the changes would allow the Company to complete
8 addition funding to achieve the "commercialization of Full Color Poker and 21 or Nothing prior to
9 seeking a Series A equity round.

10 14. We returned this amendment to Mr. Howard on November 11, 2015 and received a
11 fully executed copy of the amendment from Mr. Howard signed by David Mahon on November 11,
12 2015 via email.

13 15. Teresa and I did participate in a few "investor calls" as well as receive emails and an
14 investor newsletter. Through these communications we were never told that our investment did not
15 include the Intellectual property/ License(s)/Trademarks/Copyrights of Full Color Games. In fact,
16 it was quite the opposite.

17 16. We had always been led to believe that this intellectual property were considered a
18 part of the "Assets" of the company.

19 17. We would have not invested in Full Color Games if we were told that the company did
20 not own the intellectual property it had represented was an asset of the company.

21 I declare under penalty of perjury under the laws of the United States of America that the
22 foregoing is true and correct to the best of knowledge, information and belief.

23 DATED this 21 day of November, 2017.

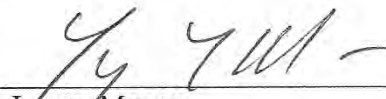
24 
25 LARRY MOORE
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EXHIBIT 9

EXHIBIT 9

DECLARATION OF ERIC KAGAN

I, Eric Kagan, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I am an investor and advisor in Full Color Games, Inc.

3. I was introduced to David Mahon in March of 2013 by Amish Shah, my business partner in Sierra Maya Ventures.

4. Mr. Shah was already an investor/advisor. He had been working with David Mahon and wanted me to get involved.

5. I had many conversations with Mr. Mahon about the product and vision and what it would take for him to execute.

6. I also had a few calls, while performing diligence, with some of the existing investors, namely Matthew Cowan and Erick Hachenberg.

7. Mr. Mahon had laid out all the games that could be re-created with the new deck of cards. I had the notion that the Full Color Games Inc. product was very unique and was something the gambling/casino business could get excited about.

8. I do not directly recall discussions around, or being specifically made aware of a license.

9. This was one of my first investments and I gave a lot of credibility to the people already involved while performing diligence.

10. I was informed by Mr. Mahon that the intellectual property was fully protected and Mr. Mahon indicated he had one of the best intellectual property lawyers in the gaming industry as counsel.

11. The first time I discovered that FCGI didn't actually own the license/IP was around

1 April 2014, a year after my initial investment while performing diligence to make an additional
2 investment.

3 12. During the initial year or two of my involvement, we would hold weekly
4 investor/advisor calls and Mr. Mahon would give verbal updates on the progress.

5 13. Other than investor pitch decks, I did not receive any hard copy materials with financial
6 or other information which I/we (the investors/advisors) requested multiple times.

7 14. Glen Howard, one of my other partners in Sierra Maya Ventures become the interim
8 President of FCGI and had been providing updates, but as time went on, the calls and updates slowed
9 down even though I/we (other investors/advisors) were constantly requesting information.

10 15. Mr. Mahon would often restrict viewing of information to screen shares. Mr. Mahon
11 was very guarded and protective, which based on the product being created seemed to make a lot of
12 sense as he did not want anyone outside the company to find out what was going on.

13 16. I was completely in the dark with the details of the Isle of Man transactions.

14 17. By that time the product launch had dragged out so long I was beginning to lose faith
15 in Mr. Mahon and his ability to execute.

16 18. There was constant drama surrounding Mr. Mahon as he claimed everyone was out to
17 screw him - he had a story/excuse for everything and it was emotionally draining to listen and try to
18 stay involved so I began to distance myself from him and the company.

19 19. Unfortunately, this meant being out of the loop and never found out there was another
20 investment/company Mr. Mahon created before FCGI which became insolvent and this was round 2
21 for Mr. Mahon.

22 I declare under penalty of perjury under the laws of the United States of America that the
23 foregoing is true and correct to the best of knowledge, information and belief.

24 DATED this 24 day of November, 2017.

25
26 _____
ERIC KAGAN
27
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EXHIBIT 10

EXHIBIT 10

1 **ACOM**

JOSEPH A. GUTIERREZ, Esq.

2 Nevada Bar No. 9046

STEPHEN G. CLOUGH, Esq.

3 Nevada Bar No. 10549

MAIER GUTIERREZ & ASSOCIATES

4 8816 Spanish Ridge Avenue

Las Vegas, Nevada 89148

5 Telephone: 702.629.7900

Facsimile: 702.629.7925

6 E-mail: jag@mgalaw.com

sgc@mgalaw.com

7 *Attorneys for Plaintiffs Mark Munger,*

8 *David's Hard Work Trust Ltd 3/26/2012,*

Moore Family Trust, 958 Partners,

9 *Jeffrey Castaldo, Mara H. Brazer, as Trustee for the*

Mara H. Brazer Trust UTA 2/12/2004

11 **DISTRICT COURT**

12 **CLARK COUNTY, NEVADA**

13 In re: FULL COLOR GAMES, INC.

14 MARK MUNGER, an individual; DAVID'S
15 HARD WORK TRUST LTD. 3/26/2012, a
16 California Trust; MOORE FAMILY TRUST, a
17 California Trust; 958 PARTNERS, a California
18 corporation; JEFFREY CASTALDO; an
19 individual; MARA H. BRAZER, as Trustee for the
20 MARA H. BRAZER TRUST UTA 2/12/2004; a
21 California Trust; individually and as shareholders
22 of FULL COLOR GAMES, INC.; DOES 1
23 through 10; and ROE CORPORATIONS 1
24 through 10, inclusive,

21 Plaintiffs,

22 vs.

23 DAVID MAHON, an individual; GLEN
24 HOWARD, an individual; INTELLECTUAL
25 PROPERTY HOLDINGS, LLC, a Nevada limited
26 liability company; INTELLECTUAL
27 PROPERTY HOLDINGS, LTD, an Isle of Man
28 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

Case No.: A-17-759862-B

Dept. No.: XIII

**SECOND AMENDED VERIFIED
SHAREHOLDER DERIVATIVE
COMPLAINT**

AND

SECOND AMENDED COMPLAINT

DEMAND FOR JURY TRIAL

BUSINESS COURT REQUESTED

Arbitration Exemption:

1. **Damages in Excess of \$50,000**
2. **Action for Declaratory Relief**

1 PRODUCTIONS, LLC, a Nevada limited liability
2 company; DOES I through X; and ROE
CORPORATIONS I through X, inclusive,

3 Defendants.
4

5 Plaintiffs MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD.
6 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; 958 PARTNERS, a
7 California corporation; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for
8 the MARA H. BRAZER TRUST UTA 2/12/2004, and individual and all Plaintiffs as shareholders of
9 FULL COLOR GAMES, INC. (collectively "Plaintiffs"), by and through their attorneys of record,
10 the law firm MAIER GUTIERREZ & ASSOCIATES, hereby demand a trial by jury and complain and allege
11 against defendants as follows:

12 **GENERAL ALLEGATIONS**

13 1. Plaintiff MARK MUNGER, is, and at all times pertinent hereto was, a resident of San
14 Diego County, California.

15 2. Plaintiff DAVID'S HARD WORK TRUST LTD. 3/26/2012 is a California Trust
16 established under the laws of California.

17 3. Plaintiff MOORE FAMILY TRUST is a California Trust established under the laws
18 of California.

19 4. Plaintiff 958 PARTNERS is a California corporation established under the laws of
20 California.

21 5. Plaintiff JEFFREY CASTALDO, is, and at all times pertinent hereto was, a resident
22 of California.

23 6. Plaintiff MARA H. BRAZER AS TRUSTEE FOR THE MARA H. BRAZER TRUST
24 UTA 2/12/2004, is a California Trust established under the laws of California.

25 7. Plaintiffs MARK MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012 and
26 MOORE FAMILY TRUST are shareholders of FULL COLOR GAMES, INC.

27 8. Plaintiff FULL COLOR GAMES INC. is, and at all times pertinent hereto was, a
28 corporation licensed to do business in Clark County, Nevada.

1 9. The true names and capacities, whether individual, corporate, associate, partnership or
2 otherwise, of the plaintiffs herein designated as DOES 1 through 10 and ROE Corporations 1 through
3 10, inclusive, are unknown to plaintiffs, who therefore sue under such fictitious names. Plaintiffs will
4 seek leave of the Court to insert the true names and capacities of such plaintiffs when the same have
5 been ascertained and will further seek leave to join said plaintiffs in these proceedings.

6 10. Upon information and belief, defendant DAVID MAHON (“Mahon”) is, and at all
7 times pertinent hereto was, a resident of Clark County, Nevada.

8 11. Upon information and belief, defendant GLEN HOWARD is, and at all times pertinent
9 hereto was, a resident of California.

10 12. Upon information and belief, defendant INTELLECTUAL PROPERTY HOLDINGS,
11 LLC, is, and at all times pertinent hereto was, a limited liability company doing business in Clark
12 County, Nevada.

13 13. Upon information and belief, defendant INTELLECTUAL PROPERTY HOLDINGS,
14 LTD., is, and at all times pertinent hereto was, a corporation doing business in Isle of Man.

15 14. Upon information and belief, defendant FULL COLOR GAMES, LLC, is, and at all
16 times pertinent hereto was, a limited liability company licensed to do business in Clark County,
17 Nevada.

18 15. Upon information and belief, defendants FULL COLOR GAMES, LTD., is, and at all
19 times pertinent hereto was, a corporation doing business in Isle of Man.

20 16. Upon information and belief, defendant FULL COLOR GAMES GROUP, INC., is,
21 and at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

22 17. Upon information and belief, defendants FULL COLOR GAMES N.A., INC., is and
23 at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

24 18. Upon information and belief, defendant JACKPOT PRODUCTIONS, LLC, is, and at
25 all times pertinent hereto was, a limited liability company licensed to do business in Clark County,
26 Nevada.

27 19. The true names and capacities, whether individual, corporate, associate, partnership or
28 otherwise, of the defendants herein designated as DOES I through X and ROE CORPORATIONS I

1 through X, inclusive, are unknown to plaintiffs, who therefore sue said defendants by such fictitious
2 names. Plaintiffs will seek leave of the Court to insert the true names and capacities of such defendants
3 when the same have been ascertained and will further seek leave to join said defendants in these
4 proceedings.

5 **MAHON DEVELOPS THE “FULL COLOR SYSTEM”**

6 20. On or about March 21, 2005, nonparty corporation Jackpot Productions, Inc. (“Jackpot
7 Inc.”), was created/organized by Mahon.

8 21. Upon information and belief, over a period of the next four years, as part of Jackpot
9 Inc., Mahon developed and filed United States patent applications disclosing the games “solitaire
10 bingo” and “bingo poker.”

11 22. During this time, Mahon also further developed the underlying concepts relating to a
12 bingo and poker game that utilized customized playing cards. These concepts were later modified
13 and continually developed to create new decks of playing cards using colors and numbers on the cards
14 instead of ranks and suits (the “Full Color System”) throughout the years of Mahon’s formation and
15 direction of the entities named herein as defendants.

16 23. The Full Color System has therefore become a highly valuable aspect of the intellectual
17 property as it is an essential part of the games that have been subsequently developed and has great
18 potential to be used to develop more games and innovate the way traditional card games are played.

19 **MAHON ORGANIZES FULL COLOR GAMES LLC, PROMISING INVESTORS THAT THE FULL COLOR**
20 **SYSTEM WILL BE USED TO DEVELOP MARKETABLE PRODUCTS WHILE ENSURING THAT HE**
21 **PERSONALLY HOLDS THE RIGHTS TO THE FULL COLOR SYSTEM**

22 24. On or about September 22, 2010, Mahon created/organized defendant Full Color
23 Games, LLC (“Full LLC”), a Nevada limited liability company.

24 25. In order to create/organize Full LLC, Mahon solicited funds from multiple investors
25 who were under the understanding that Full LLC would use the Intellectual Property to develop and
26 commercialize products based on the Full Color System.

27 26. Concurrently, on or about September 22, 2010, Mahon also created defendant
28 Intellectual Properties Holding, LLC (“Intellectual LLC”) and Jackpot Productions LLC (“Jackpot

1 LLC”), both of which are Nevada limited liability companies.

2 27. Upon information and belief, Mahon used funds from Full LLC to finance the
3 organization of Intellectual LLC and Jackpot LLC, though Mahon is the sole owner of Intellectual
4 LLC and Jackpot LLC.

5 28. Upon information and belief, Mahon created defendants Intellectual LLC and Jackpot
6 LLC to hold and license the rights to the Full Color System and associated games that Mahon
7 developed.

8 29. Currently, Intellectual LLC claims to hold the rights to all of the Intellectual Property,
9 including the Full Color System.

10 30. Intellectual LLC was named as a licensor in the licensing agreement between Full LLC
11 and Jackpot Productions LLC (“Jackpot LLC”) that allowed Full LLC to use the games that had been
12 developed at that point from the Full Color system.

13 31. Upon information and belief, during this time Mahon created and developed the
14 additional games known as “Full Color Poker” and “Full Color Slots.” Both games were developed
15 from the Full Color System but neither were owned by Full LLC.

16 32. Upon information and belief, Mahon abandoned his plans to commercialize casino
17 games and instead used Full LLC funds to create a Full Color Solitaire game and mobile app based
18 on the Full Color System.

19 **MAHON ABANDONS HIS OBLIGATIONS TO PREVIOUS INVESTORS, WHILE LYING TO THE**
20 **INVESTORS OF HIS NEW CORPORATION, FULL COLOR GAMES INC.**

21 33. On or about March of 2012, Full LLC’s investors grew weary of Mahon’s multiple
22 delays in releasing a product and Mahon’s lack of transparency of how the investment funds were
23 being spent, and refused to continue to invest in Full LLC.

24 34. On March 12, 2012, Mahon wrote to Full LLC investors informing them of pending
25 license termination.

26 ///

27 35. Without the support of investors, Mahon declared Full LLC insolvent and terminated
28 the license.

1 36. Mahon then did not dissolve Full LLC until 2016 and, upon information and belief,
2 did not follow standard business notification of the other owners.

3 37. A month later, on or about April 18, 2012, Mahon created defendant Full Color Games,
4 Inc. ("Full Inc."), of which Mahon claims he is inventor and CEO.

5 38. Mahon financed the creation of Full Inc. with funds from investors that totaled
6 approximately two million dollars (\$2,000,000.00) over approximately four (4) years of fund raising.

7 39. In order to entice the aforementioned investments, Mahon intentionally misrepresented
8 to investors that Full Inc. owned copyrights, patents, and trademarks, or the "trifecta" of intellectual
9 property as Mahon referred to it when pitching to potential investors, for the Full Color System and
10 the games that had been developed up unto that point with the Full Color System: "Bingo Poker,"
11 "Full Color Poker," and "Solitaire."

12 40. Mahon promised investors that Full Inc. would further develop and expand upon the
13 aforementioned intellectual property and commercialize those products.

14 41. Investors in Full Inc. were promised information, including: financial projections, 12-
15 18 months plan, written marketing and financial updates. Investors never received the promised
16 information and only received insincere expressions of compliance with the promises.

17 42. Mahon then used the initial investments to both further develop the games that were
18 existing games at the time and to create new games "Full Color Baccarat" and "21 or Nothing," which
19 were both finished in 2015. Despite having further developed existing games and creating these new
20 games as the CEO and sole director of Full Inc., Mahon deliberately withheld ownership of these new
21 developments and games from Full Inc. Yet, after the development of these products, Mahon solicited
22 further investments with the same fraudulent claim that Full Inc. owned all the intellectual property
23 rights to the Full Color System and the games that had been developed from it. In total, all investments
24 were approximately two million dollars (\$2,000,000.00).

25 43. Upon information and belief, Mahon was aware that these representations were false,
26 as he himself had directed the structuring of the company so that the intellectual property and rights
27 to the Full Color System and all games developed from it were withheld from Full Inc. and actually
28 owned by either Mahon himself or one of Mahon's solely owned companies, Jackpot LLC or

1 Intellectual LLC, and could only be used by Full Inc. with an easily revocable license that did not
2 permit further expansion of the Full Color System or commercialization of marketable products using
3 the Full Color System as Mahon claimed to investors.

4 44. Mahon fraudulently misrepresented, and/or failed to disclose, the limited scope and
5 nature of the license as well as the fact that neither the Full Color System, nor the games Mahon
6 showed to potential investors, were actually owned by Full Inc. In fact, Mahon structured the
7 agreements such that Full Inc. had no rights to the new developments or games developed while CEO
8 and sole director of Full Inc. and using Full Inc. investor monies.

9 45. Mahon intentionally presented various games to investors in such a way that would
10 lead a reasonable person to believe that Full Inc. owned the rights to those games and the Full Color
11 System used to develop them. These actions by Mahon constitute fraudulent misrepresentation, or at
12 the very least, an omission of a material fact. Had investors known that Full Inc. only held a revocable
13 license to the Full Color System and games, they would not have invested in Full Inc.

14 46. Additionally, Mahon required shareholders to sign a voting trust agreement assigning
15 their votes to him personally. The shareholders complied, assuming that Mahon would act as their
16 fiduciary in all matters.

17 47. As CEO, sole director and 100% controller of Full Inc., Mahon owed a fiduciary duty,
18 duty of care, duty of loyalty, and duty of disclosure to the shareholders.

19 48. Mahon breached his duties, abused his position, and committed gross mismanagement
20 of the company by leading Full Inc. into unconscionable licensing agreements for the Full Color
21 System and games. These agreements greatly benefited Mahon personally to the detriment of the
22 shareholders to whom Mahon owed a duty to act within their best interests.

23 **MAHON BREACHES HIS CONTRACT WITH INVESTOR MARK MUNGER**

24 49. On or about July 2, 2012, the plaintiff Mark Munger loaned Mahon and Full Inc.
25 \$10,000.00 on an agreement that it be used to develop Full Color Games product and that it be paid
26 back in the future.

27 50. Munger and Mahon had a relationship where Munger had been informally advising
28 Mahon on gaming and software development of Full Color Solitaire and Bingo Poker for about a year.

1 51. In July 2012, Mahon discussed making Munger's loan an investment and presented a
2 Net Profits Assignment Agreement ("NPA Agreement") in Full Color Games, Inc. (called "FCGI" in
3 agreement), dated July 31, 2012, to Munger, along with his business partner, non-party Jeremiah
4 Rutherford, to review. Multiple payments are made to FCGI pursuant to the schedule in the NPA
5 Agreement. Munger's participation is \$35,000.00.

6 52. The NPA Agreement states "FCGI has obtained rights to the Licensed IP from its
7 affiliated licensor in perpetuity on a worldwide royalty-free basis, subject to satisfaction of its
8 conditions. FCGI has the exclusive right to develop, own, distribute and otherwise commercially
9 exploit Full Color® Solitaire pursuant to said license rights." Based on this, Munger was aware of a
10 license agreement that is royalty free and allows Full Inc. to own and distribute product.

11 53. The NPA Agreement also lists the Licensed IP to include Trademarks, Patent, and
12 Copyrights for FULL COLOR CARDS, FULL COLOR SOLITAIRE, ANY WHITE CARD and
13 GAMING ELEMENTS AND GAME PLAY METHODS.

14 54. Mr. Munger made his last additional \$2,500.00 investment into Full Inc. on or about
15 March 13, 2013.

16 55. In 2016, Mahon converted the value of Mr. Munger's loans into an investment in the
17 company of approximately 0.225% of stock. Mahon also provided Mr. Munger with approximately
18 0.5% in stock for continuing to advise Mahon and the company.

19 56. In 2016, Munger introduced Mahon to non-party Sebastian Bastian, an entrepreneur
20 and casino owner in the Bahamas who Mr. Munger had become associated with through a contract
21 position as Lead Technical Advisor for The Gaming Board for The Bahamas.

22 57. Munger had positioned Full Inc. as a possible investment for Bastian. When Bastian
23 agreed to invest in Full Color Games Ltd. ("Full Ltd.") through his company Davinci Holdings Ltd
24 ("Davinci"), Mr. Munger had to leave his position due to the conflict of interest having Bastian as a
25 business partner.

26 ///

27 58. While holding his position at the gaming board, Mr. Munger made between twenty to
28 twenty-five thousand dollars (\$20,000.00 - \$25,000.00) per month

1 59. After leaving the board, Mr. Munger made only five thousand (\$5,000.00) per month
2 from Full Inc., however was also being paid by non-party Sebastian Bastian for work that benefited
3 both Full Inc. and Mr. Bastian's companies.

4 60. Mahon orally promised Mr. Munger that he would eventually be reimbursed for this
5 income discrepancy and be given 2.5% of the shares in Full Ltd. To date, Mr. Munger has not been
6 reimbursed nor received 2.5% of the shares

7 **MAHON RELEASES AND THEN ABANDONS FULL COLOR SOLITAIRE**

8 61. On or about November 7, 2012, Full Inc. releases its first commercial product "Full
9 Color Solitaire Version 1.0" into the Apple App store.

10 62. Full Inc. later released several subsequent versions of its Full Color Solitaire game into
11 the Apple App Store over the next few years.

12 63. Upon information and belief, on or about 2013, defendant Glen Howard ("Howard")
13 becomes involved in Full Inc.

14 64. On or about January of 2014, a programmer accidentally deleted files off of Full Color
15 Solitaire's server. This caused the game to be offline for a few days and lose a large portion of players.

16 65. Mr. Munger met with Mahon and one of his hired programmers on or about March 4,
17 2014, to discuss building Solitaire and distributing it worldwide. No references to any other games
18 were discussed at this meeting.

19 66. Upon information and belief, Howard made his first investment in Full Inc. on or about
20 February of 2014 and later becomes President of Full Inc. on or about late 2014 to early 2015.

21 67. On or about May 1, 2014, the first convertible notes were issued for Full Inc. with
22 approximately eight (8) investors totaling \$425,000.00.

23 68. On or about May 12, 2014, an email mentioning Full Color Games' "21 or Nothing"
24 game was first mentioned by Mahon to the investors.

25 69. On or about May 27, 2014, a Patent Application was submitted for, upon information
26 and belief, "21 or Nothing."

27 70. On or about June of 2014, Mahon began to divert his time and attention away from
28 Full Color Solitaire to focus on new project games "21 or Nothing" and "Full Color Baccarat." Full

1 Inc. fully financed the development of these projects.

2 71. On or about August 11, 2014, the first draft of a table layout for “21 or Nothing” is
3 shown to the Board of Advisors of Full Inc.

4 72. On or about August 19, 2014, Mahon sent an email to investors regarding “21 or
5 Nothing” stating that Mahon was working tirelessly to perfect it as CEO and Inventor at Full Inc. No
6 other company is mentioned in the email.

7 **MAHON MISLEADS INVESTORS BY CLAIMING THAT FULL INC. OWNS THE INTELLECTUAL**
8 **PROPERTY RIGHTS TO THE FULL COLOR SYSTEM**

9 73. On or about September 23, 2014, Howard forwarded a questionnaire titled “FCG Seed
10 Note – Investor Information” to the trustees of plaintiff Moore Family Trust (“Moore”). The form
11 requested contact information and noted a May 7, 2014, closing date for the Convertible Note
12 Financing.

13 74. On or about September 29, 2014, Moore sent the completed Investor Information form
14 to Howard, and indicated an interest to invest \$50,000.00 into Full Inc. At that time the investment
15 was to be made in the name of BL Moore Construction, Inc.

16 75. On or about September 29, 2014, Full Color Games holds an investor’s dinner where
17 21 or Nothing and Baccarat are played with Full Color logos on the tables. No other parties or entities
18 are mentioned to potential investors.

19 76. On or about September 30, 2014, Mahon again represented to perspective shareholders
20 that Full Inc. had the “trifecta” (as Mahon stated it) of patents, trademarks and copyrights to its
21 products. However, Mahon knew that this representation was false at the time he made it as Mahon
22 himself had structured the licensing agreements in a manner which did not permit Full Inc. to
23 commercialize the aforementioned intellectual property and games shown to investors.

24 77. Further, Mahon attempted to define that all intellectual property and tangible property
25 developed or acquired with funds from investors would be owned by David Mahon, individually,
26 directly or indirectly through Jackpot LLC or Intellectual LLC or another nominee corporation, owned
27 or controlled by David Mahon.

28 78. Mahon also represented to investors that Full Inc. may distribute worldwide real

1 money games and other products based on the Full Color System despite the fact that Mahon knew
2 that he himself, and not Full Inc., possessed the rights to do so.

3 79. Mahon's representations to perspective shareholders were deliberately false.
4 Specifically, that Full Inc. did not have the intellectual property rights to the Full Color System or its
5 games as Mahon had claimed.

6 80. Trustees of Moore visited Full Inc.'s office on several occasions throughout 2014 and
7 2015, meeting with Mahon and Howard. At no point during these multiple meetings did defendants
8 Mahon or Howard ever mention the other defendant corporations or the Full Inc.'s licensing
9 agreement.

10 81. On or about October 12, 2014, the documents were signed and executed for Moore's
11 \$50,000.00 investment into Full Inc. in the name of BL Moore Construction, Inc., though these
12 documents are all dated for September 19, 2014. These investment documents do not mention a
13 license agreement, revenue share, or limit for the Full Color System or the games used to develop it.

14 82. On or about May 27, 2015, Mahon applied for a patent, upon information and belief,
15 for "21 or Nothing."

16 83. On or about June 15, 2015, Howard sends the Board of Advisor an update stating Full
17 Inc. was approved by nonparty Microgaming and had received license agreements from Microgaming
18 to review that allowed Full Inc. games to be released on their systems.

19 84. The update listed Mahon as CEO of Full Color Games and Inventor. The update also
20 stated that Full Color Games has an extensive intellectual property portfolio. No other entity is
21 mentioned in the update.

22 85. On or about June 17, 2015, Full Inc. hosted a casino night for perspective investors
23 pitching Full Color Games. During the event, Mahon again shows various games including 21 or
24 Nothing and Full Color Baccarat, and repeats his previous claims that Full Inc. has the "trifecta" of
25 IP, and thereby has the ability to develop and commercialize the Full Color System. No other entity
26 is mentioned at the event.

27 86. In or about June 2015, Mr. David Eckles invests \$110,000.00 in Full Inc. through his
28 trust, DAVID'S HARD WORK TRUST Ltd. 3/26/2012 ("Eckles Trust").

1 87. In or about December 2015, Mr. David Eckles invests an additional \$50,000.00 in Full
2 Inc. through his trust, Eckles Trust.

3 88. On or about July 8, 2015, Full Inc. released Solitaire v2.0 into Apple App Store.

4 89. On or about January 25, 2016 a Patent Application is submitted for, upon information
5 and belief, “21 or Nothing.”

6 90. On or about June 1, 2016, Mahon applied for a patent, upon information and belief, for
7 “21 or Nothing.”

8 91. On or about June 30, 2016, an updated maturity date of the convertible seed notes is
9 released increasing the amount to be raised to two (2) million dollars.

10 92. In or about July 2016, non-party Richard Newman (“Mr. Newman”), an intellectual
11 property and patent attorney as well as shareholder in Full Inc., provided all patent and intellectual
12 property work for a five (5) percent revenue share of Intellectual LLC. Mahon and Mr. Newman then
13 converted the five (5) percent share to a five (5) percent share of stock in Full Inc. under Newman’s
14 company Cooper Blackstone, LLC.

15 **MAHON EMBEZZLES COMPANY FUNDS FROM FULL INC. FOR HIS OWN PERSONAL USE**

16 93. In early 2016, Mahon created a new, off-shore company in Isle of Man and moved all
17 of the contracts, licensing and development into this new company, effectively closing down all
18 operation of Full Inc. and demoting Full Inc. to a shareholding entity in the new Isle of Man company.

19 94. Mahon claimed, in writing and on investor phone calls after creating these entities, that
20 he created the Isle of Man company upon business advice from KPMG and legal advice from DLA
21 Piper.

22 95. It is believed that none of this advice is formally documented and that DLA Piper was
23 never formally engaged through a letter of engagement or other client agreement. None of the advice
24 that was given to Mahon could be relied on as it was not formal or client engaged advice.

25 96. Mahon intentionally mislead investors with his false statements about stated advice.

26 97. Mahon also mislead investors by falsely stating that Mr. Bastian would not invest in
27 an USA based company, which Mr. Bastian has denied.

28 98. Mahon claimed in written communications and verbally that he took no salary or

1 income from Full Inc., Full Ltd., or Full N.A.

2 99. Upon information and belief, Mahon had no other source of regular income and made
3 regular statements that he had no money.

4 100. Despite claiming no salary or regular source of income, Mahon has managed to have
5 money for personal use, including paying for, furnishing and refurbishing his condo in Las Vegas, as
6 well as gambling, travel and living expenses, all of which are now believed to have been paid for as
7 improper corporate expenses.

8 101. The extent of Mahon's use of corporate funds as his personal piggy bank remains
9 unknown as Mahon is the sole person having access to Full Inc. and Full N.A. bank accounts and has
10 refused to provide shareholders details of monies spent.

11 102. It is believed that the only reason that Mahon did not have sole access to the off-shore
12 accounts for Full Ltd. in the Isle of Man was due to Isle of Man regulations not permitting sole access
13 to an off-shore account.

14 103. On or about September 15, 2015, a trustee of Moore wrote Howard about moving the
15 investment from BL Moore construction to Moore. Mahon consented to the transfer the next day.

16 104. In or about December 2015, Mahon flew to Vancouver, Canada, to spend the holidays
17 with his girlfriend, Victoria Cekan. Upon information and belief, Mahon payed for all of the expenses
18 for this trip using funds from Full Inc.

19 105. During and around this time, Mahon used funds from Full Inc. to pay the rent for an
20 apartment in Vancouver, Canada, in which Ms. Cekan resided.

21 106. Mahon also used Full Color Inc. funds to pay for attorney fees and deposits to help Ms.
22 Cekan obtain an education visa to enter the United States.

23 **MAHON AGAIN MISLEADS INVESTORS INTO BELIEVING THAT FULL INC. HOLDS THE**
24 **INTELLECTUAL PROPERTY RIGHTS TO THE FULL COLOR SYSTEM**

25 107. In or about February 2016, Full Color Games held an exhibit at ICE London conference
26 using all marketing material showing only Full Color Games logo and information.

27 108. On or about January 21, 2016, Full Ltd. is incorporated in the Isle of Man. No prior
28 notification was provided to the shareholders of Full Inc. of the new company or that their assets were

1 being moved out of the United States. The intellectual property was moved to the new entity as was
2 the software and other assets.

3 109. Mahon refused to transfer remaining cash assets of approximately \$300,000.00 that
4 was believed to have remained in Full Inc. against the direction of Full Ltd. Directors Martin Linham,
5 Lee Murphy and Newman, as Mahon did not agree that these cash funds should be transferred.

6 110. Mahon continued to use the funds of Full Inc. though the accumulated obligations had
7 been transferred to Full Ltd.

8 111. On or about March 10, 2016, Mahon applies for a patent application, upon information
9 and belief, for general concepts, including solitaire and poker.

10 **MAHON BREACHED HIS FIDUCIARY DUTY TO INVESTORS**

11 **AND ENTERED INTO A SELF-SERVING LICENSING AGREEMENT**

12 112. On or about April 11, 2016, Full Ltd. and Intellectual Property Holdings Limited
13 (“Intellectual Ltd.”) entered into a commercial license agreement entitling Intellectual Ltd. to 50% of
14 the gross revenue received by Full Ltd. (“Commercial License Agreement”).

15 113. Mahon, as CEO and controlling the shareholder votes of Full Inc., approved the
16 cancellation of the Commercial License Agreement between Intellectual LLC and Full Inc. Mahon
17 then caused a new commercial license agreement (“New Commercial License Agreement”), more
18 beneficial to Mahon, to be agreed to between Full Ltd. and Intellectual Ltd., an off-shore company
19 Mahon formed for what is believed to be tax and control reasons.

20 114. As part of moving Full Inc.’s business to Full Ltd., Full Inc. was to be issued 100% of
21 all outstanding ownership though Mahon structured this ownership as non-voting shares.

22 115. A large number of Full Ltd. shares were also issued to Intellectual Ltd., the result of
23 which diluted Full Inc.’s ownership of Full Ltd. by 50%.

24 116. Almost concurrently, 100,000,000 Preference A (non-ownership, full voting) shares in
25 Full Ltd. were issued to Intellectual Ltd. in further consideration of the Commercial License
26 Agreement by Intellectual Ltd. to Full Ltd.

27 117. At the time of these actions, Mahon was in control of all companies, owning 100% of
28 Intellectual Ltd., was the only voting shareholder in Full Ltd., and was the CEO, majority shareholder

1 and possessed voting power over all shares of the common stock of Full Inc.

2 118. This Commercial License Agreement was not disclosed to investors nor shareholders
3 of Full Inc. and benefited only Mahon, who approved it on both sides.

4 119. It was a non-arm's length agreement and enriched Mahon personally with 50% of gross
5 revenues received by Full Ltd., 50% direct ownership in Full Ltd. plus an additional 20% or more
6 non-direct ownership through his majority ownership in Full Inc. and 100% control of Full Ltd.,
7 allowing him to undertake and force any and all corporate actions through Full Ltd., with the full force
8 of appropriate corporate law.

9 120. In or about April 2016, non-party Bastian was informed in an email that Full Inc. had
10 been diluted to only 38.6% ownership in Full Ltd. due to the additional stock issued to Intellectual
11 Ltd.

12 121. There was also a mention that NDA Ltd., had been given 2.5% share of Full Ltd., a
13 company, upon information and belief, owned 100% by Mahon.

14 122. In or about May 2016, Full Ltd. opened a Nedbank account in Isle of Man that included
15 prepaid credit cards for Mahon in both US Dollar and Sterling currencies. The initial and only funding
16 of this account occurred through the non-party Bastian investments.

17 123. Funds were requested to be transferred from Full Inc. to Nedbank as part of an
18 investment or stock exchange in Full Ltd. as detailed herein.

19 124. Mahon refused to transfer the funds, keeping the funds in a Full Inc. account with
20 Mahon keeping sole access and signing authority to the Full Inc. banking account.

21 125. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
22 thirty (30) to fifty (50) million pounds Sterling in investments from European sources.

23 126. Mahon then caused that aforementioned memo to be restricted from being shown to
24 USA citizens, thereby ensuring no Full Inc. investor would become aware of the fact that Mahon was
25 diluting their interests in, and profit from, Full Ltd.

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27 **MAHON AGAIN ABANDONED HIS DUTY TO INVESTORS, CREATED FULL COLOR GAMES, N.A.,**
28 **INC., AND CONTINUED TO EMBEZZLE FUNDS FROM FULL LTD.**

1 127. On or about July 22, 2016, Mahon created Full Color Games, N.A., Inc. ("Full N.A.").
2 Full N.A. opens a Wells Fargo account with only signatory being Mahon. Full Ltd. funds were then
3 transferred into the Full N.A. account.

4 128. On or about August 1, 2016, Mahon directed Full Ltd. Isle of Man directors to transfer
5 \$100,000.00 from Full Ltd.'s Nedbank account to Jackpot LLC with no stated purpose or reason and
6 no director vote or minutes authorizing.

7 129. Mahon has also spent in excess of \$100,000.00 through the Nedbank credit card
8 accounts for which no full accounting has been presented.

9 130. On or about August 17, 2016, Full Ltd. files for and receives confirmation of
10 application from the United Kingdom Gambling Commission ("UKGC") for gaming licenses naming
11 Mahon, Mr. Linham, and Mr. Munger as individuals, who also apply for individual Personal
12 Management Licenses ("PML") with the UKGC.

13 131. On or about September 9, 2016, Mahon directs Full Ltd. Directors to transfer another
14 \$50,000.00 from Full Ltd. to Jackpot LLC with no stated purpose or reason and no director vote or
15 minutes authorizing.

16 132. Upon information and belief, in or about 2016, Jackpot Inc. receives \$110,000.00 from
17 Full Inc. or Full N.A. with no stated purpose or reason.

18 133. In or about February 2017, Mahon opens a Full N.A. account to replace the Wells
19 Fargo bank accounts that Wells Fargo closed due to a series of threatening interactions between
20 Mahon and a Wells Fargo representative.

21 134. Wells Fargo subsequently closed all accounts with which Mahon was associated
22 forcing all Full Color Games and Mahon associated accounts to be moved. To date, there has been
23 no explanation or mention by Mahon to the investors and shareholders of Full Inc. as to the black
24 listing of Mahon and Full Color Games by Wells Fargo.

25 ///

26 ///

27 135. On or about February 7, 2017, Full Color Games exhibits at the International Casino
28 Expo ("ICE") in London with marketing materials referencing only Full Color Games. No other

1 entities are mentioned.

2 136. On or about August, 2016 Mahon had a dispute with Mr. Newman over Mahon's use
3 of corporate resources. Mahon immediately removed Mr. Newman as a Director in Full Ltd. and
4 released Mr. Newman from any related management activities. Because Mr. Newman was still a
5 shareholder in Full Inc., through Mr. Newman's company, Cooper Blackstone LLC, Mahon spent
6 considerable time and Full Ltd. funds attempting contrive a scenario that would permit Mahon to
7 revoke those shares owned by Cooper Blackstone, LLC, in carrying forth a personal vendetta against
8 Mr. Newman. Mahon claimed verbally and in writing to shareholders that this was a requirement to
9 obtain a UK Gambling Commission license, which was a complete fabrication and not true.

10 137. On or about April, 2017, Full Ltd. paid the registered agent on the Isle of Man for
11 annual filing and administration fees for Full Ltd., and for Mahon's personal companies Intellectual
12 Ltd., and NDA Ltd.

13 138. On or about April 3, 2017, Mahon requested \$20,000.00, most of the remaining funds
14 of Full Ltd., be transferred to Full N.A., and about this same time, Full Ltd. Directors Linham and
15 Murphy received a copy of a notice Mahon sent to Full Ltd Shareholder Davinci claiming a violation
16 of the Commercial License Agreement. Davinci was the only Full Ltd shareholder to receive the
17 notice though Mahon wrote he was to send it to 40+ Full Inc. investors the next day. Full Inc. investors
18 have never been notified of the violation.

19 139. Based on unilateral actions by Mahon, the transfer request was refused and the
20 remaining Directors in Full Ltd. resigned immediately from all Full Ltd. and Mahon's personal
21 companies.

22 140. On or about June 29, 2017, Howard sent investors an update stating that Full Inc. was
23 filing for dissolution and that the investors would be receiving final tax notices.

24 141. The notice also stated, among other items, that Full Ltd. was in the business of real
25 money gaming and that Full Ltd. defaulted on its application for gaming license by not providing
26 requested information to the UKGC while Mahon was CEO and the sole director thereby preventing
27 Full Ltd. from doing business in one of the largest real money gaming jurisdictions in the world.

28 **MAHON BREACHED HIS CONTRACT WITH MR. MUNGER**

1 142. On or about February 2017, Mahon stopped paying Mr. Munger for the work he
2 performed for Full Inc., Full Ltd. and Full N.A. Mr. Munger continued to perform work for the
3 company through April of 2017, for which he has yet to be paid.

4 **COMPLIANCE WITH NRCP 23.1**

5 143. Plaintiffs have been unable to obtain the desired action from Mr. Mahon and/or Full
6 Color Games, Inc. Any attempt to obtain the action Plaintiffs desire would be futile.

7 144. Specifically, Plaintiffs requested an accounting from Mr. Mahon and/or Full Color
8 Games, Inc., as well as requested that Mr. Mahon address the claims herein. Plaintiffs have received
9 no affirmative action by Mr. Mahon and/or Full Color Games, Inc., indicating any intent to comply
10 with these basic requests.

11 145. Plaintiffs are now forced to bring this derivative action to redress the fiduciary breaches
12 by Mr. Mahon and Mr. Howard and to prevent them from causing further irreparable harm to Full
13 Color Games, Inc.

14 **FIRST CLAIM FOR RELIEF**

15 **(BREACH OF FIDUCIARY DUTY/GROSS MISMANAGEMENT AGAINST MAHON ON BEHALF OF FULL**
16 **COLOR GAMES, INC.)**

17 146. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
18 Complaint as though fully set forth herein and incorporates the same herein by reference.

19 147. Mahon owed a fiduciary duty to Plaintiffs as the CEO and director of the defendant
20 corporations.

21 148. Mahon breached said fiduciary duty through misrepresentations to Plaintiffs,
22 embezzlement, theft, illegal business and accounting practices, systematic misappropriation of
23 investment funds, and overall gross mismanagement of defendant corporations.

24 149. On multiple occasions, Mahon misrepresented to investors that they would be
25 investing in a company that owned the intellectual property rights, patents, copyrights, and
26 trademarks, to the Full Color System and the games developed from said system. However, Mahon
27 knew at the time that these statements were false, as he himself owned the aforementioned intellectual
28 property rights.

150. Mahon used his position as CEO, sole director, majority shareholder and 100% controller to make self-serving licensing agreements to the detriment of the shareholders.

151. Mahon mismanaged Full Inc. by acting in his own self-interest rather than for the good of the company by embezzling funds for personal use and engaging in other illegal activities to the detriment of the shareholders in Full Inc. and the associated companies, Full Ltd. and Full N.A.

152. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit thirty (30) to fifty (50) million pound Sterling in investments from European sources. Mahon then caused that aforementioned memo be restricted from being shown to USA citizens thereby ensuring no Full Inc. Investors would become aware of the fact that Mahon was (a) diluting their interests, (b) providing them with no voting rights, (c) restricting the flow of revenues to Full Ltd., and (d) directly profiting from, Full Ltd.

153. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

154. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action

SECOND CLAIM FOR RELIEF

**(AIDING AND ABETTING BREACH OF FIDUCIARY DUTY AGAINST GLENN HOWARD, ON BEHALF OF
FULL COLOR GAMES, INC.)**

155. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

156. Mahon owed a fiduciary duty to Plaintiffs.

157. Mahon breached said fiduciary duty through misrepresentations to Plaintiffs, embezzlement, theft, illegal business and accounting practices, systematic misappropriation of investment funds, and overall gross mismanagement of defendant corporations.

/ / /

158. Howard, under title of Full Inc. President, was aware of Mahon's breaching actions during the time he was an investor and/or executive in Full Inc. and condoned, supported, and aided

1 Mahon in said behavior.

2 159. As a direct and proximate result of the aforementioned actions and/or omissions of
3 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

4 160. Defendants' actions have required Plaintiffs to retain the services of an attorney to
5 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
6 reasonable attorneys' fees and costs incurred in this action.

7 **THIRD CLAIM FOR RELIEF**

8 **(TORTIOUS INTERFERENCE WITH BUSINESS RELATIONSHIP AGAINST**

9 **ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.)**

10 161. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
11 Complaint as though fully set forth herein and incorporates the same herein by reference.

12 162. Plaintiff Shareholders had a valid and enforceable contractual relationship with Full
13 Inc.

14 163. Mahon and his related entities knew of this contractual relationship.

15 164. Mahon formed Full Ltd. knowing and intending that its creation and illegal
16 ascertainment of Full Inc.'s assets and intellectual property would disrupt the contractual relationship
17 between the shareholders and Full Inc.

18 165. Mahon utilized the formation of Full Ltd. to directly profit, and to ensure that there
19 would be no transparency to shareholders in Full Inc.

20 166. In order to form Full N.A., Mahon transferred funds and assets from Full Ltd., of which
21 Full Inc. was a shareholder, to Full N.A.

22 167. As a direct and proximate result of the aforementioned actions and/or omissions of
23 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

24 168. Defendants' actions have required Plaintiffs to retain the services of an attorney to
25 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
26 reasonable attorneys' fees and costs incurred in this action.

27 **FOURTH CLAIM FOR RELIEF**

28 **(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. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

170. Mahon made many and multiple misrepresentations to Plaintiffs regarding the structure and management of defendant corporations as well as the ownership of the intellectual property used to develop defendant corporation's products.

171. Mahon told or implied to potential investors, as well as plaintiff shareholders, that Full Inc. owned the intellectual property rights to the Full Color System as well as the games that it was used to develop on the following occasions: March or April of 2012; August 19, 2014, in an email to investors and shareholders; September 29, 2014, at an investors' dinner; September 30 2014; June 15, 2015, in an email sent from Howard to investors and shareholders; June 17, 2015, at a casino night for investors; February 2016, at an ICE exhibit in London; October 11, 2016, Investor Quarterly Update; and February 7, 2017, at an ICE exhibit in London.

172. During the aforementioned occasions, Mahon either expressly told investors and shareholders that Full Inc. owned the intellectual property rights to the Full Color System and products, or implied the same by presenting the Full Color System and products in such a way that a reasonable person would conclude that Full Color Inc. was the owner of the Full Color System and products.

173. Mahon knew that these representations were false at the time they were made to Plaintiffs.

174. Mahon made these misrepresentations with the intent to induce Plaintiffs into investing, or continuing to invest, in defendant corporations.

175. Plaintiffs justifiably relied on these Mahon's representations as they reasonably believed that he was acting in their best interests and lacked the means to independently verify Mahon's claims.

176. Plaintiff shareholders would not have invested in Full Inc. had they known that Full Inc. did not own the intellectual property rights to the Full Color System and resulting products

1 developed with investor monies, which is absolutely essential to Full Inc.'s existence and operation.
2 In fact, the only investor that Mahon told about the licensing agreement, non-party Bastian, forced
3 Mahon to provide Bastian a revenue share in the license holding company or Bastian would not invest
4 in Full Ltd.

5 177. It is further believed that Mahon was unsuccessful in soliciting investment from
6 European sources in Full Ltd. as the PPM disclosed that Full Ltd. did not directly own or control the
7 intellectual property. Mahon chose to provide European potential investors information he withheld
8 from Full Inc. investors.

9 178. As a direct and proximate result of the aforementioned actions and/or omissions of
10 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

11 179. Defendants' actions have required Plaintiffs to retain the services of an attorney to
12 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
13 reasonable attorneys' fees and costs incurred in this action.

14 **FIFTH CLAIM FOR RELIEF**

15 **(FRAUDULENT CONCEALMENT AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES, INC. AND**
16 **INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE**
17 **FAMILY TRUST)**

18 180. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
19 Complaint as though fully set forth herein and incorporates the same herein by reference.

20 181. Mahon concealed from Plaintiffs that he himself owned the intellectual property being
21 used by Full Ltd., Full Inc., and Full N.A.

22 182. Mahon purposely withheld the true ownership of the Full Color System while speaking
23 to investors and shareholders on the following occasions: March or April of 2012; August 19, 2014,
24 in an email to investors and shareholders; September 29, 2014, at an investors' dinner; September 30
25 2014; June 15, 2015, in an email sent from Howard to investors and shareholders; June 17, 2015, at a
26 casino night for investors; February 2016, at an ICE exhibit in London; October 11, 2016, Investor
27 Quarterly Update; and February 7, 2017, at an ICE exhibit in London.

28 183. This fact was material in that Plaintiffs would not have invested in the defendant

1 corporations had they known that said corporations had no ownership interest in the intellectual
2 property that was critical to the products they developed.

3 184. Mahon had a duty to Plaintiffs to disclose this information before they invested in the
4 defendant corporations.

5 185. Mahon intentionally concealed this fact with the intent to induce Plaintiffs into
6 investing into the defendant corporations.

7 186. Mahon intentionally concealed the structure and dealings of Full Ltd. from the
8 Plaintiffs and provided no transparency of any dealings of Full Ltd. to either the plaintiffs or the
9 shareholders of Full Inc.

10 187. As a direct and proximate result of the aforementioned actions and/or omissions of
11 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

12 188. Defendants' actions have required Plaintiffs to retain the services of an attorney to
13 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
14 reasonable attorneys' fees and costs incurred in this action.

15 **SIXTH CLAIM FOR RELIEF**

16 **(DECEPTIVE TRADE PRACTICES UNDER NRS 598.0915 AGAINST MAHON, ON BEHALF OF FULL**
17 **COLOR GAMES, INC. AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD.**

18 **3/26/2012, AND MOORE FAMILY TRUST)**

19 189. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
20 Complaint as though fully set forth herein and incorporates the same herein by reference.

21 190. NRS 598.0915 prohibits any person from advertising goods or services with the intent
22 not to sell or lease them as advertised.

23 191. It is a violation of NRS 598.0915 to knowingly make a false representation as to the
24 source, sponsorship, approval or certification of goods or services for investment purposes.

25 192. Defendant Mahon advertised an investment opportunity to Plaintiffs to induce
26 Plaintiffs to buy, sell, lease, dispose of, and/or utilize in order to create any interest in the companies
27 by deceptively stating that the intellectual property of the Defendant Mahon was actually the property
28 of the Defendant entities.

193. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

194. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

SEVENTH CLAIM FOR RELIEF

(UNJUST ENRICHMENT AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.)

195. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

196. Mahon unjustly benefited from the loan/investments that Munger provided him in order to develop Full Ltd. and Full Inc. by accepting those loan/investments misusing or embezzling a portion of those funds, and then failing to compensate Mr. Munger for the interest accrued on said loans/investments.

197. Mahon unjustly benefited from the work and contributions that Mr. Munger has provided to Full Inc., Full Ltd. and Full N.A. and has refused to pay Mr. Munger for said work and contributions.

198. Mahon unjustly benefited from the contributions and investments of plaintiffs which ultimately lead to the creation of the subject intellectual property but has refused to compensate Plaintiffs for said contributions and investments.

199. Mahon & Howard started a new company, Full Color Games Group, Inc. (“Full Group”) and that Full Group has unjustly benefited from the Full Color System and products which were developed and financed by Full Inc.

200. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

201. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

EIGHTH CLAIM FOR RELIEF

1 **(CONVERSION AGAINST MAHON AND HOWARD, ON BEHALF OF FULL COLOR GAMES, INC.)**

2 202. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
3 Complaint as though fully set forth herein and incorporates the same herein by reference.

4 203. Mahon is in the practice and tradition of systematically seeking investments for a
5 company through misrepresentation, using the investment funds for his own personal use and to
6 develop intellectual property that he refuses to release as product, declaring said company insolvent,
7 and then transferring the insolvent corporation's assets into a new company to begin the cycle anew.

8 204. Mahon wrongfully exerted dominion over Full Inc.'s assets, funds, and intellectual
9 property when he illegally transferred some of said property into Full Ltd. and his own personal use.
10 Certain cash assets were never transferred to Full Ltd. and remain at the personal control of Mahon.

11 205. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
12 thirty (30) to fifty (50) million pounds Sterling in investments from European sources. Mahon then
13 caused that aforementioned memo be restricted from being shown to USA citizens thereby ensuring
14 no Full Inc. investors would become aware of the fact that Mahon was diluting their interests in, and
15 profit from, Full Ltd.

16 206. This act effectively excluded or denied Plaintiffs and Full Inc. of their rights and
17 benefit of said property.

18 207. As a direct and proximate result of the aforementioned actions and/or omissions of
19 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

20 208. Defendants' actions have required Plaintiffs to retain the services of an attorney to
21 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
22 reasonable attorneys' fees and costs incurred in this action.

23 **NINTH CLAIM FOR RELIEF**

24 **(CIVIL CONSPIRACY AGAINST MAHON AND HOWARD, ON BEHALF OF FULL COLOR GAMES, INC.**
25 **AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND**
26 **MOORE FAMILY TRUST)**

27 209. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
28 Complaint as though fully set forth herein and incorporates the same herein by reference.

210. Mahon and Howard conspired, or acted in concert, with the intent to defraud and harm plaintiffs in the manners previously alleged.

211. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

212. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

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. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

214. Mahon is the owner and operator of the Defendant entities, and each of them.

215. Mahon operated the various Defendant entities, and each of them, as if they were his own personal piggy bank and wallet.

216. The various Defendant entities, both domestic and foreign, and each of them, were and are alter egos of defendant Mahon, in that they all lacked sufficient capitalization and were merely shells by which their common principal, defendant Mahon, could attempt to avoid liability and personal taxes.

217. The various Defendant entities, and each of them, were and are alter egos of defendant Mahon, in that they have disregarded their respective corporate forms by, among other things, paying or attempting to pay the debts of one another without consideration, not being properly licensed and comingling and/or transferring funds and assets among them.

218. The various Defendant entities, and each of them, were and are alter egos of defendant Mahon, in that there is a unity of interest and ownership, are inseparable from each other, and have lost their individuality, thereby abrogating separate corporate protection.

219. The various Defendant entities, and each of them, were and are alter egos of defendant

1 Mahon, in that they failed to maintain functioning corporate officers and/or directors.

2 220. The various Defendant entities, and each of them, were and are alter egos of defendant
3 Mahon, in that the alter egos are being used as a “façade” for the personal dealings of defendant
4 Mahon.

5 221. The various Defendant entities, and each of them, were and are alter egos of defendant
6 Mahon, in that there is an absence and/or inaccuracy of corporate records for any of defendant
7 Mahon’s alter egos, including the various Defendant entities, and each of them.

8 222. The various Defendant entities, and each of them, were and are alter egos of defendant
9 Mahon, in that defendant Mahon has failed to observe corporate formalities in terms of behavior and
10 documentation for any of defendant Mahon’s alter egos, including the various Defendant entities, and
11 each of them.

12 223. The various Defendant entities, and each of them, were and are alter egos of defendant
13 Mahon, in that defendant Mahon has failed to maintain an arm’s length relationship with any of his
14 alter egos, including the various Defendant entities, and each of them.

15 224. The assets, liabilities and debts of the various Defendant entities, and each of them,
16 should thus be imputed to defendant Mahon individually as defendant Mahon’s alter egos.

17 225. It would be manifestly unjust to recognize the corporate separateness of defendant
18 Mahon and the various Defendant entities, and each of them.

19 226. The Court should therefore pierce the corporate veil and recognize the various
20 Defendant entities, and each of them, as the alter ego of defendant Mahon.

21 227. As a direct and proximate result of the aforementioned actions and/or omissions of
22 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

23 228. Defendants’ actions have required Plaintiffs to retain the services of an attorney to
24 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
25 reasonable attorneys’ fees and costs incurred in this action.

26 ///

27 **ELEVENTH CLAIM FOR RELIEF**

28 **(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. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

230. Defendant has been moving money and other assets of the Defendant entities.

231. A fiduciary relationship exists between the Plaintiffs and Defendants.

232. The relationship between Plaintiffs and Defendants are founded in trust and confidence.

233. Defendants have a duty to render an accounting to Plaintiffs to determine damages resulting from any misallocation of funds.

234. Because officers and directors are fiduciaries of a corporation, the duties they owe with respect to the exercise of their legal power over corporate property supervene their legal rights.

235. The court should require an accounting of all of the Defendant entities to determine the extent of a misallocation of expenses and the damages resulting therefrom because of the fiduciary relationship between the parties.

236. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

237. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

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. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

239. The appointment of a receiver is governed by statute and is appropriate only under circumstances described in statute.

1 240. Any stockholder may apply if the corporation is insolvent.

2 241. Any holder of 1/10 of a corporation's issued and outstanding stock may apply for the
3 appointment of a receiver when a corporation has been mismanaged.

4 242. A holder of 1/10 of issued stock may apply for appointment of a receiver of a solvent
5 corporation where the business is being conducted at a great loss, the operation is prejudicial to
6 creditors or stockholders such that the business cannot be conducted with safety to the public.

7 243. A receiver may be appointed when a corporation is in imminent danger of insolvency.

8 244. Appointment of a receiver is appropriate when business property at issue is at risk of
9 waste, loss of income, or is insufficient to secure a debt.

245. Mahon has removed the intellectual property and other assets of the companies in order to make the Defendant entities insolvent and has created other Defendant entities in order to prevent Plaintiffs and other investors from receiving a profit from their investments.

246. As a direct and proximate result of the aforementioned actions and/or omissions of
Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

247. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

18 **THIRTEENTH CLAIM FOR RELIEF**

19 **(DECLARATORY RELIEF AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.**

20 **AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID’S HARD WORK TRUST LTD. 3/26/2012, AND**

21 **MOORE FAMILY TRUST)**

22 248. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
23 Complaint as though fully set forth herein and incorporates the same herein by reference.

24 249. This claim is for declaratory relief under the Uniform Declaratory Judgments Act, NRS
25 30.010, et seq., and arises from an actual controversy between plaintiffs, on the one hand, and
26 defendants, on the other hand, regarding whether the various Defendant entities, and each of them,
27 are alter egos of defendant Mahon.

28 250. Defendant Mahon is the owner and operator of Defendant entities, and each of them.

251. A justiciable controversy has arisen between the parties in that plaintiffs have been harmed, and will continue to be harmed, in that the various Defendant entities, and each of them, are merely shells by which their common principal, defendant Mahon, could attempt to avoid liability, including to preclude recovery of damages against defendant Mahon by plaintiffs as injured parties.

252. Plaintiffs now contend that there is no basis in law or fact to recognize the corporate separateness of defendant Mahon and the various Defendant entities, and each of them, under Nevada law.

253. Plaintiffs are and will continue to be irreparably harmed unless this Court declares and resolves the dispute under Nevada law regarding whether the various Defendant entities, and each of them, are alter egos of defendant Mahon.

254. Plaintiffs seek and are entitled to a declaration from the Court stating that the subject intellectual property is the exclusive property of Full Inc.

255. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

256. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

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. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

258. Plaintiffs seek a temporary restraining order and/or preliminary/permanent injunction to prevent defendant Mahon and the Defendant entities from transferring the assets and/or intellectual property out of the Defendant entities to maintain the status quo until resolution of this lawsuit.

259. As a direct and proximate result of the aforementioned actions and/or omissions of

1 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

2 260. Defendants' actions have required Plaintiffs to retain the services of an attorney to
3 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
4 reasonable attorneys' fees and costs incurred in this action.

5 **FIFTEENTH CLAIM FOR RELIEF**

6 **(BREACH OF CONTRACT AGAINST MAHON, ON BEHALF OF INDIVIDUAL PLAINTIFF MUNGER)**

7 261. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
8 Complaint as though fully set forth herein and incorporates the same herein by reference.

9 262. Mr. Munger and Mahon entered into a series of valid and enforceable contracts
10 concerning Mr. Munger's investments and involvement in the defendant corporations. Mahon
11 promised Mr. Munger 2.5% stock in Full Ltd. in return for Mr. Munger's time, energy, and
12 relationships and for being the only person who contributed to getting the product developed and into
13 the market.

14 263. Mr. Munger fully performed all of his duties under the verbal agreement to Mahon by
15 providing his funds for investment and devoting his time and efforts into the defendant corporations.

16 264. Mr. Munger worked, as needed, for Full Inc. from early 2015 to about January 2017,
17 receiving paid expenses and a stipend for services.

18 265. Mahon has failed to pay Mr. Munger for his work from early 2015 to about January
19 2017, failed to provide Mr. Munger with the agreed upon compensation for his time and investments,
20 and failed to award him 2.5% of company stock as promised.

21 266. As a direct and proximate result of the aforementioned actions and/or omissions of
22 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

23 267. Defendants' actions have required Plaintiffs to retain the services of an attorney to
24 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
25 reasonable attorneys' fees and costs incurred in this action.

26 ///

27 **SIXTEENTH CLAIM FOR RELIEF**

28 **(BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING AGAINST MAHON, ON**

1 **BEHALF OF INDIVIDUAL PLAINTIFF MUNGER)**

2 268. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
3 Complaint as though fully set forth herein and incorporates the same herein by reference.

4 269. Mr. Munger and Mahon entered into a series of valid and enforceable contracts
5 concerning Mr. Munger's investments and involvement in the defendant corporations creating a duty
6 of good faith that Mahon owed to Mr. Munger.

7 270. Mahon acted in a manner that was unfaithful to the purpose of the contract between
8 himself and shareholders by intentionally misleading them about the companies they were investing
9 in, and putting his own interests above those of the shareholders to their detriment.

10 271. Plaintiffs' just expectations for entering into a contract with Mahon were denied.
11 Plaintiffs reasonably expected that the defendant corporations owned the intellectual property to the
12 Full Color System that they were using to develop products, and that Mahon would act honestly,
13 reasonably, and legally in managing defendant companies.

14 272. As a direct and proximate result of the aforementioned actions and/or omissions of
15 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

16 273. Defendants' actions have required Plaintiffs to retain the services of an attorney to
17 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
18 reasonable attorneys' fees and costs incurred in this action.

19 **PRAYER FOR RELIEF**

20 WHEREFORE, Plaintiffs pray for judgment against defendants, and each of them, as follows:

21 1. For a judgment in favor of plaintiffs and against defendants, and each of them, on the
22 complaint and all claims for relief asserted therein;

23 2. For a declaration and determination under Nevada law that the various Defendant
24 entities, and each of them, are alter egos of Defendant Mahon.

25 3. For a return of the intellectual property to Full Color Games, Inc.

26 4. For a temporary restraining order and/or preliminary/permanent injunction to maintain
27 the status quo.

28 5. For an award of compensatory, consequential, statutory, exemplary, and punitive

1 damages in an amount in excess of \$15,000.00, to be proven at trial;

2 6. For an award of reasonable attorney's fees and costs incurred in this action; and

3 7. For such other and further relief as the Court may deem proper.

4 DATED this ____ day of November, 2017.

5 Respectfully submitted,

6 **MAIER GUTIERREZ & ASSOCIATES**

7

8 /s/ Joseph A. Gutierrez

9 JOSEPH A. GUTIERREZ, ESQ.

10 Nevada Bar No. 9046

11 STEPHEN G. CLOUGH, ESQ.

12 Nevada Bar No. 10549

13 8816 Spanish Ridge Avenue

14 Las Vegas, Nevada 89148

15 *Attorneys for Plaintiffs Mark Munger,*

16 *David's Hard Work Trust Ltd 3/26/2012,*

17 *Moore Family Trust, 958 Partners,*

18 *Jeffrey Castaldo, Mara H. Brazer, as Trustee*

19 *for the Mara H. Brazer Trust UTA 2/12/2004*

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VERIFICATION

STATE OF NEVADA)
)ss:
COUNTY OF CLARK)

I, Mark Munger, declare:

I am the lead Plaintiff in this action. I am also a shareholder of Full Color Games, Inc. and have been during the relevant time period. I declare under penalty of perjury that I have read and reviewed the foregoing Amended Verified Shareholder Derivative Complaint, and know the content thereof, and authorized its filing. Based upon my and my counsel's investigation, the contents of the Amended Verified Shareholder Derivative Complaint are true to the best of my knowledge, information and belief.

MARK MUNGER

EXHIBIT 11

EXHIBIT 11

AFFIDAVIT OF COUNSEL PURSUANT TO NRCP 56(f)

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

JOSEPH A. GUTIERREZ, ESQ., being duly sworn, deposes and says that:

1. I am an attorney with the law firm of MAIER GUTIERREZ & ASSOCIATES and counsel for Plaintiffs. I am knowledgeable of the facts contained herein and am competent to testify thereto.

2. I make this affidavit in support of Plaintiffs' opposition to Defendants' Motion for Summary Judgment ("Motion").

3. Discovery in this case has yet begun.

4. In discovery, Plaintiffs need (1) propound written discovery upon the Defendants, (2) prepare subpoenas duces tecum to non-parties with information regarding the complaint, and (3) depose defense witnesses regarding their knowledge of the claims in the complaint.

5. Plaintiffs intend on taking the depositions of (1) David Mahon, (2) Glen Howard (3) Martin Linham, (4) Brian Marcus, (5) NRCP 30(b)(6) witness of Full Color Games, Inc., (6) NRCP 30(b)(6) witness of Full Color Games, Ltd., (7) NRCP 30(b)(6) witness of Intellectual Property Holdings, Ltd. (8) NRCP 30(b)(6) witness of Intellectual Property Holdings, Ltd. (9) NRCP 30(b)(6) witness of Jackpot Productions, LLC, and (10) several other witnesses Plaintiffs and Defendants have identified in the pleadings and exhibits..

6. A Special Master is required to be appointed in order for the court to have a full accounting of the Company funds and assets by an independent forensic auditor to determine (1) what representations Mahon made to induce investors, and (2) what Mahon did with the investors' money after inducing them to invest in FCGI.

7. Moreover, Plaintiffs intend on conducting substantial written discovery in this matter on issues mentioned herein.

8. Specifically, substantial discovery will be needed on the following issues:

- When Mr. Munger was a shareholder in Full Color Games.
- The ability of the Audit, Risk and Compliance Committee to meet and create a report.
- The members of the ARCC at the time the report disclosed by Defendant was created.

- 1 • The buyback of Mr. Munger's shares in Full Color Games.
- 2 • Mr. Munger involvement and membership in Full Color Games.
- 3 • Mr. Munger position at Full Color Games.
- 4 • Whether Mr. Munger's involvement in other business ventures and the knowledge of
- 5 such by the parties.
- 6 • The extent of the knowledge of Mr. Munger regarding the business activities of any
- 7 Full Color Games.
- 8 • The purpose and structure of the Board of Advisors and the ability of the Board of
- 9 Advisors to direct actions of Full Color Games.
- 10 • The details of the move of Full Color Games to the Isle of Man.
- 11 • The reason behind moving Full Color Games to the Isle of Man and the information
- 12 provided to investors regarding the move.
- 13 • The knowledge the investors in Full Color Games had of the Master License
- 14 Agreement.
- 15 • Whether any investor had or received a copy of the Master License Agreement.
- 16 • The main contact for the investors with Full Color Games.
- 17 • The information provided by Mr. Mahon to the investors that Full Color Games
- 18 regarding the ownership of the "IP trifecta" (Patent, Trademark, and Copyright).
- 19 • Knowledge of the parties and/or investors of the move of Full Color Games to the Isle
- 20 of Man.
- 21 • The financial information provided to investors regarding Full Color Games.
- 22 • The details of the move to the Isle of Man and which investors were privy to this
- 23 information.
- 24 • The actors involved in the transaction to Full Color Games, Inc.'s assets to Full Color
- 25 Games, Ltd. and who was fully informed of the transaction.
- 26 • The knowledge C-Notes holders had regarding the transfer of the assets of Full Color
- 27 Games, Inc. to Full Color Games, Ltd.
- 28 • What information Defendants provided to investors prior to having the investors sign

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the general release that prevented other investors from suing Full Color Games.

- The knowledge the shareholders had regarding the granting IPH Ltd. a 50% interest in Full Color Games, Ltd. in exchange for the new licensing agreement for the IP. Whether Mr. Munger had any knowledge of the transaction/investment of Sebastian Bastian. *See* Affidavit of Mark Munger at ¶33.
- The application and information provided to the UKGC and the reasons the UKGC did not approve the application.
- The responses to the UKCG's inquiries regarding additional information needed to approve the application.
- The funds used for the formation of Full Color Games, Ltd.
- The actions of Mr. Mahon in regards to his fiduciary duty to the Full Color Games entities.
- The authentication of the documents attached to Defendants' motion as being true and accurate documents.

9. Based on this NRCP 56(f) request, Defendants' motion for summary judgment must be denied.

10. This affidavit is made in good faith and not for purposed of delay.

FURTHER YOUR AFFIANT SAYETH NAUGHT



JOSEPH A. GUTIERREZ, ESQ.

SUBSCRIBED and SWORN to before me
this 27th day of November, 2017.



NOTARY PUBLIC

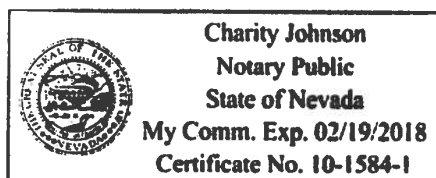


EXHIBIT 12

EXHIBIT 12

Mark Munger

Subject: Re: FCG - Assorted Items

Date: Tuesday, September 22, 2015 at 2:39:19 PM Pacific Daylight Time

From: David Mahon <david@fullcolorgames.com>

To: Mark Munger <mark@fullcolorgames.com>

CC: Glen Howard <glen@fullcolorgames.com>

[see below](#)

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, 22 Sep 2015 06:09:37 -0700 **Mark Munger**<mark@fullcolorgames.com> wrote ----

David,

Yesterday was a 15hr billable day for me with Bahamas. Got little done with FCG. I will be working on FCG tonight after 5pm Eastern time.

1. TITLE: I was going to change my title for emails and communications to something like CIO, CTO or something to denote technology lead at Full Color. Let me know what you would prefer.

CTO

1. BUSINESS CARDS: I'm running low on Business Cards and with whatever title above, would like to get 500 printed. I may have enough for G2E but that would be it.

done

1. ADDRESS: I have a few items I need to ship to Vegas. Can I use the Full Color Address or should I wait until I am confirmed at Meridian and try to use that address? I may be able to ship to VGP office and can ask them as well.

will do. You are approved already for Meridian. Use any address you like other than my condo!

1. CONDO-G2E: I'm assuming Crosby is using the Condo for G2E week unless we are booting him out for me to start staying there. Let me know. I was offered the use of a friends casita out at Trop/215 but Meridian would be better location.

Crosby is staying at condo G2E week. : (

Text Glen and find out when he's leaving so you can move in.

I may just get you your own condo because we have a need for another one with the full time TV producer being here and... more.... how do you feel about rooming with Jon? He is getting kicked out of his sister's place. I will be talking to him shortly about things. We need to all be in VERY close proximity for TV filming.

1. DRIVER-ASSISTANT-G2E: I'm thinking of talking to Samantha about being chauffer for G2E week using my car. Being available to drive us and guests to and from the convention center and meetings. To be available she needs to arrange family to watch his kid but I think this would be a help. She can also act as receptionist when not driving. It would be a few hundred cost but a huge time saver. Having someone not involved in any meetings as driver/assistant/gofer would be beneficial. Your thoughts? If not Sam, I have a couple other friends that may do it or Cheryl/Jon may have someone.

Jon will be doing our pick up / drop offs as of now.

1. G2E MEETING AVAIL: I'm meeting with Live Dealer developers and other vendors for GWTS during the G2E. There are a couple I'd like to get you in on the conversation but to have you there with Scott, Jim and John would not be appropriate at this stage until we get the partnership figured out. If I think they would be valuable for us to have a follow-up conversation, I'll schedule. May require some flexibility in your time.

I'll make myself available yes. I do need to talk to Rich as we need to have a chat like that one I had with you for all the obvious reasons.

1. MYMM Danny call: I have a 10pm (7pm Pacific) call with Danny. He owes me a defined product list along with a product delivery narrative or diagram. I plan to complete the SugarCRM on Amazon before that call and provide him the information for the developers.

Okay

1. MYMM CodebaseHQ project: Did you create a CodebaseHQ project for MYMM? I want to get the developers logging in and tracking their code and changes.

I'll set up tonight.

1. FCG SSL: This high on my list to get done as I work on AWS/SugarCRM. As soon as I get the cert request generated from the machine, I'll need you to submit for renewal unless you would like to provide me access to GoDaddy?

We die on 9/25 on FCS / FCG

I have meetings and teleconferences back to back starting at 9am eastern to 4pm eastern. I'm available via imessage and email while in them though it may be a delayed response.

Mark.

EXHIBIT 13

EXHIBIT 13

Mark Munger

Subject: RE: Mark W Munger - PML Application affiliation with Full Color Games, Ltd.

Date: Wednesday, May 17, 2017 at 7:19:27 AM Pacific Daylight Time

From: Ranjit Singh <RSingh@gamblingcommission.gov.uk>

To: Mark Munger <mmunger@markmunger.com>

Dear Mr Munger

Thank you for the email below. I confirm that I have amended our records to reflect that you wish to withdraw your PML application from Full Color Games Ltd. Should we require any further information we shall revert back to you accordingly.

Regards

Ranjit Singh

From: Mark Munger [mailto:mmunger@markmunger.com]

Sent: Wednesday, May 03, 2017 4:58 PM

To: Ranjit Singh <RSingh@gamblingcommission.gov.uk>

Subject: Mark W Munger - PML Application affiliation with Full Color Games, Ltd.

Hello Mr. Singh,

I am writing regarding the application for a PML in association with Full Color Games, Ltd. I recently was provided your name as the person who is handling the license application.

Based on events at Full Color Games, Ltd and its affiliated companies along with other factors, I wish to withdraw my PML application from current consideration and any affiliation with Full Color Games, Ltd.

I am still a shareholder in Full Color Games, Inc. which as an entity is a shareholder in Full Color Games, Ltd.

I would like to remain in good standing to be available to apply again for a PML with a future company. Please let me know if there is any additional information or documentation I can provide or if this email is sufficient.

Thanks,

Mark.

Mark Munger

mmunger@markmunger.com

(702) 460-3384

skype: mwmunger

This email and any files transmitted with it are intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please return it to the address it came from indicating that you are not the intended recipient and delete it from your system. Do not copy, distribute or take action based on this email.

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EXHIBIT 14

EXHIBIT 14

To: David Mahon

[Details](#)

12/8/15, 3:27 PM

Are you keeping dry or are you out playing in the rain?

John is here now all work for now been buried all day

I'll be done between 5 and 6. Did you set any schedule with Sebas for this evening?

i am set to go over to his place at 5pm it will just be Sebas and I.

Thats good. What is John going to do?

12/9/15, 2:00 PM

I'll be at condo in 15 minutes. Drop my stuff off and then I need to go return car.

AA0322

To: David Mahon

[Details](#)

12/21/15, 11:10 PM

please respond to Geoffrey as soon as you can in his email



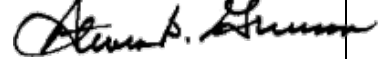
Sebas wants to talk at 6am PST tomorrow he's busy being the LIFE OF THE PARTY! see above!

I'll respond to Geoff. I sent him a previous email with what we wanted to do.

Is 6am for all of us? Or just you two?

just me for now, just letting you know.

AA0323



ACOM

JOSEPH A. GUTIERREZ, ESQ.
Nevada Bar No. 9046

STEPHEN G. CLOUGH, ESQ.
Nevada Bar No. 10549

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*Attorneys for Plaintiffs Mark Munger,
David's Hard Work Trust Ltd 3/26/2012,
Moore Family Trust, Millennium Trust Company, LLC,
Custodian FBO Gary Solso, IRA, Jeffrey Castaldo,
Mara H. Brazer, as Trustee for the
Mara H. Brazer Trust UTA 2/12/2004*

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; MILLENNIUM 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
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

Case No.: A-17-759862-B

Dept. No.: XIII

**SECOND AMENDED VERIFIED
SHAREHOLDER DERIVATIVE
COMPLAINT**

AND

SECOND AMENDED COMPLAINT

DEMAND FOR JURY TRIAL

BUSINESS COURT REQUESTED

Arbitration Exemption:

- 1. Damages in Excess of \$50,000**
- 2. Action for Declaratory Relief**

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,

Defendants.

Plaintiffs 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; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, and individual and all Plaintiffs as shareholders of FULL COLOR GAMES, INC. (collectively "Plaintiffs"), by and through their attorneys of record, the law firm MAIER GUTIERREZ & ASSOCIATES, hereby demand a trial by jury and complain and allege against defendants as follows:

GENERAL ALLEGATIONS

1. Plaintiff MARK MUNGER, is, and at all times pertinent hereto was, a resident of San Diego County, California.
2. Plaintiff DAVID'S HARD WORK TRUST LTD. 3/26/2012 is a California Trust established under the laws of California.
3. Plaintiff MOORE FAMILY TRUST is a California Trust established under the laws of California.
4. Plaintiff MILLENNIUM TRUST COMPANY, LLC CUSTODIAN FBO GARY SOLSO, IRA is a California trust established under the laws of California.
5. Plaintiff JEFFREY CASTALDO, is, and at all times pertinent hereto was, a resident of California.
6. Plaintiff MARA H. BRAZER AS TRUSTEE FOR THE MARA H. BRAZER TRUST UTA 2/12/2004, is a California Trust established under the laws of California.
7. Plaintiffs MARK MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012 and MOORE FAMILY TRUST are shareholders of FULL COLOR GAMES, INC.
8. Plaintiff FULL COLOR GAMES INC. is, and at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

1 9. The true names and capacities, whether individual, corporate, associate, partnership or
2 otherwise, of the plaintiffs herein designated as DOES 1 through 10 and ROE Corporations 1 through
3 10, inclusive, are unknown to plaintiffs, who therefore sue under such fictitious names. Plaintiffs will
4 seek leave of the Court to insert the true names and capacities of such plaintiffs when the same have
5 been ascertained and will further seek leave to join said plaintiffs in these proceedings.

6 10. Upon information and belief, defendant DAVID MAHON (“Mahon”) is, and at all
7 times pertinent hereto was, a resident of Clark County, Nevada.

8 11. Upon information and belief, defendant GLEN HOWARD is, and at all times pertinent
9 hereto was, a resident of California.

10 12. Upon information and belief, defendant INTELLECTUAL PROPERTY HOLDINGS,
11 LLC, is, and at all times pertinent hereto was, a limited liability company doing business in Clark
12 County, Nevada.

13 13. Upon information and belief, defendant INTELLECTUAL PROPERTY HOLDINGS,
14 LTD., is, and at all times pertinent hereto was, a corporation doing business in Isle of Man.

15 14. Upon information and belief, defendant FULL COLOR GAMES, LLC, is, and at all
16 times pertinent hereto was, a limited liability company licensed to do business in Clark County,
17 Nevada.

18 15. Upon information and belief, defendants FULL COLOR GAMES, LTD., is, and at all
19 times pertinent hereto was, a corporation doing business in Isle of Man.

20 16. Upon information and belief, defendant FULL COLOR GAMES GROUP, INC., is,
21 and at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

22 17. Upon information and belief, defendants FULL COLOR GAMES N.A., INC., is and
23 at all times pertinent hereto was, a corporation licensed to do business in Clark County, Nevada.

24 18. Upon information and belief, defendant JACKPOT PRODUCTIONS, LLC, is, and at
25 all times pertinent hereto was, a limited liability company licensed to do business in Clark County,
26 Nevada.

27 19. The true names and capacities, whether individual, corporate, associate, partnership or
28 otherwise, of the defendants herein designated as DOES I through X and ROE CORPORATIONS I

1 through X, inclusive, are unknown to plaintiffs, who therefore sue said defendants by such fictitious
2 names. Plaintiffs will seek leave of the Court to insert the true names and capacities of such defendants
3 when the same have been ascertained and will further seek leave to join said defendants in these
4 proceedings.

5 **MAHON DEVELOPS THE “FULL COLOR SYSTEM”**

6 20. On or about March 21, 2005, nonparty corporation Jackpot Productions, Inc. (“Jackpot
7 Inc.”), was created/organized by Mahon.

8 21. Upon information and belief, over a period of the next four years, as part of Jackpot
9 Inc., Mahon developed and filed United States patent applications disclosing the games “solitaire
10 bingo” and “bingo poker.”

11 22. During this time, Mahon also further developed the underlying concepts relating to a
12 bingo and poker game that utilized customized playing cards. These concepts were later modified
13 and continually developed to create new decks of playing cards using colors and numbers on the cards
14 instead of ranks and suits (the “Full Color System”) throughout the years of Mahon’s formation and
15 direction of the entities named herein as defendants.

16 23. The Full Color System has therefore become a highly valuable aspect of the intellectual
17 property as it is an essential part of the games that have been subsequently developed and has great
18 potential to be used to develop more games and innovate the way traditional card games are played.

19 **MAHON ORGANIZES FULL COLOR GAMES LLC, PROMISING INVESTORS THAT THE FULL COLOR**
20 **SYSTEM WILL BE USED TO DEVELOP MARKETABLE PRODUCTS WHILE ENSURING THAT HE**
21 **PERSONALLY HOLDS THE RIGHTS TO THE FULL COLOR SYSTEM**

22 24. On or about September 22, 2010, Mahon created/organized defendant Full Color
23 Games, LLC (“Full LLC”), a Nevada limited liability company.

24 25. In order to create/organize Full LLC, Mahon solicited funds from multiple investors
25 who were under the understanding that Full LLC would use the Intellectual Property to develop and
26 commercialize products based on the Full Color System.

27 26. Concurrently, on or about September 22, 2010, Mahon also created defendant
28 Intellectual Properties Holding, LLC (“Intellectual LLC”) and Jackpot Productions LLC (“Jackpot

1 LLC”), both of which are Nevada limited liability companies.

2 27. Upon information and belief, Mahon used funds from Full LLC to finance the
3 organization of Intellectual LLC and Jackpot LLC, though Mahon is the sole owner of Intellectual
4 LLC and Jackpot LLC.

5 28. Upon information and belief, Mahon created defendants Intellectual LLC and Jackpot
6 LLC to hold and license the rights to the Full Color System and associated games that Mahon
7 developed.

8 29. Currently, Intellectual LLC claims to hold the rights to all of the Intellectual Property,
9 including the Full Color System.

10 30. Intellectual LLC was named as a licensor in the licensing agreement between Full LLC
11 and Jackpot Productions LLC (“Jackpot LLC”) that allowed Full LLC to use the games that had been
12 developed at that point from the Full Color system.

13 31. Upon information and belief, during this time Mahon created and developed the
14 additional games known as “Full Color Poker” and “Full Color Slots.” Both games were developed
15 from the Full Color System but neither were owned by Full LLC.

16 32. Upon information and belief, Mahon abandoned his plans to commercialize casino
17 games and instead used Full LLC funds to create a Full Color Solitaire game and mobile app based
18 on the Full Color System.

19 **MAHON ABANDONS HIS OBLIGATIONS TO PREVIOUS INVESTORS, WHILE LYING TO THE**
20 **INVESTORS OF HIS NEW CORPORATION, FULL COLOR GAMES INC.**

21 33. On or about March of 2012, Full LLC’s investors grew weary of Mahon’s multiple
22 delays in releasing a product and Mahon’s lack of transparency of how the investment funds were
23 being spent, and refused to continue to invest in Full LLC.

24 34. On March 12, 2012, Mahon wrote to Full LLC investors informing them of pending
25 license termination.

26 35. Without the support of investors, Mahon declared Full LLC insolvent and terminated
27 the license.

28 36. Mahon then did not dissolve Full LLC until 2016 and, upon information and belief,

1 did not follow standard business notification of the other owners.

2 37. A month later, on or about April 18, 2012, Mahon created defendant Full Color Games,
3 Inc. ("Full Inc."), of which Mahon claims he is inventor and CEO.

4 38. Mahon financed the creation of Full Inc. with funds from investors that totaled
5 approximately two million dollars (\$2,000,000.00) over approximately four (4) years of fund raising.

6 39. In order to entice the aforementioned investments, Mahon intentionally misrepresented
7 to investors that Full Inc. owned copyrights, patents, and trademarks, or the "trifecta" of intellectual
8 property as Mahon referred to it when pitching to potential investors, for the Full Color System and
9 the games that had been developed up unto that point with the Full Color System: "Bingo Poker,"
10 "Full Color Poker," and "Solitaire."

11 40. Mahon promised investors that Full Inc. would further develop and expand upon the
12 aforementioned intellectual property and commercialize those products.

13 41. Investors in Full Inc. were promised information, including: financial projections, 12-
14 18 months plan, written marketing and financial updates. Investors never received the promised
15 information and only received insincere expressions of compliance with the promises.

16 42. Mahon then used the initial investments to both further develop the games that were
17 existing games at the time and to create new games "Full Color Baccarat" and "21 or Nothing," which
18 were both finished in 2015. Despite having further developed existing games and creating these new
19 games as the CEO and sole director of Full Inc., Mahon deliberately withheld ownership of these new
20 developments and games from Full Inc. Yet, after the development of these products, Mahon solicited
21 further investments with the same fraudulent claim that Full Inc. owned all the intellectual property
22 rights to the Full Color System and the games that had been developed from it. In total, all investments
23 were approximately two million dollars (\$2,000,000.00).

24 43. Upon information and belief, Mahon was aware that these representations were false,
25 as he himself had directed the structuring of the company so that the intellectual property and rights
26 to the Full Color System and all games developed from it were withheld from Full Inc. and actually
27 owned by either Mahon himself or one of Mahon's solely owned companies, Jackpot LLC or
28 Intellectual LLC, and could only be used by Full Inc. with an easily revocable license that did not

1 permit further expansion of the Full Color System or commercialization of marketable products using
2 the Full Color System as Mahon claimed to investors.

3 44. Mahon fraudulently misrepresented, and/or failed to disclose, the limited scope and
4 nature of the license as well as the fact that neither the Full Color System, nor the games Mahon
5 showed to potential investors, were actually owned by Full Inc. In fact, Mahon structured the
6 agreements such that Full Inc. had no rights to the new developments or games developed while CEO
7 and sole director of Full Inc. and using Full Inc. investor monies.

8 45. Mahon intentionally presented various games to investors in such a way that would
9 lead a reasonable person to believe that Full Inc. owned the rights to those games and the Full Color
10 System used to develop them. These actions by Mahon constitute fraudulent misrepresentation, or at
11 the very least, an omission of a material fact. Had investors known that Full Inc. only held a revocable
12 license to the Full Color System and games, they would not have invested in Full Inc.

13 46. Additionally, Mahon required shareholders to sign a voting trust agreement assigning
14 their votes to him personally. The shareholders complied, assuming that Mahon would act as their
15 fiduciary in all matters.

16 47. As CEO, sole director and 100% controller of Full Inc., Mahon owed a fiduciary duty,
17 duty of care, duty of loyalty, and duty of disclosure to the shareholders.

18 48. Mahon breached his duties, abused his position, and committed gross mismanagement
19 of the company by leading Full Inc. into unconscionable licensing agreements for the Full Color
20 System and games. These agreements greatly benefited Mahon personally to the detriment of the
21 shareholders to whom Mahon owed a duty to act within their best interests.

22 **MAHON BREACHES HIS CONTRACT WITH INVESTOR MARK MUNGER**

23 49. On or about July 2, 2012, the plaintiff Mark Munger loaned Mahon and Full Inc.
24 \$10,000.00 on an agreement that it be used to develop Full Color Games product and that it be paid
25 back in the future.

26 50. Munger and Mahon had a relationship where Munger had been informally advising
27 Mahon on gaming and software development of Full Color Solitaire and Bingo Poker for about a year.

28 51. In July 2012, Mahon discussed making Munger's loan an investment and presented a

1 Net Profits Assignment Agreement (“NPA Agreement”) in Full Color Games, Inc. (called “FCGI” in
2 agreement), dated July 31, 2012, to Munger, along with his business partner, non-party Jeremiah
3 Rutherford, to review. Multiple payments are made to FCGI pursuant to the schedule in the NPA
4 Agreement. Munger’s participation is \$35,000.00.

5 52. The NPA Agreement states “FCGI has obtained rights to the Licensed IP from its
6 affiliated licensor in perpetuity on a worldwide royalty-free basis, subject to satisfaction of its
7 conditions. FCGI has the exclusive right to develop, own, distribute and otherwise commercially
8 exploit Full Color® Solitaire pursuant to said license rights.” Based on this, Munger was aware of a
9 license agreement that is royalty free and allows Full Inc. to own and distribute product.

10 53. The NPA Agreement also lists the Licensed IP to include Trademarks, Patent, and
11 Copyrights for FULL COLOR CARDS, FULL COLOR SOLITAIRE, ANY WHITE CARD and
12 GAMING ELEMENTS AND GAME PLAY METHODS.

13 54. Mr. Munger made his last additional \$2,500.00 investment into Full Inc. on or about
14 March 13, 2013.

15 55. In 2016, Mahon converted the value of Mr. Munger’s loans into an investment in the
16 company of approximately 0.225% of stock. Mahon also provided Mr. Munger with approximately
17 0.5% in stock for continuing to advise Mahon and the company.

18 56. In 2016, Munger introduced Mahon to non-party Sebastian Bastian, an entrepreneur
19 and casino owner in the Bahamas who Mr. Munger had become associated with through a contract
20 position as Lead Technical Advisor for The Gaming Board for The Bahamas.

21 57. Munger had positioned Full Inc. as a possible investment for Bastian. When Bastian
22 agreed to invest in Full Color Games Ltd. (“Full Ltd.”) through his company Davinci Holdings Ltd
23 (“Davinci”), Mr. Munger had to leave his position due to the conflict of interest having Bastian as a
24 business partner.

25 58. While holding his position at the gaming board, Mr. Munger made between twenty to
26 twenty-five thousand dollars (\$20,000.00 - \$25,000.00) per month

27 59. After leaving the board, Mr. Munger made only five thousand (\$5,000.00) per month
28 from Full Inc., however was also being paid by non-party Sebastian Bastian for work that benefited

1 both Full Inc. and Mr. Bastian's companies.

2 60. Mahon orally promised Mr. Munger that he would eventually be reimbursed for this
3 income discrepancy and be given 2.5% of the shares in Full Ltd. To date, Mr. Munger has not been
4 reimbursed nor received 2.5% of the shares

5 **MAHON RELEASES AND THEN ABANDONS FULL COLOR SOLITAIRE**

6 61. On or about November 7, 2012, Full Inc. releases its first commercial product "Full
7 Color Solitaire Version 1.0" into the Apple App store.

8 62. Full Inc. later released several subsequent versions of its Full Color Solitaire game into
9 the Apple App Store over the next few years.

10 63. Upon information and belief, on or about 2013, defendant Glen Howard ("Howard")
11 becomes involved in Full Inc.

12 64. On or about January of 2014, a programmer accidentally deleted files off of Full Color
13 Solitaire's server. This caused the game to be offline for a few days and lose a large portion of players.

14 65. Mr. Munger met with Mahon and one of his hired programmers on or about March 4,
15 2014, to discuss building Solitaire and distributing it worldwide. No references to any other games
16 were discussed at this meeting.

17 66. Upon information and belief, Howard made his first investment in Full Inc. on or about
18 February of 2014 and later becomes President of Full Inc. on or about late 2014 to early 2015.

19 67. On or about May 1, 2014, the first convertible notes were issued for Full Inc. with
20 approximately eight (8) investors totaling \$425,000.00.

21 68. On or about May 12, 2014, an email mentioning Full Color Games' "21 or Nothing"
22 game was first mentioned by Mahon to the investors.

23 69. On or about May 27, 2014, a Patent Application was submitted for, upon information
24 and belief, "21 or Nothing."

25 70. On or about June of 2014, Mahon began to divert his time and attention away from
26 Full Color Solitaire to focus on new project games "21 or Nothing" and "Full Color Baccarat." Full
27 Inc. fully financed the development of these projects.

28 71. On or about August 11, 2014, the first draft of a table layout for "21 or Nothing" is

1 shown to the Board of Advisors of Full Inc.

2 72. On or about August 19, 2014, Mahon sent an email to investors regarding “21 or
3 Nothing” stating that Mahon was working tirelessly to perfect it as CEO and Inventor at Full Inc. No
4 other company is mentioned in the email.

5 **MAHON MISLEADS INVESTORS BY CLAIMING THAT FULL INC. OWNS THE INTELLECTUAL**
6 **PROPERTY RIGHTS TO THE FULL COLOR SYSTEM**

7 73. On or about September 23, 2014, Howard forwarded a questionnaire titled “FCG Seed
8 Note – Investor Information” to the trustees of plaintiff Moore Family Trust (“Moore”). The form
9 requested contact information and noted a May 7, 2014, closing date for the Convertible Note
10 Financing.

11 74. On or about September 29, 2014, Moore sent the completed Investor Information form
12 to Howard, and indicated an interest to invest \$50,000.00 into Full Inc. At that time the investment
13 was to be made in the name of BL Moore Construction, Inc.

14 75. On or about September 29, 2014, Full Color Games holds an investor’s dinner where
15 21 or Nothing and Baccarat are played with Full Color logos on the tables. No other parties or entities
16 are mentioned to potential investors.

17 76. On or about September 30, 2014, Mahon again represented to perspective shareholders
18 that Full Inc. had the “trifecta” (as Mahon stated it) of patents, trademarks and copyrights to its
19 products. However, Mahon knew that this representation was false at the time he made it as Mahon
20 himself had structured the licensing agreements in a manner which did not permit Full Inc. to
21 commercialize the aforementioned intellectual property and games shown to investors.

22 77. Further, Mahon attempted to define that all intellectual property and tangible property
23 developed or acquired with funds from investors would be owned by David Mahon, individually,
24 directly or indirectly through Jackpot LLC or Intellectual LLC or another nominee corporation, owned
25 or controlled by David Mahon.

26 78. Mahon also represented to investors that Full Inc. may distribute worldwide real
27 money games and other products based on the Full Color System despite the fact that Mahon knew
28 that he himself, and not Full Inc., possessed the rights to do so.

1 79. Mahon's representations to perspective shareholders were deliberately false.
2 Specifically, that Full Inc. did not have the intellectual property rights to the Full Color System or its
3 games as Mahon had claimed.

4 80. Trustees of Moore visited Full Inc.'s office on several occasions throughout 2014 and
5 2015, meeting with Mahon and Howard. At no point during these multiple meetings did defendants
6 Mahon or Howard ever mention the other defendant corporations or the Full Inc.'s licensing
7 agreement.

8 81. On or about October 12, 2014, the documents were signed and executed for Moore's
9 \$50,000.00 investment into Full Inc. in the name of BL Moore Construction, Inc., though these
10 documents are all dated for September 19, 2014. These investment documents do not mention a
11 license agreement, revenue share, or limit for the Full Color System or the games used to develop it.

12 82. On or about May 27, 2015, Mahon applied for a patent, upon information and belief,
13 for "21 or Nothing."

14 83. On or about June 15, 2015, Howard sends the Board of Advisor an update stating Full
15 Inc. was approved by nonparty Microgaming and had received license agreements from Microgaming
16 to review that allowed Full Inc. games to be released on their systems.

17 84. The update listed Mahon as CEO of Full Color Games and Inventor. The update also
18 stated that Full Color Games has an extensive intellectual property portfolio. No other entity is
19 mentioned in the update.

20 85. On or about June 17, 2015, Full Inc. hosted a casino night for perspective investors
21 pitching Full Color Games. During the event, Mahon again shows various games including 21 or
22 Nothing and Full Color Baccarat, and repeats his previous claims that Full Inc. has the "trifecta" of
23 IP, and thereby has the ability to develop and commercialize the Full Color System. No other entity
24 is mentioned at the event.

25 86. In or about June 2015, Mr. David Eckles invests \$110,000.00 in Full Inc. through his
26 trust, DAVID'S HARD WORK TRUST Ltd. 3/26/2012 ("Eckles Trust").

27 87. In or about December 2015, Mr. David Eckles invests an additional \$50,000.00 in Full
28 Inc. through his trust, Eckles Trust.

1 88. On or about July 8, 2015, Full Inc. released Solitaire v2.0 into Apple App Store.

2 89. On or about January 25, 2016 a Patent Application is submitted for, upon information
3 and belief, “21 or Nothing.”

4 90. On or about June 1, 2016, Mahon applied for a patent, upon information and belief, for
5 “21 or Nothing.”

6 91. On or about June 30, 2016, an updated maturity date of the convertible seed notes is
7 released increasing the amount to be raised to two (2) million dollars.

8 92. In or about July 2016, non-party Richard Newman (“Mr. Newman”), an intellectual
9 property and patent attorney as well as shareholder in Full Inc., provided all patent and intellectual
10 property work for a five (5) percent revenue share of Intellectual LLC. Mahon and Mr. Newman then
11 converted the five (5) percent share to a five (5) percent share of stock in Full Inc. under Newman’s
12 company Cooper Blackstone, LLC.

13 **MAHON EMBEZZLES COMPANY FUNDS FROM FULL INC. FOR HIS OWN PERSONAL USE**

14 93. In early 2016, Mahon created a new, off-shore company in Isle of Man and moved all
15 of the contracts, licensing and development into this new company, effectively closing down all
16 operation of Full Inc. and demoting Full Inc. to a shareholding entity in the new Isle of Man company.

17 94. Mahon claimed, in writing and on investor phone calls after creating these entities, that
18 he created the Isle of Man company upon business advice from KPMG and legal advice from DLA
19 Piper.

20 95. It is believed that none of this advice is formally documented and that DLA Piper was
21 never formally engaged through a letter of engagement or other client agreement. None of the advice
22 that was given to Mahon could be relied on as it was not formal or client engaged advice.

23 96. Mahon intentionally mislead investors with his false statements about stated advice.

24 97. Mahon also mislead investors by falsely stating that Mr. Bastian would not invest in
25 an USA based company, which Mr. Bastian has denied.

26 98. Mahon claimed in written communications and verbally that he took no salary or
27 income from Full Inc., Full Ltd., or Full N.A.

28 99. Upon information and belief, Mahon had no other source of regular income and made

1 regular statements that he had no money.

2 100. Despite claiming no salary or regular source of income, Mahon has managed to have
3 money for personal use, including paying for, furnishing and refurbishing his condo in Las Vegas, as
4 well as gambling, travel and living expenses, all of which are now believed to have been paid for as
5 improper corporate expenses.

6 101. The extent of Mahon's use of corporate funds as his personal piggy bank remains
7 unknown as Mahon is the sole person having access to Full Inc. and Full N.A. bank accounts and has
8 refused to provide shareholders details of monies spent.

9 102. It is believed that the only reason that Mahon did not have sole access to the off-shore
10 accounts for Full Ltd. in the Isle of Man was due to Isle of Man regulations not permitting sole access
11 to an off-shore account.

12 103. On or about September 15, 2015, a trustee of Moore wrote Howard about moving the
13 investment from BL Moore construction to Moore. Mahon consented to the transfer the next day.

14 104. In or about December 2015, Mahon flew to Vancouver, Canada, to spend the holidays
15 with his girlfriend, Victoria Cekan. Upon information and belief, Mahon payed for all of the expenses
16 for this trip using funds from Full Inc.

17 105. During and around this time, Mahon used funds from Full Inc. to pay the rent for an
18 apartment in Vancouver, Canada, in which Ms. Cekan resided.

19 106. Mahon also used Full Color Inc. funds to pay for attorney fees and deposits to help Ms.
20 Cekan obtain an education visa to enter the United States.

21 **MAHON AGAIN MISLEADS INVESTORS INTO BELIEVING THAT FULL INC. HOLDS THE**
22 **INTELLECTUAL PROPERTY RIGHTS TO THE FULL COLOR SYSTEM**

23 107. In or about February 2016, Full Color Games held an exhibit at ICE London conference
24 using all marketing material showing only Full Color Games logo and information.

25 108. On or about January 21, 2016, Full Ltd. is incorporated in the Isle of Man. No prior
26 notification was provided to the shareholders of Full Inc. of the new company or that their assets were
27 being moved out of the United States. The intellectual property was moved to the new entity as was
28 the software and other assets.

1 109. Mahon refused to transfer remaining cash assets of approximately \$300,000.00 that
2 was believed to have remained in Full Inc. against the direction of Full Ltd. Directors Martin Linham,
3 Lee Murphy and Newman, as Mahon did not agree that these cash funds should be transferred.

4 110. Mahon continued to use the funds of Full Inc. though the accumulated obligations had
5 been transferred to Full Ltd.

6 111. On or about March 10, 2016, Mahon applies for a patent application, upon information
7 and belief, for general concepts, including solitaire and poker.

8 **MAHON BREACHED HIS FIDUCIARY DUTY TO INVESTORS**

9 **AND ENTERED INTO A SELF-SERVING LICENSING AGREEMENT**

10 112. On or about April 11, 2016, Full Ltd. and Intellectual Property Holdings Limited
11 (“Intellectual Ltd.”) entered into a commercial license agreement entitling Intellectual Ltd. to 50% of
12 the gross revenue received by Full Ltd. (“Commercial License Agreement”).

13 113. Mahon, as CEO and controlling the shareholder votes of Full Inc., approved the
14 cancellation of the Commercial License Agreement between Intellectual LLC and Full Inc. Mahon
15 then caused a new commercial license agreement (“New Commercial License Agreement”), more
16 beneficial to Mahon, to be agreed to between Full Ltd. and Intellectual Ltd., an off-shore company
17 Mahon formed for what is believed to be tax and control reasons.

18 114. As part of moving Full Inc.’s business to Full Ltd., Full Inc. was to be issued 100% of
19 all outstanding ownership though Mahon structured this ownership as non-voting shares.

20 115. A large number of Full Ltd. shares were also issued to Intellectual Ltd., the result of
21 which diluted Full Inc.’s ownership of Full Ltd. by 50%.

22 116. Almost concurrently, 100,000,000 Preference A (non-ownership, full voting) shares in
23 Full Ltd. were issued to Intellectual Ltd. in further consideration of the Commercial License
24 Agreement by Intellectual Ltd. to Full Ltd.

25 117. At the time of these actions, Mahon was in control of all companies, owning 100% of
26 Intellectual Ltd., was the only voting shareholder in Full Ltd., and was the CEO, majority shareholder
27 and possessed voting power over all shares of the common stock of Full Inc.

28 118. This Commercial License Agreement was not disclosed to investors nor shareholders

1 of Full Inc. and benefited only Mahon, who approved it on both sides.

2 119. It was a non-arm's length agreement and enriched Mahon personally with 50% of gross
3 revenues received by Full Ltd., 50% direct ownership in Full Ltd. plus an additional 20% or more
4 non-direct ownership through his majority ownership in Full Inc. and 100% control of Full Ltd.,
5 allowing him to undertake and force any and all corporate actions through Full Ltd., with the full force
6 of appropriate corporate law.

7 120. In or about April 2016, non-party Bastian was informed in an email that Full Inc. had
8 been diluted to only 38.6% ownership in Full Ltd. due to the additional stock issued to Intellectual
9 Ltd.

10 121. There was also a mention that NDA Ltd., had been given 2.5% share of Full Ltd., a
11 company, upon information and belief, owned 100% by Mahon.

12 122. In or about May 2016, Full Ltd. opened a Nedbank account in Isle of Man that included
13 prepaid credit cards for Mahon in both US Dollar and Sterling currencies. The initial and only funding
14 of this account occurred through the non-party Bastian investments.

15 123. Funds were requested to be transferred from Full Inc. to Nedbank as part of an
16 investment or stock exchange in Full Ltd. as detailed herein.

17 124. Mahon refused to transfer the funds, keeping the funds in a Full Inc. account with
18 Mahon keeping sole access and signing authority to the Full Inc. banking account.

19 125. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
20 thirty (30) to fifty (50) million pounds Sterling in investments from European sources.

21 126. Mahon then caused that aforementioned memo to be restricted from being shown to
22 USA citizens, thereby ensuring no Full Inc. investor would become aware of the fact that Mahon was
23 diluting their interests in, and profit from, Full Ltd.

24 **MAHON AGAIN ABANDONED HIS DUTY TO INVESTORS, CREATED FULL COLOR GAMES, N.A.,**
25 **INC., AND CONTINUED TO EMBEZZLE FUNDS FROM FULL LTD.**

26 127. On or about July 22, 2016, Mahon created Full Color Games, N.A., Inc. ("Full N.A.").
27 Full N.A. opens a Wells Fargo account with only signatory being Mahon. Full Ltd. funds were then
28 transferred into the Full N.A. account.

1 128. On or about August 1, 2016, Mahon directed Full Ltd. Isle of Man directors to transfer
2 \$100,000.00 from Full Ltd.'s Nedbank account to Jackpot LLC with no stated purpose or reason and
3 no director vote or minutes authorizing.

4 129. Mahon has also spent in excess of \$100,000.00 through the Nedbank credit card
5 accounts for which no full accounting has been presented.

6 130. On or about August 17, 2016, Full Ltd. files for and receives confirmation of
7 application from the United Kingdom Gambling Commission ("UKGC") for gaming licenses naming
8 Mahon, Mr. Linham, and Mr. Munger as individuals, who also apply for individual Personal
9 Management Licenses ("PML") with the UKGC.

10 131. On or about September 9, 2016, Mahon directs Full Ltd. Directors to transfer another
11 \$50,000.00 from Full Ltd. to Jackpot LLC with no stated purpose or reason and no director vote or
12 minutes authorizing.

13 132. Upon information and belief, in or about 2016, Jackpot Inc. receives \$110,000.00 from
14 Full Inc. or Full N.A. with no stated purpose or reason.

15 133. In or about February 2017, Mahon opens a Full N.A. account to replace the Wells
16 Fargo bank accounts that Wells Fargo closed due to a series of threatening interactions between
17 Mahon and a Wells Fargo representative.

18 134. Wells Fargo subsequently closed all accounts with which Mahon was associated
19 forcing all Full Color Games and Mahon associated accounts to be moved. To date, there has been
20 no explanation or mention by Mahon to the investors and shareholders of Full Inc. as to the black
21 listing of Mahon and Full Color Games by Well Fargo.

22 135. On or about February 7, 2017, Full Color Games exhibits at the International Casino
23 Expo ("ICE") in London with marketing materials referencing only Full Color Games. No other
24 entities are mentioned.

25 136. On or about August, 2016 Mahon had a dispute with Mr. Newman over Mahon's use
26 of corporate resources. Mahon immediately removed Mr. Newman as a Director in Full Ltd. and
27 released Mr. Newman from any related management activities. Because Mr. Newman was still a
28 shareholder in Full Inc., through Mr. Newman's company, Cooper Blackstone LLC, Mahon spent

1 considerable time and Full Ltd. funds attempting contrive a scenario that would permit Mahon to
2 revoke those shares owned by Cooper Blackstone, LLC, in carrying forth a personal vendetta against
3 Mr. Newman. Mahon claimed verbally and in writing to shareholders that this was a requirement to
4 obtain a UK Gambling Commission license, which was a complete fabrication and not true.

5 137. On or about April, 2017, Full Ltd. paid the registered agent on the Isle of Man for
6 annual filing and administration fees for Full Ltd., and for Mahon's personal companies Intellectual
7 Ltd., and NDA Ltd.

8 138. On or about April 3, 2017, Mahon requested \$20,000.00, most of the remaining funds
9 of Full Ltd., be transferred to Full N.A., and about this same time, Full Ltd. Directors Linham and
10 Murphy received a copy of a notice Mahon sent to Full Ltd Shareholder Davinci claiming a violation
11 of the Commercial License Agreement. Davinci was the only Full Ltd shareholder to receive the
12 notice though Mahon wrote he was to send it to 40+ Full Inc. investors the next day. Full Inc. investors
13 have never been notified of the violation.

14 139. Based on unilateral actions by Mahon, the transfer request was refused and the
15 remaining Directors in Full Ltd. resigned immediately from all Full Ltd. and Mahon's personal
16 companies.

17 140. On or about June 29, 2017, Howard sent investors an update stating that Full Inc. was
18 filing for dissolution and that the investors would be receiving final tax notices.

19 141. The notice also stated, among other items, that Full Ltd. was in the business of real
20 money gaming and that Full Ltd. defaulted on its application for gaming license by not providing
21 requested information to the UKGC while Mahon was CEO and the sole director thereby preventing
22 Full Ltd. from doing business in one of the largest real money gaming jurisdictions in the world.

23 **MAHON BREACHED HIS CONTRACT WITH MR. MUNGER**

24 142. On or about February 2017, Mahon stopped paying Mr. Munger for the work he
25 performed for Full Inc., Full Ltd. and Full N.A. Mr. Munger continued to perform work for the
26 company through April of 2017, for which he has yet to be paid.

27 **COMPLIANCE WITH NRCP 23.1**

28 143. Plaintiffs have been unable to obtain the desired action from Mr. Mahon and/or Full

1 Color Games, Inc. Any attempt to obtain the action Plaintiffs desire would be futile.

2 144. Specifically, Plaintiffs requested an accounting from Mr. Mahon and/or Full Color
3 Games, Inc., as well as requested that Mr. Mahon address the claims herein. Plaintiffs have received
4 no affirmative action by Mr. Mahon and/or Full Color Games, Inc., indicating any intent to comply
5 with these basic requests.

6 145. Plaintiffs are now forced to bring this derivative action to redress the fiduciary breaches
7 by Mr. Mahon and Mr. Howard and to prevent them from causing further irreparable harm to Full
8 Color Games, Inc.

9 **FIRST CLAIM FOR RELIEF**

10 **(BREACH OF FIDUCIARY DUTY/GROSS MISMANAGEMENT AGAINST MAHON ON BEHALF OF FULL**
11 **COLOR GAMES, INC.)**

12 146. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
13 Complaint as though fully set forth herein and incorporates the same herein by reference.

14 147. Mahon owed a fiduciary duty to Plaintiffs as the CEO and director of the defendant
15 corporations.

16 148. Mahon breached said fiduciary duty through misrepresentations to Plaintiffs,
17 embezzlement, theft, illegal business and accounting practices, systematic misappropriation of
18 investment funds, and overall gross mismanagement of defendant corporations.

19 149. On multiple occasions, Mahon misrepresented to investors that they would be
20 investing in a company that owned the intellectual property rights, patents, copyrights, and
21 trademarks, to the Full Color System and the games developed from said system. However, Mahon
22 knew at the time that these statements were false, as he himself owned the aforementioned intellectual
23 property rights.

24 150. Mahon used his position as CEO, sole director, majority shareholder and 100%
25 controller to make self-serving licensing agreements to the detriment of the shareholders.

26 151. Mahon mismanaged Full Inc. by acting in his own self-interest rather than for the good
27 of the company by embezzling funds for personal use and engaging in other illegal activities to the
28 detriment of the shareholders in Full Inc. and the associated companies, Full Ltd. and Full N.A.

152. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit thirty (30) to fifty (50) million pound Sterling in investments from European sources. Mahon then caused that aforementioned memo be restricted from being shown to USA citizens thereby ensuring no Full Inc. Investors would become aware of the fact that Mahon was (a) diluting their interests, (b) providing them with no voting rights, (c) restricting the flow of revenues to Full Ltd., and (d) directly profiting from, Full Ltd.

153. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

154. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action

SECOND CLAIM FOR RELIEF

**(AIDING AND ABETTING BREACH OF FIDUCIARY DUTY AGAINST GLENN HOWARD, ON BEHALF OF
FULL COLOR GAMES, INC.)**

155. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

156. Mahon owed a fiduciary duty to Plaintiffs.

157. Mahon breached said fiduciary duty through misrepresentations to Plaintiffs, embezzlement, theft, illegal business and accounting practices, systematic misappropriation of investment funds, and overall gross mismanagement of defendant corporations.

158. Howard, under title of Full Inc. President, was aware of Mahon's breaching actions during the time he was an investor and/or executive in Full Inc. and condoned, supported, and aided Mahon in said behavior.

159. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

160. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

1 **THIRD CLAIM FOR RELIEF**

2 **(TORTIOUS INTERFERENCE WITH BUSINESS RELATIONSHIP AGAINST**

3 **ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.)**

4 161. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
5 Complaint as though fully set forth herein and incorporates the same herein by reference.

6 162. Plaintiff Shareholders had a valid and enforceable contractual relationship with Full
7 Inc.

8 163. Mahon and his related entities knew of this contractual relationship.

9 164. Mahon formed Full Ltd. knowing and intending that its creation and illegal
10 ascertainment of Full Inc.'s assets and intellectual property would disrupt the contractual relationship
11 between the shareholders and Full Inc.

12 165. Mahon utilized the formation of Full Ltd. to directly profit, and to ensure that there
13 would be no transparency to shareholders in Full Inc.

14 166. In order to form Full N.A., Mahon transferred funds and assets from Full Ltd., of which
15 Full Inc. was a shareholder, to Full N.A.

16 167. As a direct and proximate result of the aforementioned actions and/or omissions of
17 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

18 168. Defendants' actions have required Plaintiffs to retain the services of an attorney to
19 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
20 reasonable attorneys' fees and costs incurred in this action.

21 **FOURTH CLAIM FOR RELIEF**

22 **(FRAUDULENT MISREPRESENTATION AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES,**
23 **INC. AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND**
24 **MOORE FAMILY TRUST)**

25 169. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
26 Complaint as though fully set forth herein and incorporates the same herein by reference.

27 170. Mahon made many and multiple misrepresentations to Plaintiffs regarding the
28 structure and management of defendant corporations as well as the ownership of the intellectual

1 property used to develop defendant corporation's products.

2 171. Mahon told or implied to potential investors, as well as plaintiff shareholders, that Full
3 Inc. owned the intellectual property rights to the Full Color System as well as the games that it was
4 used to develop on the following occasions: March or April of 2012; August 19, 2014, in an email to
5 investors and shareholders; September 29, 2014, at an investors' dinner; September 30 2014; June 15,
6 2015, in an email sent from Howard to investors and shareholders; June 17, 2015, at a casino night
7 for investors; February 2016, at an ICE exhibit in London; October 11, 2016, Investor Quarterly
8 Update; and February 7, 2017, at an ICE exhibit in London.

9 172. During the aforementioned occasions, Mahon either expressly told investors and
10 shareholders that Full Inc. owned the intellectual property rights to the Full Color System and
11 products, or implied the same by presenting the Full Color System and products in such a way that a
12 reasonable person would conclude that Full Color Inc. was the owner of the Full Color System and
13 products.

14 173. Mahon knew that these representations were false at the time they were made to
15 Plaintiffs.

16 174. Mahon made these misrepresentations with the intent to induce Plaintiffs into
17 investing, or continuing to invest, in defendant corporations.

18 175. Plaintiffs justifiably relied on these Mahon's representations as they reasonably
19 believed that he was acting in their best interests and lacked the means to independently verify
20 Mahon's claims.

21 176. Plaintiff shareholders would not have invested in Full Inc. had they known that Full
22 Inc. did not own the intellectual property rights to the Full Color System and resulting products
23 developed with investor monies, which is absolutely essential to Full Inc.'s existence and operation.
24 In fact, the only investor that Mahon told about the licensing agreement, non-party Bastian, forced
25 Mahon to provide Bastian a revenue share in the license holding company or Bastian would not invest
26 in Full Ltd.

27 177. It is further believed that Mahon was unsuccessful in soliciting investment from
28 European sources in Full Ltd. as the PPM disclosed that Full Ltd. did not directly own or control the

1 intellectual property. Mahon chose to provide European potential investors information he withheld
2 from Full Inc. investors.

3 178. As a direct and proximate result of the aforementioned actions and/or omissions of
4 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

5 179. Defendants' actions have required Plaintiffs to retain the services of an attorney to
6 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
7 reasonable attorneys' fees and costs incurred in this action.

8 **FIFTH CLAIM FOR RELIEF**

9 **(FRAUDULENT CONCEALMENT AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES, INC. AND**
10 **INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE**
11 **FAMILY TRUST)**

12 180. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
13 Complaint as though fully set forth herein and incorporates the same herein by reference.

14 181. Mahon concealed from Plaintiffs that he himself owned the intellectual property being
15 used by Full Ltd., Full Inc., and Full N.A.

16 182. Mahon purposely withheld the true ownership of the Full Color System while speaking
17 to investors and shareholders on the following occasions: March or April of 2012; August 19, 2014,
18 in an email to investors and shareholders; September 29, 2014, at an investors' dinner; September 30
19 2014; June 15, 2015, in an email sent from Howard to investors and shareholders; June 17, 2015, at a
20 casino night for investors; February 2016, at an ICE exhibit in London; October 11, 2016, Investor
21 Quarterly Update; and February 7, 2017, at an ICE exhibit in London.

22 183. This fact was material in that Plaintiffs would not have invested in the defendant
23 corporations had they known that said corporations had no ownership interest in the intellectual
24 property that was critical to the products they developed.

25 184. Mahon had a duty to Plaintiffs to disclose this information before they invested in the
26 defendant corporations.

27 185. Mahon intentionally concealed this fact with the intent to induce Plaintiffs into
28 investing into the defendant corporations.

1 186. Mahon intentionally concealed the structure and dealings of Full Ltd. from the
2 Plaintiffs and provided no transparency of any dealings of Full Ltd. to either the plaintiffs or the
3 shareholders of Full Inc.

4 187. As a direct and proximate result of the aforementioned actions and/or omissions of
5 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

6 188. Defendants' actions have required Plaintiffs to retain the services of an attorney to
7 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
8 reasonable attorneys' fees and costs incurred in this action.

9 **SIXTH CLAIM FOR RELIEF**

10 **(DECEPTIVE TRADE PRACTICES UNDER NRS 598.0915 AGAINST MAHON, ON BEHALF OF FULL**
11 **COLOR GAMES, INC. AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD.**

12 **3/26/2012, AND MOORE FAMILY TRUST)**

13 189. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
14 Complaint as though fully set forth herein and incorporates the same herein by reference.

15 190. NRS 598.0915 prohibits any person from advertising goods or services with the intent
16 not to sell or lease them as advertised.

17 191. It is a violation of NRS 598.0915 to knowingly make a false representation as to the
18 source, sponsorship, approval or certification of goods or services for investment purposes.

19 192. Defendant Mahon advertised an investment opportunity to Plaintiffs to induce
20 Plaintiffs to buy, sell, lease, dispose of, and/or utilize in order to create any interest in the companies
21 by deceptively stating that the intellectual property of the Defendant Mahon was actually the property
22 of the Defendant entities.

23 193. As a direct and proximate result of the aforementioned actions and/or omissions of
24 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

25 194. Defendants' actions have required Plaintiffs to retain the services of an attorney to
26 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
27 reasonable attorneys' fees and costs incurred in this action.

28 ///

1 **SEVENTH CLAIM FOR RELIEF**

2 **(UNJUST ENRICHMENT AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.)**

3 195. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
4 Complaint as though fully set forth herein and incorporates the same herein by reference.

5 196. Mahon unjustly benefited from the loan/investments that Munger provided him in
6 order to develop Full Ltd. and Full Inc. by accepting those loan/investments misusing or embezzling
7 a portion of those funds, and then failing to compensate Mr. Munger for the interest accrued on said
8 loans/investments.

9 197. Mahon unjustly benefited from the work and contributions that Mr. Munger has
10 provided to Full Inc., Full Ltd. and Full N.A. and has refused to pay Mr. Munger for said work and
11 contributions.

12 198. Mahon unjustly benefited from the contributions and investments of plaintiffs which
13 ultimately lead to the creation of the subject intellectual property but has refused to compensate
14 Plaintiffs for said contributions and investments.

15 199. Mahon & Howard started a new company, Full Color Games Group, Inc. ("Full
16 Group") and that Full Group has unjustly benefited from the Full Color System and products which
17 were developed and financed by Full Inc.

18 200. As a direct and proximate result of the aforementioned actions and/or omissions of
19 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

20 201. Defendants' actions have required Plaintiffs to retain the services of an attorney to
21 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
22 reasonable attorneys' fees and costs incurred in this action.

23 **EIGHTH CLAIM FOR RELIEF**

24 **(CONVERSION AGAINST MAHON AND HOWARD, ON BEHALF OF FULL COLOR GAMES, INC.)**

25 202. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
26 Complaint as though fully set forth herein and incorporates the same herein by reference.

27 203. Mahon is in the practice and tradition of systematically seeking investments for a
28 company through misrepresentation, using the investment funds for his own personal use and to

1 develop intellectual property that he refuses to release as product, declaring said company insolvent,
2 and then transferring the insolvent corporation's assets into a new company to begin the cycle anew.

3 204. Mahon wrongfully exerted dominion over Full Inc.'s assets, funds, and intellectual
4 property when he illegally transferred some of said property into Full Ltd. and his own personal use.
5 Certain cash assets were never transferred to Full Ltd. and remain at the personal control of Mahon.

6 205. Mahon directed Full Ltd. to develop and pay for a Private Placement Memo to solicit
7 thirty (30) to fifty (50) million pounds Sterling in investments from European sources. Mahon then
8 caused that aforementioned memo be restricted from being shown to USA citizens thereby ensuring
9 no Full Inc. investors would become aware of the fact that Mahon was diluting their interests in, and
10 profit from, Full Ltd.

11 206. This act effectively excluded or denied Plaintiffs and Full Inc. of their rights and
12 benefit of said property.

13 207. As a direct and proximate result of the aforementioned actions and/or omissions of
14 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

15 208. Defendants' actions have required Plaintiffs to retain the services of an attorney to
16 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
17 reasonable attorneys' fees and costs incurred in this action.

18 **NINTH CLAIM FOR RELIEF**

19 **(CIVIL CONSPIRACY AGAINST MAHON AND HOWARD, ON BEHALF OF FULL COLOR GAMES, INC.**
20 **AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND**
21 **MOORE FAMILY TRUST)**

22 209. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
23 Complaint as though fully set forth herein and incorporates the same herein by reference.

24 210. Mahon and Howard conspired, or acted in concert, with the intent to defraud and harm
25 plaintiffs in the manners previously alleged.

26 211. As a direct and proximate result of the aforementioned actions and/or omissions of
27 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

28 212. Defendants' actions have required Plaintiffs to retain the services of an attorney to

1 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
2 reasonable attorneys' fees and costs incurred in this action.

3 **TENTH CLAIM FOR RELIEF**

4 **(ALTER EGO AGAINST MAHON, ON BEHALF OF FULL COLOR GAMES, INC. AND INDIVIDUAL**
5 **PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE FAMILY**
6 **TRUST)**

7 213. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
8 Complaint as though fully set forth herein and incorporates the same herein by reference.

9 214. Mahon is the owner and operator of the Defendant entities, and each of them.

10 215. Mahon operated the various Defendant entities, and each of them, as if they were his
11 own personal piggy bank and wallet.

12 216. The various Defendant entities, both domestic and foreign, and each of them, were and
13 are alter egos of defendant Mahon, in that they all lacked sufficient capitalization and were merely
14 shells by which their common principal, defendant Mahon, could attempt to avoid liability and
15 personal taxes.

16 217. The various Defendant entities, and each of them, were and are alter egos of defendant
17 Mahon, in that they have disregarded their respective corporate forms by, among other things, paying
18 or attempting to pay the debts of one another without consideration, not being properly licensed and
19 comingling and/or transferring funds and assets among them.

20 218. The various Defendant entities, and each of them, were and are alter egos of defendant
21 Mahon, in that there is a unity of interest and ownership, are inseparable from each other, and have
22 lost their individuality, thereby abrogating separate corporate protection.

23 219. The various Defendant entities, and each of them, were and are alter egos of defendant
24 Mahon, in that they failed to maintain functioning corporate officers and/or directors.

25 220. The various Defendant entities, and each of them, were and are alter egos of defendant
26 Mahon, in that the alter egos are being used as a "façade" for the personal dealings of defendant
27 Mahon.

28 221. The various Defendant entities, and each of them, were and are alter egos of defendant

1 Mahon, in that there is an absence and/or inaccuracy of corporate records for any of defendant
2 Mahon's alter egos, including the various Defendant entities, and each of them.

3 222. The various Defendant entities, and each of them, were and are alter egos of defendant
4 Mahon, in that defendant Mahon has failed to observe corporate formalities in terms of behavior and
5 documentation for any of defendant Mahon's alter egos, including the various Defendant entities, and
6 each of them.

7 223. The various Defendant entities, and each of them, were and are alter egos of defendant
8 Mahon, in that defendant Mahon has failed to maintain an arm's length relationship with any of his
9 alter egos, including the various Defendant entities, and each of them.

10 224. The assets, liabilities and debts of the various Defendant entities, and each of them,
11 should thus be imputed to defendant Mahon individually as defendant Mahon's alter egos.

12 225. It would be manifestly unjust to recognize the corporate separateness of defendant
13 Mahon and the various Defendant entities, and each of them.

14 226. The Court should therefore pierce the corporate veil and recognize the various
15 Defendant entities, and each of them, as the alter ego of defendant Mahon.

16 227. As a direct and proximate result of the aforementioned actions and/or omissions of
17 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

18 228. Defendants' actions have required Plaintiffs to retain the services of an attorney to
19 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
20 reasonable attorneys' fees and costs incurred in this action.

21 **ELEVENTH CLAIM FOR RELIEF**

22 **(ACCOUNTING AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC. AND**
23 **INDIVIDUAL PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE**
24 **FAMILY TRUST)**

25 229. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
26 Complaint as though fully set forth herein and incorporates the same herein by reference.

27 230. Defendant has been moving money and other assets of the Defendant entities.

28 231. A fiduciary relationship exists between the Plaintiffs and Defendants.

232. The relationship between Plaintiffs and Defendants are founded in trust and confidence.

233. Defendants have a duty to render an accounting to Plaintiffs to determine damages resulting from any misallocation of funds.

234. Because officers and directors are fiduciaries of a corporation, the duties they owe with respect to the exercise of their legal power over corporate property supervene their legal rights.

235. The court should require an accounting of all of the Defendant entities to determine the extent of a misallocation of expenses and the damages resulting therefrom because of the fiduciary relationship between the parties.

236. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

237. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

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. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

239. The appointment of a receiver is governed by statute and is appropriate only under circumstances described in statute.

240. Any stockholder may apply if the corporation is insolvent.

241. Any holder of 1/10 of a corporation's issued and outstanding stock may apply for the appointment of a receiver when a corporation has been mismanaged.

242. A holder of 1/10 of issued stock may apply for appointment of a receiver of a solvent corporation where the business is being conducted at a great loss, the operation is prejudicial to creditors or stockholders such that the business cannot be conducted with safety to the public.

1 243. A receiver may be appointed when a corporation is in imminent danger of insolvency.

2 244. Appointment of a receiver is appropriate when business property at issue is at risk of
3 waste, loss of income, or is insufficient to secure a debt.

4 245. Mahon has removed the intellectual property and other assets of the companies in
5 order to make the Defendant entities insolvent and has created other Defendant entities in order to
6 prevent Plaintiffs and other investors from receiving a profit from their investments.

246. As a direct and proximate result of the aforementioned actions and/or omissions of Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

247. Defendants' actions have required Plaintiffs to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of reasonable attorneys' fees and costs incurred in this action.

THIRTEENTH CLAIM FOR RELIEF

13 **(DECLARATORY RELIEF AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC.**
14 **AND INDIVIDUAL PLAINTIFFS MUNGER, DAVID’S HARD WORK TRUST LTD. 3/26/2012, AND**
15 **MOORE FAMILY TRUST)**

248. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the Complaint as though fully set forth herein and incorporates the same herein by reference.

249. This claim is for declaratory relief under the Uniform Declaratory Judgments Act, NRS 30.010, et seq., and arises from an actual controversy between plaintiffs, on the one hand, and defendants, on the other hand, regarding whether the various Defendant entities, and each of them, are alter egos of defendant Mahon.

22 250. Defendant Mahon is the owner and operator of Defendant entities, and each of them.

23 251. A justiciable controversy has arisen between the parties in that plaintiffs have been
24 harmed, and will continue to be harmed, in that the various Defendant entities, and each of them, are
25 merely shells by which their common principal, defendant Mahon, could attempt to avoid liability,
26 including to preclude recovery of damages against defendant Mahon by plaintiffs as injured parties.

27 252. Plaintiffs now contend that there is no basis in law or fact to recognize the corporate
28 separateness of defendant Mahon and the various Defendant entities, and each of them, under Nevada

1 law.

2 253. Plaintiffs are and will continue to be irreparably harmed unless this Court declares and
3 resolves the dispute under Nevada law regarding whether the various Defendant entities, and each of
4 them, are alter egos of defendant Mahon.

5 254. Plaintiffs seek and are entitled to a declaration from the Court stating that the subject
6 intellectual property is the exclusive property of Full Inc.

7 255. As a direct and proximate result of the aforementioned actions and/or omissions of
8 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

9 256. Defendants' actions have required Plaintiffs to retain the services of an attorney to
10 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
11 reasonable attorneys' fees and costs incurred in this action.

12 **FOURTEENTH CLAIM FOR RELIEF**

13 **(TEMPORARY RESTRAINING ORDER, PRELIMINARY AND PERMANENT INJUNCTION**
14 **AGAINST ALL DEFENDANTS, ON BEHALF OF FULL COLOR GAMES, INC. AND INDIVIDUAL**
15 **PLAINTIFFS MUNGER, DAVID'S HARD WORK TRUST LTD. 3/26/2012, AND MOORE FAMILY**
16 **TRUST)**

17 257. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
18 Complaint as though fully set forth herein and incorporates the same herein by reference.

19 258. Plaintiffs seek a temporary restraining order and/or preliminary/permanent injunction
20 to prevent defendant Mahon and the Defendant entities from transferring the assets and/or intellectual
21 property out of the Defendant entities to maintain the status quo until resolution of this lawsuit.

22 259. As a direct and proximate result of the aforementioned actions and/or omissions of
23 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

24 260. Defendants' actions have required Plaintiffs to retain the services of an attorney to
25 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
26 reasonable attorneys' fees and costs incurred in this action.

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1 **FIFTEENTH CLAIM FOR RELIEF**

2 **(BREACH OF CONTRACT AGAINST MAHON, ON BEHALF OF INDIVIDUAL PLAINTIFF MUNGER)**

3 261. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
4 Complaint as though fully set forth herein and incorporates the same herein by reference.

5 262. Mr. Munger and Mahon entered into a series of valid and enforceable contracts
6 concerning Mr. Munger's investments and involvement in the defendant corporations. Mahon
7 promised Mr. Munger 2.5% stock in Full Ltd. in return for Mr. Munger's time, energy, and
8 relationships and for being the only person who contributed to getting the product developed and into
9 the market.

10 263. Mr. Munger fully performed all of his duties under the verbal agreement to Mahon by
11 providing his funds for investment and devoting his time and efforts into the defendant corporations.

12 264. Mr. Munger worked, as needed, for Full Inc. from early 2015 to about January 2017,
13 receiving paid expenses and a stipend for services.

14 265. Mahon has failed to pay Mr. Munger for his work from early 2015 to about January
15 2017, failed to provide Mr. Munger with the agreed upon compensation for his time and investments,
16 and failed to award him 2.5% of company stock as promised.

17 266. As a direct and proximate result of the aforementioned actions and/or omissions of
18 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

19 267. Defendants' actions have required Plaintiffs to retain the services of an attorney to
20 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
21 reasonable attorneys' fees and costs incurred in this action.

22 **SIXTEENTH CLAIM FOR RELIEF**

23 **(BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING AGAINST MAHON, ON**
24 **BEHALF OF INDIVIDUAL PLAINTIFF MUNGER)**

25 268. Plaintiffs repeat and re-allege the allegations of the preceding paragraphs of the
26 Complaint as though fully set forth herein and incorporates the same herein by reference.

27 269. Mr. Munger and Mahon entered into a series of valid and enforceable contracts
28 concerning Mr. Munger's investments and involvement in the defendant corporations creating a duty

1 of good faith that Mahon owed to Mr. Munger.

2 270. Mahon acted in a manner that was unfaithful to the purpose of the contract between
3 himself and shareholders by intentionally misleading them about the companies they were investing
4 in, and putting his own interests above those of the shareholders to their detriment.

5 271. Plaintiffs' just expectations for entering into a contract with Mahon were denied.
6 Plaintiffs reasonably expected that the defendant corporations owned the intellectual property to the
7 Full Color System that they were using to develop products, and that Mahon would act honestly,
8 reasonably, and legally in managing defendant companies.

9 272. As a direct and proximate result of the aforementioned actions and/or omissions of
10 Defendants, Plaintiffs have been damaged in an amount in excess of \$15,000.00.

11 273. Defendants' actions have required Plaintiffs to retain the services of an attorney to
12 prosecute this action and has thereby been damaged. Accordingly, Plaintiffs seek an award of
13 reasonable attorneys' fees and costs incurred in this action.

14 **PRAYER FOR RELIEF**

15 WHEREFORE, Plaintiffs pray for judgment against defendants, and each of them, as follows:

16 1. For a judgment in favor of plaintiffs and against defendants, and each of them, on the
17 complaint and all claims for relief asserted therein;

18 2. For a declaration and determination under Nevada law that the various Defendant
19 entities, and each of them, are alter egos of Defendant Mahon.

20 3. For a return of the intellectual property to Full Color Games, Inc.

21 4. For a temporary restraining order and/or preliminary/permanent injunction to maintain
22 the status quo.

23 5. For an award of compensatory, consequential, statutory, exemplary, and punitive
24 damages in an amount in excess of \$15,000.00, to be proven at trial;

25 6. For an award of reasonable attorney's fees and costs incurred in this action; and

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7. For such other and further relief as the Court may deem proper.

DATED this 12th day of January, 2018.

Respectfully submitted,
MAIER GUTIERREZ & ASSOCIATES

/s/ Joseph A. Gutierrez
JOSEPH A. GUTIERREZ, ESQ.
Nevada Bar No. 9046
STEPHEN G. CLOUGH, ESQ.
Nevada Bar No. 10549
8816 Spanish Ridge Avenue
Las Vegas, Nevada 89148
*Attorneys for Plaintiffs Mark Munger,
David's Hard Work Trust Ltd 3/26/2012,
Moore Family Trust, Millennium Trust
Company, LLC, Custodian FBO Gary Solso,
IRA, Jeffrey Castaldo, Mara H. Brazer, as
Trustee for the Mara H. Brazer Trust UTA
2/12/2004*

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VERIFICATION

STATE OF NEVADA)
)ss:
COUNTY OF CLARK)

I, Mark Munger, declare:

I am the lead Plaintiff in this action. I am also a shareholder of Full Color Games, Inc. and have been during the relevant time period. I declare under penalty of perjury that I have read and reviewed the foregoing Amended Verified Shareholder Derivative Complaint, and know the content thereof, and authorized its filing. Based upon my and my counsel's investigation, the contents of the Amended Verified Shareholder Derivative Complaint are true to the best of my knowledge, information and belief.



MARK MUNGER

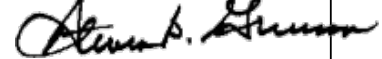
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CERTIFICATE OF SERVICE

Pursuant to Administrative Order 14-2, a copy of **PLAINTIFFS' MOTION TO APPOINT A SPECIAL MASTER** was electronically filed on the 12th day of January, 2018 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

/s/ Deb Sagert
An Employee of MAIER GUTIERREZ & ASSOCIATES



1 **ANSW**

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3 Todd W. Prall (9154)
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7 Las Vegas, NV 89145
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10 mhutchison@hutchlegal.com
11 tpvall@hutchlegal.com

12 *Attorneys for Defendant & Counter-claimant*
13 *Full Color Games Inc.*

14 **DISTRICT COURT**
15
16 **CLARK COUNTY, NEVADA**

17 In re: FULL COLOR GAMES, INC.
18 a
19 MARK MUNGER, an individual; DAVID'S
20 HARD WORK TRUST LTD. 3/26/2012, a
21 California Trust; MOORE FAMILY TRUST, a
22 California Trust; MILLENIUM TRUST
23 COMPANY, LLC CUSTODIAN FBO GARY
24 SOLSO, IRA, a California Trust; JEFFREY
25 CASTALDO; an individual; MARA H.
26 BRAZER, as Trustee for the MARA H.
27 BRAZER TRUST UTA 2/12/2004, a California
28 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 ANSWER,
COUNTERCLAIMS, AND THIRD-
PARTY COMPLAINT**

1	FULL COLOR GAMES, INC., a Nevada corporation; DOES I through X; and ROE CORPORATIONS I through X,
2	
3	Defendants.
4	
5	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,
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10	Counter-claimants,
11	vs.
12	MARK MUNGER, an individual; DOES I through V; and ROE CORPORATIONS I through V,
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14	Counter-defendants.
15	
16	FULL COLOR GAMES, INC., a Nevada corporation,
17	Counter-claimant,
18	v.
19	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;
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24	Counter-defendants.
25	
26	FULL COLOR GAMES, INC., a Nevada corporation,
27	Third-Party Claimant,

1 v.

2 SEBASTIAN J. BASTIAN, an individual; DIRK
3 SIMMONS, an individual; MARTIN LINHAM,
4 an individual; PLAYTECH SYSTEMS LTD, a
Bahamian limited company;
5 ISLANDLUCK.COM, a Bahamian subsidiary of
PLAYTECH; DAVINCI TRADING GROUP, a
6 Cayman Islands limited liability company;
DAVINCI HOLDINGS LTD, an Isle of Man
7 limited liability company; ILG SOFTWARE
LTD, an Isle of Man limited liability company,
8 G. BRADFORD SOLSO, an individual; DAVID
ECKLES, an individual; MARA H. BRAZER,
9 an individual; TERESA MOORE, an individual;
LARRY MOORE, an individual; BRIAN
10 MARCUS, and individual; JOHN BROCK III,
an individual;; JOHN BROCK IV an individual;
11 MUNGER & ASSOCIATES, INC., a Nevada
Corporation; MULTISLOT, LTD, an Isle of Man
Company; ERIC J. JUNGELS, an individual;
12 JEFF HORAN, an individual; SPIN GAMES,
LLC, a Nevada limited liability company; KENT
13 YOUNG, an individual; KUNAL MISHRA, an
individual; ; DOES I through X; and ROE
14 CORPORATIONS I through X.

15 Third-Party Defendants

16
17 **ANSWER**

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

20 **ANSWER TO ALLEGATIONS**

21
22 1. FCGI is informed and believes that the allegations set forth in Paragraph
23 1 of the Second Amended Complaint are true and therefore admit the same

24 2. FCGI is without sufficient information and knowledge to form a belief as
25 to the truth of the allegations set forth in Paragraph 2 of the Second Amended Complaint
26 and therefore deny them.
27

1 3. FCGI is without sufficient information and knowledge to form a belief as
2 to the truth of the allegations set forth in Paragraph 3 of the Second Amended Complaint
3 and therefore deny them. As a result, the Defendants, as Counter-claimants, are forced to
4 file counter-claims and bring racketeering and general claims against the Plaintiffs, as
5 Counter-defendants, in order to expose their wrongdoings, hold them accountable for
6 their unlawful acts in both civil and criminal complaints, exonerate the Defendants and
7 clear their good name, restore their free and clear property rights and finally obtain relief
8 from the Counter-defendants criminal racketeering enterprise and unlawful activity.
9

10 4. FCGI is without sufficient information and knowledge to form a belief as
11 to the truth of the allegations set forth in Paragraph 4 of the Second Amended Complaint
12 and therefore deny them.
13

14 5. FCGI is without sufficient information and knowledge to form a belief as
15 to the truth of the allegations set forth in Paragraph 5 of the Second Amended Complaint
16 and therefore deny them.
17

18 6. FCGI is without sufficient information and knowledge to form a belief as
19 to the truth of the allegations set forth in Paragraph 6 of the Second Amended Complaint
20 and therefore deny them.
21

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

24 8. FCGI is without sufficient information and knowledge to form a belief as
25 to the truth of the allegations set forth in Paragraph 8 of the Second Amended Complaint
26 and therefore deny them.
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28 9. FCGI is without sufficient information and knowledge to form a belief as

1 to the truth of the allegations set forth in Paragraph 9 of the Second Amended Complaint
2 and therefore deny them.

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

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

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

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

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

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

20 16. FCGI is without sufficient information and knowledge to form a belief as
21 to the truth of the allegations set forth in Paragraph 16 of the Second Amended
22 Complaint and therefore deny them.

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

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

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

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

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

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

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

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

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

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

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

5 28. Answering Paragraph 28 of the Second Amended Complaint, FCGI
6 admits that Intellectual Properties Holdings, LLC does in fact hold licenses to the
7 intellectual property owned by David Mahon. FCGI denies all allegations set forth in
8 Paragraph 28 of the Second Amended Complaint not expressly admitted herein.
9

10 29. FCGI is without sufficient knowledge to form a belief as to the truth of
11 the allegations set forth in Paragraph 29 and therefore deny them.
12

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

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

17 32. FCGI denies the allegations set forth in Paragraph 32 of the Second
18 Amended Complaint.
19

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

22 34. FCGI is without sufficient knowledge to form a belief as to the truth of
23 the allegations set forth in Paragraph 34 and therefore deny them.
24

25 35. FCGI is without sufficient knowledge to form a belief as to the truth of
26 the allegations set forth in Paragraph 35 and therefore deny them.

27 36. FCGI is without sufficient knowledge to form a belief as to the truth of
28

1 the allegations set forth in Paragraph 36 and therefore deny them.

2 37. Answering Paragraph 37 of the Second Amended Complaint, FCGI
3 admits that Full Color Games, Inc. was formed in Nevada on or about April 18, 2012.
4 FCGI denies all allegations set forth in Paragraph 37 of the Second Amended Complaint
5 not expressly admitted herein.
6

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

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

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

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

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

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

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

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

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

3 47. Answering Paragraph 47 of the Amended Complaint, FCGI states that the
4 allegations set forth therein are statements of law and therefore neither admit nor deny
5 the allegations set forth in Paragraph 47 of the Second Amended Complaint on that
6 basis.
7

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

10 49. FCGI denies the allegations set forth in Paragraph 49 of the Second
11 Amended Complaint.
12

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

15 51. Answering Paragraph 51 of the Second Amended Complaint, FCGI
16 admits Mark Munger gave David Mahon or Full Color Games, Inc. \$10,000.00, but
17 affirmatively alleges that it was the money was given without any terms or conditions
18 attached whatsoever based on his belief in David Mahon's inventions. FCGI further
19 affirmatively alleges that rather than simply accept the money offered by Mark Munger,
20 David Mahon prepared an agreement to document the payment of the \$10,000 as an
21 investment and presented the Assignment of Net Profits Interest ("ANPI") Agreement to
22 Mark Munger and, at Mark Munger's request, to his business partner, Jeremiah
23 Rutherford. FCGI further affirmatively alleges that Mark Munger only paid \$35,000.00
24 of the required \$50,000 pursuant to the ANPI. FCGI denies all allegations set forth in
25 Paragraph 51 of the Second Amended Complaint not expressly admitted herein.
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1 52. Answering Paragraph 52 of the Second Amended Complaint, FCGI
2 admits that the ANPI Agreement speaks for itself. FCGI denies all allegations set forth
3 in Paragraph 52 of the Second Amended Complaint not expressly admitted herein, and
4 that are not consistent with the terms of the ANPI Agreement.

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

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

14 55. Answering Paragraph 55 of the Second Amended Complaint, FCGI
15 admits that it issued out common stock in Full Color Games, Inc. to Mark Munger
16 pursuant to the Shareholder Issuance Agreement and Shareholder Repurchase
17 Agreement, and affirmatively alleges and admits that Full Color Games, Inc. did so
18 based on Mark Munger's agreement to contribute to the company by being appointed
19 both as a member of the Board of Advisors and as the company's Chief Technology
20 Officer ("CTO"). David Mahon affirmatively alleges and admits and that Mark Munger
21 has denied that he ever accepted the position of CTO and has claimed that the Board of
22 Advisor position did not require anything of him. FCGI denies that Mark Munger
23 should have ever received common stock in Full Color Games, Inc. because Mark
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1 Munger denies the conditions upon which he was to receive the stock. FCGI denies all
2 allegations set forth in Paragraph 55 of the Second Amended Complaint not expressly
3 admitted herein.

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

9
10 57. FCGI is without sufficient information and knowledge to form a belief as
11 to the truth of the allegations set forth in Paragraph 57 of the Second Amended
12 Complaint and therefore deny them.

13
14 58. FCGI is without sufficient information and knowledge to form a belief as
15 to the truth of the allegations set forth in Paragraph 58 of the Second Amended
16 Complaint and therefore deny them.

17
18 59. Answering Paragraph 59 of the Second Amended Complaint, FCGI is
19 informed and believe that Mark Munger was working for Full Color Games, Inc. and for
20 Sebastian Bastian's companies at the same time as alleged, and affirmatively allege that
21 Mark Munger's work created a conflict of interest and a breach of the Non-Disclosure,
22 Non-Compete and Non-interference Agreement between the FCGI and Mark Munger.
23 FCGI is without sufficient information and knowledge to form a belief as to the truth of
24 the remaining allegations set forth in Paragraph 59 of the Second Amended Complaint
25 and therefore deny them.

26
27 60. FCGI denies the allegations set forth in Paragraph 60 of the Second
28

1 Amended Complaint.

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

6
7 62. FCGI denies the allegations set forth in Paragraph 62 of the Second
8 Amended Complaint.

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

13
14 64. Answering Paragraph 64 of the Second Amended Complaint, FCGI
15 affirmatively alleges and admits that Mike Berman, doing business as Cactus Matrix, a
16 software subcontractor to Full Color Games, Inc., deleted the entire player website
17 databases, operating files and all recent backups for Full Color® Solitaire. FCGI denies
18 all allegations set forth in Paragraph 64 of the Second Amended Complaint not expressly
19 admitted herein.

20
21 65. FCGI denies the allegations set forth in Paragraph 65 of the Second
22 Amended Complaint.

23
24 66. Answering Paragraph 66 of the Second Amended Complaint, FCGI
25 admits that Glen Howard became a convertible note holder in Full Color Games, Inc., on
26 or about February 14, 2014 and the President of Full Color Games, Inc. on or about
27 January 1, 2015. FCGI denies all allegations set forth in Paragraph 66 of the Second
28

1 Amended Complaint not expressly admitted herein.

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

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

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

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

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

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

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

21 74. Answering Paragraph 74 of the Second Amended Complaint, FCGI
22 admits that Teresa Moore emailed Glen Howard requesting wire transfer information to
23 complete her \$50,000 investment from “one of our corporations.” FCGI denies all
24

1 allegations set forth in Paragraph 74 of the Second Amended Complaint not expressly
2 admitted herein.

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

5 76. Answering Paragraph 76 of the Second Amended Complaint, FCGI
6 affirmatively alleges and admits the intellectual property concerning the Full Color®
7 Gaming System was owned by David Mahon and licensed to Intellectual Properties
8 Holdings, LLC and other companies via certain license agreements, including the
9 “License Agreement dated April 18, 2012” issued to Full Color Games, Inc., which
10 licensed the use of the intellectual property owned by David Mahon. FCGI further
11 affirmatively alleges and admits that FCGI in good faith relied upon Richard H.
12 Newman, Esq., attorney for Howard & Howard, LLP, Newman Law, LLC, general
13 counsel for Full Color Games, Inc., Chief Legal Officer of both Full Color Games, Inc.
14 and Full Color Games Ltd, a member of the Board of Advisors of Full Color Games,
15 Inc., a Director of Full Color Games Ltd and a Personal Management License applicant
16 for Full Color Games Ltd to the UK Gambling Commission remote software gaming
17 license application (hereinafter collectively “Newman”) who represented that the Full
18 Color® Gaming System intellectual property invented by and owned by David Mahon,
19 was properly protected by copyright, trademark, and patent law. FCGI further
20 affirmatively alleges and admits that to the extent FCGI discovered that the some of the
21 patent applications or copyright applications were not completed by Newman as
22 represented, those applications were either corrected as much as possible and all
23 investors were informed of the issues. FCGI further affirmatively alleges and admits
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27
28

1 that Newman was terminated from all of his legal representation and positions in
2 association with the FCGI as a result of the discovery and his inability to cure his
3 defects. FCGI denies all allegations set forth in Paragraph 76 of the Second Amended
4 Complaint not expressly admitted herein.

5 77. Answering Paragraph 77 of the Second Amended Complaint, FCGI
6 affirmatively alleges and admits that all investor documents, publications, applications
7 and all public records filings related to the Full Color® Gaming System, fully disclose
8 the facts that the Full Color® Gaming System was ©David W. Mahon, with “All Rights
9 Reserved” and the nature of their exclusive licensing speak for themselves. FCGI denies
10 all allegations set forth in Paragraph 76 of the Second Amended Complaint not expressly
11 admitted herein.
12

13 78. Answering Paragraph 78 of the Second Amended Complaint, FCGI
14 admits that all investor documents, publications, applications and all public records
15 filings related to the Full Color® Gaming System, fully disclose the facts that the Full
16 Color® Gaming System was ©David W. Mahon, with “All Rights Reserved” and the
17 nature of their exclusive licensing speak for themselves. FCGI denies all allegations set
18 forth in Paragraph 76 of the Second Amended Complaint not expressly admitted herein.
19

20 79. FCGI denies the allegations set forth in Paragraph 79 of the Second
21 Amended Complaint.
22

23 80. FCGI denies the allegations set forth in Paragraph 80 of the Second
24 Amended Complaint.
25

26 81. Answering Paragraph 81 of the Second Amended Complaint, FCGI
27 admits that documents were signed and executed by Larry and Teresa Moore and
28

1 affirmatively allege and admit that the email chains that forwarded the documents, the
2 wire transfer documents and the convertible note documents all speak for themselves.
3 FCGI denies the allegations set forth in Paragraph 81 of the Second Amended Complaint
4 not expressly admitted herein.

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

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

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

21 85. Answering Paragraph 85 of the Second Amended Complaint, FCGI
22 affirmatively alleges and admits that all Full Color® games product were pitched and
23 displayed to investors at different events. FCGI denies the allegations set forth in
24

1 Paragraph 85 of the Second Amended Complaint not expressly admitted herein.

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

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

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

9 89. Answering Paragraph 89 of the Second Amended Complaint, FCGI
10 affirmatively alleges and admits that David Mahon hired Richard H. Newman, Esq. of
11 Howard & Howard, LLP who then transferred his practice to Newman Law, LLC, to
12 apply for trademarks, copyrights and patents for intellectual property protection on
13 behalf of the Full Color® Gaming System. FCGI denies the allegations set forth in
14 Paragraph 89 of the Second Amended Complaint not expressly admitted herein.
15

16 90. Answering Paragraph 90 of the Second Amended Complaint, FCGI
17 affirmatively alleges and admits that David Mahon hired Richard H. Newman, Esq. of
18 Howard & Howard, LLP who then transferred his practice to Newman Law, LLC, to
19 apply for trademarks, copyrights and patents for intellectual property protection on
20 behalf of the Full Color® Gaming System. FCGI denies the allegations set forth in
21 Paragraph 90 of the Second Amended Complaint not expressly admitted herein.
22

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

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

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

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

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

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

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

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

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

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

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

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

21 103. Answering Paragraph 103 of the Second Amended Complaint, David
22 Mahon affirmatively alleges and admits that someone from BL Moore Construction, Inc.
23 sought to assign their investment in the Full Color Games, Inc. convertible note to a
24

1 family trust entitled Moore Family Trust u/d/t/ March 14, 2003 ("Moores") and it was
2 approved and executed based on the representations made by the Moores as to their
3 status as a bonafide accredited investor. Full Color Games, Inc. further affirmatively
4 alleges and admits that on October 10, 2017, the Moore shares were canceled,
5 repurchased and terminated pursuant to the notice sent to Moores via USPS pursuant to
6 the terms and the conditions of Full Color Games, Inc. Amended and Restated Bylaws
7 dated August 1, 2015 that the Moores were bound by when they converted their security
8 interests in the "License dated April 18, 2012" into common stock shares certificate CS-
9 42 on or about April 11, 2016. FCGI denies the allegations set forth in Paragraph 103 of
10 the Second Amended Complaint not expressly admitted herein.
11

12
13 104. FCGI denies the allegations set forth in Paragraph 104 of the Second
14 Amended Complaint.

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

17
18 106. FCGI denies the allegations set forth in Paragraph 106 of the Second
19 Amended Complaint.

20 107. Answering Paragraph 107 of the Second Amended Complaint, FCGI
21 admits Full Color Games, Inc., did exhibit at the ICE 2016 Totally Gaming Convention
22 in London, England. FCGI denies the allegations set forth in Paragraph 107 of the
23 Second Amended Complaint not expressly admitted herein.
24

25 108. Answering Paragraph 108 of the Second Amended Complaint, FCGI
26 affirmatively alleges and admits that Martin Linham, CFO of Full Color Games, Inc.,
27 had instructed Corporate Options (without any signed letter of authorization or executed
28

1 engagement letters from the Full Color Games, Inc.'s Board of Directors) to form Full
2 Color Games Ltd. in the Isle of Man prior to the ICE 2016 convention so he could begin
3 to pitch high net worth individuals, members of the royal families, members of the UK
4 parliament, casino gaming government regulators, accountants, lawyers, distributors,
5 operators, testing labs and institutional investors from the Isle of Man, the UK and
6 Europe. FCGI denies the allegations set forth in Paragraph 108 of the Second Amended
7 Complaint not expressly admitted herein.
8

9 109. FCGI denies the allegations set forth in Paragraph 109 of the Second
10 Amended Complaint.
11

12 110. FCGI denies the allegations set forth in Paragraph 110 of the Second
13 Amended Complaint.
14

15 111. Answering Paragraph 111 of the Second Amended Complaint, FCGI
16 affirmatively alleges and admits that Mahon hired Richard H. Newman, Esq. of Howard
17 & Howard, LLP who then transferred his practice to Newman Law, LLC, to apply for
18 trademarks, copyrights and patents for intellectual property protection on behalf of the
19 Full Color® Gaming System. FCGI denies the allegations set forth in Paragraph 111 of
20 the Second Amended Complaint not expressly admitted herein.
21

22 112. Answering Paragraph 112 of the Second Amended Complaint, FCGI
23 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
24 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
25 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
26 to convert their security interests into common stock shares of Full Color Games, Inc., in
27 advance of its maturity date. The majority of the Convertible Note Shareholders
28

1 approval of Amendment No. 2 triggered a series of expressly documented corporate
2 events. These corporate documents and agreements documenting the corporate event
3 speak for themselves. FCGI denies the allegations set forth in Paragraph 112 of the
4 Second Amended Complaint not expressly admitted herein.

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

15 114. Answering Paragraph 114 of the Second Amended Complaint, FCGI
16 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
17 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
18 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
19 to convert their security interests into common stock shares of Full Color Games, Inc., in
20 advance of its maturity date. The majority of the Convertible Note Shareholders
21 approval of Amendment No. 2 triggered a series of expressly documented corporate
22 events. These corporate documents and agreements documenting the corporate event
23 speak for themselves. FCGI denies the allegations set forth in Paragraph 114 of the
24

1 Second Amended Complaint not expressly admitted herein.

2 115. Answering Paragraph 115 of the Second Amended Complaint, FCGI
3 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
4 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
5 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
6 to convert their security interests into common stock shares of Full Color Games, Inc., in
7 advance of its maturity date. The majority of the Convertible Note Shareholders
8 approval of Amendment No. 2 triggered a series of expressly documented corporate
9 events. These corporate documents and agreements documenting the corporate event
10 speak for themselves. FCGI denies the allegations set forth in Paragraph 115 of the
11 Second Amended Complaint not expressly admitted herein.
12

14 116. Answering Paragraph 116 of the Second Amended Complaint, FCGI
15 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
16 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
17 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
18 to convert their security interests into common stock shares of Full Color Games, Inc., in
19 advance of its maturity date. The majority of the Convertible Note Shareholders
20 approval of Amendment No. 2 triggered a series of expressly documented corporate
21 events. These corporate documents and agreements documenting the corporate event
22 speak for themselves. FCGI denies the allegations set forth in Paragraph 116 of the
23 Second Amended Complaint not expressly admitted herein.
24

26 117. Answering Paragraph 117 of the Second Amended Complaint, FCGI
27 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
28

1 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
2 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
3 to convert their security interests into common stock shares of Full Color Games, Inc., in
4 advance of its maturity date. The majority of the Convertible Note Shareholders
5 approval of Amendment No. 2 triggered a series of expressly documented corporate
6 events. These corporate documents and agreements documenting the corporate event
7 speak for themselves. FCGI denies the allegations set forth in Paragraph 117 of the
8 Second Amended Complaint not expressly admitted herein.
9

10 118. Answering Paragraph 118 of the Second Amended Complaint, FCGI
11 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
12 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
13 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
14 to convert their security interests into common stock shares of Full Color Games, Inc., in
15 advance of its maturity date. The majority of the Convertible Note Shareholders
16 approval of Amendment No. 2 triggered a series of expressly documented corporate
17 events. These corporate documents and agreements documenting the corporate event
18 speak for themselves. FCGI denies the allegations set forth in Paragraph 118 of the
19 Second Amended Complaint not expressly admitted herein.
20
21

22 119. Answering Paragraph 119 of the Second Amended Complaint, FCGI
23 denies the allegations set forth in Paragraph 119 of the Second Amended Complaint not
24 expressly admitted herein.
25

26 120. Answering Paragraph 120 of the Second Amended Complaint, FCGI
27 affirmatively alleges and admits that Bastian was not a shareholder of Full Color Games,
28

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

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

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

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

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

25 125. FCGI denies the allegations set forth in Paragraph 125 of the Second
26 Amended Complaint.

27 126. FCGI denies the allegations set forth in Paragraph 126 of the Second
28

1 Amended Complaint.

2 127. Answering Paragraph 127 of the Second Amended Complaint, FCGI
3 affirmatively alleges and admits that Full Color Games Ltd. formed a wholly owned
4 subsidiary named Full Color Games, N.A., Inc. ("FCGNA") and FCGNA did in fact
5 open a bank account in the ordinary course of business. FCGNA further affirmatively
6 alleges and admits that the Board of Directors of Full Color Games Ltd. did in fact wire
7 minimal funds into FCGNA's bank account and mandated that FCGNA that would run
8 at a cost neutral basis to avoid transfer pricing and maintain Full Color Games Ltd.'s tax
9 free status in the Isle of Man. FCGI denies the allegations set forth in Paragraph 127 of
10 the Second Amended Complaint not expressly admitted herein.
11

12 128. FCGI denies the allegations set forth in Paragraph 128 of the Second
13 Amended Complaint.
14

15 129. FCGI denies the allegations set forth in Paragraph 129 of the Second
16 Amended Complaint.
17

18 130. Answering Paragraph 130 of the Second Amended Complaint, FCGI
19 affirmatively alleges and admits that they received confirmation that Full Color Games
20 Ltd. submitted a UKGC application and Personal Management License applications for
21 Martin Linham as CFO, Mark Munger as CTO, Lee Murphy as Director and David
22 Mahon as CEO. FCGI denies the allegations set forth in Paragraph 130 of the Second
23 Amended Complaint not expressly admitted herein.
24

25 131. FCGI denies the allegations set forth in Paragraph 131 of the Second
26 Amended Complaint.
27

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

1 Amended Complaint.

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

4 134. Answering Paragraph 134 of the Second Amended Complaint, FCGI
5 affirmatively alleges and admits that after becoming an individual and a corporate victim
6 of the fraudulent banking accounting practices of Wells Fargo Bank that resulted in a
7 \$142 million dollar class action lawsuit settlement, he ended his 27 year relationship
8 with Wells Fargo due to their lack of ethical restraint and opened new bank accounts at a
9 competing firm with better service and more locations. FCGI denies the allegations set
10 forth in Paragraph 134 of the Second Amended Complaint not expressly admitted
11 herein.
12

13
14 135. Answering Paragraph 135 of the Second Amended Complaint, FCGI
15 admits Full Color Games, Inc., did exhibit at the ICE 2017 Totally Gaming Convention
16 in London, England. FCGI denies the allegations set forth in Paragraph 135 of the
17 Second Amended Complaint not expressly admitted herein.
18

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

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

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

25 139. FCGI denies the allegations set forth in Paragraph 139 of the Second
26 Amended Complaint.
27
28

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 an 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.

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.

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

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

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

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

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

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

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

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

18
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20
21 **SECOND CLAIM FOR RELIEF**
22 **(Aiding and Abetting Breach of Fiduciary Duty**
23 **against Glen Howard, on Behalf of Full Color Games, Inc.)**

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

27 156. FCGI denies the allegations set forth in Paragraph 156 of the Second
28

1 Amended Complaint.

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

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

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

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

11
12
13 **THIRD CLAIM FOR RELIEF**
14 **(Tortious Interference with Business Relationship**
15 **against All Defendants, on Behalf of Full Color Games, Inc.)**

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

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

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

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

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

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

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

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

8
9 **FOURTH CLAIM FOR RELIEF**
10 **(Fraudulent Misrepresentation against Mahon,**
11 **on Behalf of Full Color Games, Inc. And Individual Plaintiffs**
12 **Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)**

13 169. - 179. Claim has been dismissed by the Court and no answer is required.

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

18 180. - 188. Claim has been dismissed by the Court and no answer is required.

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

23 189. - 194. Claim has been dismissed by the Court and no answer is required.

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

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

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

1 Amended Complaint.

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

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

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

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

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

13
14
15 **EIGHTH CLAIM FOR RELIEF**
16 **(Conversion against All Defendants, on Behalf of Full Color Games, Inc.)**

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

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

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

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

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

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

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

8
9 **NINTH CLAIM FOR RELIEF**
10 **(Civil Conspiracy against Mahon on behalf of Full Color Games, Inc. And**
11 **Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore**
12 **Family Trust)**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 Amended Complaint.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 247. FCGI is without sufficient information and knowledge to form a belief as
15 to the truth of the allegations set forth in Paragraph 247 of the Second Amended
16 Complaint and therefore deny them.

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

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

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

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

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

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

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

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

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

14 256. FCGI is without sufficient information and knowledge to form a belief as
15 to the truth of the allegations set forth in Paragraph 256 of the Second Amended
16 Complaint and therefore deny them.

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

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

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

1 Amended Complaint.

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

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

7
8 **FIFTEENTH CLAIM FOR RELIEF**
9 **(Breach of Contract against Mahon, on behalf of Individual Plaintiff Mark**
10 **Munger)**

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

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

16 263. FCGI denies the allegations set forth in Paragraph 263 of the Second
17 Amended Complaint.

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

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

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

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

1 Complaint and therefore deny them.

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

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

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

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

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

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

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

19 **AFFIRMATIVE DEFENSES**

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

1 **FIRST AFFIRMATIVE DEFENSE**

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

4 **SECOND AFFIRMATIVE DEFENSE**

5 FCGI is informed and believes, and thereon allege, that the Second Amended
6 Complaint, and each and every CLAIM FOR RELIEF set forth therein, is barred by the
7 applicable statute of limitations, including but not limited to, NRS Sections 11.190,
8 11.200, 11.202, 11.203, 11.204, 11.205 and 11.2055.

9 **THIRD AFFIRMATIVE DEFENSE**

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

13 **FOURTH AFFIRMATIVE DEFENSE**

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

17 **FIFTH AFFIRMATIVE DEFENSE**

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

21 **SIXTH AFFIRMATIVE DEFENSE**

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

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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.

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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.

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.

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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

1 Counter-Defendants and Third-Party Defendants as follows upon first-hand knowledge
2 except where indicated to be upon information and belief:
3

4 **NATURE OF COUNTER-COMPLAINT**
5 **Summary Overview**

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

7 2. The casino gaming industry is a multi-trillion-dollar perennial business
8 that nets over \$600 billion dollars in a year in annual profits in the regulated markets
9 alone throughout hundreds of jurisdictions around the world in land based, online and
10 social casinos through gambling with real and virtual money.
11

12 3. Defendant Counter-claimant David Mahon (“Mahon”) has invented an
13 entirely new and proprietary class of casino gaming intellectual property, applied for and
14 obtained certain federal registration protections through the United States Trademark
15 and Patent Office (“USPTO”) and the United States Copyright Office (“USCO”),
16 obtained independent math certifications for real money game play for over 450 casino
17 gaming jurisdictions worldwide through BMM Testlabs (“BMM”) and Gaming
18 Laboratories, Inc. (“GLI”), all of which are poised to disrupt the entire industry and shift
19 billions of dollars of annual revenue and profits away from the oligarchs of the industry
20 and into the coffers of MAHON, his Licensees and their investors.
21

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

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

- 6 i. *installed themselves into the positions of trust and authority as the*
7 *Board of Advisors, directors, and officers, and obtained shares of*
8 *FCGI in order to sabotage his business interests, and take over*
9 *the business and licenses to intellectual property as their own;*
- 10 ii. *sabotaged the commercial viability of FCGI and its ability to*
11 *commercialize the licenses Mahon had bestowed on FCGI for the*
12 *use of his inventions and bring his inventions to the market place*
13 *in the process;*
- 14 iii. *wrongfully interfered, circumvented and competed against FCGI*
15 *in violation of their contracts and fiduciary duties;*
- 16 iv. *deleted and destroyed company assets, emails and digital files*
17 *that would reveal their wrongful activities;*
- 18 v. *deliberately framed Mahon as unsuitable to run his own company*
19 *to other investors and industry partners and vendors by falsely*
20 *claiming he embezzled money out of his own company;*
- 21 vi. *engaged in a willful character assassination to destroy Mahon's*
22 *ability to be found suitable for casino gaming licensing in order to*
23 *render FCGI's attempted commercialization of the Full Color IP*
24 *worthless, and force Mahon to sell the intellectual property for*
25 *fractions of pennies on the dollar in order to ever see any profit*
26 *from it after being found unsuitable at the hands of the fraud of*
27 *the Counter-defendants;*
- 28 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;

- 1 ix. *breached all of their own contracts as a result of their wrongful,*
2 *tortious and racketeering activities;*
- 3 x. *made false representations concerning services and accepted*
4 *payment for services based on false pretenses.*
- 5 xi. *collectively conspired to file false claims with the United States*
6 *Securities Exchange Commission asserting all of the above in*
7 *order to get the Defendants wrongfully indicted for the securities*
8 *fraud.*

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

- 12 a. treble damages for all acts through which the Counter-defendants
13 exploited the Counter-claimants for its own benefit and to the
14 Counter-claimant's detriment (breach of contract, breach of
15 fiduciary duties, torts of interference, fraud, misrepresentation,
16 threats, extortion and coercing others to forgo legitimate business
17 interests) and through which the Counter-defendants schemed to
18 deprive MAHON and the other Counter-claimants' of their
19 property rights;
- 20 b. disgorgement of claims to all wrongfully obtained shares of
21 FCGI's common stock and property rights;
- 22 c. other equitable and legal remedies, including restitution;
23 attorney's fees; compensatory and punitive damages for loss of
24 commercial revenue to the Counter-claimants for: (1) Counter-
25 defendants' securities fraud; (2) Counter-defendants' interference
26 with FCGI's legitimate business rights; (4) Counter-defendants'
27 usurpation of corporate opportunities.
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1 12. Upon information and belief Third-Party Defendant Dirk Simmons
2 (“Simmons”) is an individual who resides in Nassau, New Providence, Bahamas and
3 does business in Clark County, Nevada.

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

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

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

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

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

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

22 19. Upon information and belief, Third-Party Defendant ILG Software
23 (“ILG”) is an Isle of Man company formed under the 2006 Companies Act owned by
24 Bastian, which is, or was at all relevant times, doing business in the Isle of Man,
25 Bahamas, Costa Rica or does business in Clark County, Nevada.

26 20. Upon information and belief, Third-Party Defendant Multislot, LTD
27 (“Multislot”) an Isle of Man Company owned by HORAN and JUNGELS formed under
28

1 the 2006 Companies Act, which is, or was at all relevant times, doing business in the Isle
2 of Man and Costa Rica.

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

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

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

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

15 25. Upon information and belief, Third-Party Defendant Spin Games, LLC,
16 (“Spin”) is a Nevada limited liability company organized under the laws of the State of
17 Nevada.

18 26. Upon information and belief, Third-Party Defendant David Eckles
19 (“Eckles”) is an individual who resides in California or does business in Clark County,
20 Nevada.

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

25 28. Upon information and belief, Third-Party Defendant, G. Bradford Solso
26 (“Solso”) is an individual who resides in California or does business in Clark County,
27 Nevada.

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

5 30. Upon information and belief, Third-Party Defendant Mara H. Brazer
6 (“Brazer”) is an individual who resides in California or does business in Clark County,
7 Nevada.

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

12 32. Upon information and belief, Third-Party Defendant Teresa Moore (“T
13 Moore”) is an individual who resides in California or does business in Clark County,
14 Nevada.

15 33. Upon information and belief, Third-Party Defendant Larry Moore (“L
16 Moore”) is an individual who resides in California or does business in Clark County,
17 Nevada.

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

21 35. Upon information and belief, Third-Party Defendant John Brock III
22 (“Brock Sr.”) is an individual who resides in Georgia or does business in Clark County,
23 Nevada.

24 36. Upon information and belief, Third-Party Defendant John Brock IV
25 (“Brock Jr.”) is an individual who resides in Georgia or does business in Clark County,
26 Nevada.

1 37. Upon information and belief, Counter-Defendant Jeffrey Castaldo
2 (“Castaldo”) is an individual who resides in California or does business in Clark County,
3 Nevada.

4 38. Upon information and belief, Third-Party Defendant Richard H.
5 Newman (“Newman”) is an individual who resides in or does business in Clark County,
6 Nevada.

7 39. Upon information and belief, Counter-defendant Newman Law, LLC
8 (“Newman Law”) is a limited liability company organized under the laws of the State of
9 Nevada, which is, or was at all relevant times, doing business in Clark County, Nevada.

10 40. Upon information and belief, Counter-defendant Cooper Blackstone,
11 LLC (“CBL”) is a limited liability company organized under the laws of the State of
12 Nevada, which is, or was at all relevant times, doing business in Clark County, Nevada.

13 41. FCGI is informed and believes and alleges that the Third-Party
14 Defendants Bastian, Simmons, Munger, Jungels, Horan are the agents and/or
15 representatives of Playtech, Island Luck DTG, DHL, M&A, Valcros and Multislot, and
16 that Bastian, Simmons, Munger, Jungels, and Horan did not separate their various
17 corporate entities nor observe corporate formalities intended to differentiate among the
18 various entities, and that at all times relevant to this Counter-claim and Third-Party
19 Complaint each thus acted either for himself or itself or in his or its capacity as agent
20 and/or representative of the others. All corporate, partnership, and individual Counter-
21 Defendants named herein this paragraph will collectively be referred to as the “Bastian
22 Casino Gaming Enterprise.”

23 42. FCGI is informed and believes and alleges that Third-Party Defendants
24 Jungels and Horan are the agents and/or representatives of Multislot, and that Jungels
25 and Horan did not separate Multislot as a corporate entity nor observe corporate
26 formalities intended to differentiate among Jungels and Horan and Multislot, and that at
27 all times relevant to this Counter-claim and Third-Party Complaint each thus acted either
28

1 for himself or itself or in his or its capacity as agent and/or representative of the others.
2 All corporate, partnership, and individual Third-Party Defendants named in this
3 Paragraph, will collectively be referred to as "Multislot."

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

12 44. FCGI is informed and believes and alleges that Counter-Defendant
13 Munger is the agent and/or representative of Third-Party Defendant M&A and Valcros,
14 that Munger did not separate himself or observe corporate formalities intended to
15 differentiate among himself and M&A and Valcros, and that at all times relevant to this
16 Counter-claim and Third-Party Complaint Munger has acted either for himself or in their
17 or his capacity as agent and/or representative of the M&A and Valcros. All corporate,
18 partnership, and individual Counter-defendants named herein this paragraph will
19 collectively be referred to as the "Munger Group."

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

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

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

18 **FACTS COMMON TO ALL RACKETEERING & GENERAL CLAIMS**

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

21
22 48. The casino gaming industry a highly regulated and privileged industry.
23 Every facet of the industry, from marketing, promotion, facilitation, collection and
24 payout of a bet, is highly regulated. Be it performing as an affiliate marketer, game
25 developer, equipment manufacturer to being the actual operator, all are required to
26 obtain and maintain a license and or independent certifications in the regulated
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1 jurisdictions where they operate by being found “suitable” in one varying degree or
2 another to transact business in the real money casino gaming industry.

3 49. Every applicant of a regulated real money casino gaming license has to
4 undergo a rigid set of due diligence sets of background checks to determine their
5 “suitability” order to ensure that the licensee’s character and history demonstrate
6 integrity and ethical behavior. Moreover, each licensee must maintain that integrity of
7 suitability in order to obtain and maintain the privilege of a license in the particular
8 jurisdiction where the licensee engaged in casino gaming.

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

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

23 52. A game of bingo on paper, with an ink dauber and a ball blower used to
24 select a number is still the exact same game if played electronically on an iPad using a
25 computer to randomly draw the balls, automatically mark the cards and allow a player to
26 play an infinite number of cards. No matter which way it is played, bingo is still a game
27 of bingo regardless of the archaic or technologically advanced medium it is played on,

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1 whether a human being or a computer is facilitating the events or what the enhanced
2 experience a consumer may or may not have while engaging in it.

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

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

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

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

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

25 58. Mahon originally copyrighted the "means" of his invention when he
26 personally filed them on January 23, 2010 with the US Copyright Office and obtained
27 federal registration number VA-1-704-252 for his deck he originally called the "Bingo-

1 Poker Cards.” Mahon’s “Bingo Poker” deck based off of a bingo board that had 25
2 spaces on it which created 5 suits with 25 cards or 125 cards in the deck. It had four
3 colored suits numbered 1 thru 25 to match to the 1 white suit numbered 1-25.

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

10 60. As a result of Mahon’s inventions and mathematical evolution, the
11 FCGS consists of unique and proprietary intellectual property rights that consist of
12 copyrightable, trademarkable and patentable means and methods that are collectively
13 known as the Full Color® Games Intellectual Property (“Full Color-IP”).

14 61. Such a valuable and unique invention would attract both honest
15 investors and other less savory minded individuals who would be inclined to do
16 whatever it took, to obtain the rights to Mahon’s valuable creations, even if it meant
17 committing criminal or tortious acts. in order to completely disrupt and alter the multi-
18 trillion dollar worldwide gaming industry and profit off of it for themselves, all of which
19 set the motive and the stage for the Counter-Defendants and Third Party Defendants’
20 acts to occur and claims in this Counterclaim and Third-Party Complaint to be filed in
21 order to end and obtain relief from them.

22 62. At each stage of Mahon’s inventions and evolutions he immediately
23 began to seek and obtain copyright, trademark and patent protection on each element of
24 his Full Color IP through the Writer’s Guild of America (“WGA”), the United States
25 Copyright Office (“USCO”) and the United States Patent and Trademark Office
26 (“USPTO”).

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

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

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

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

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

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

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

23 70. On September 30, 2014, FCGI exhibited 21 or Nothing® and Full
24 Color® Baccarat at the Global Gaming Expo ("G2E") in Las Vegas, Nevada to over
25 25,000 attendees from over 110 countries, 54 states and US territories and handed out
26 25,000 decks of Full Color® Cards at the same time to an overwhelming success and
27

1 interest in the products whereby land based casinos said they would take the games as
2 soon as they were ready.

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

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

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

16 74. On October 1, 2015, MUNGER introduces MAHON to SEBAS.

17 **II. MUNGER GAINS TRUST OF FCGI AND MAHON AND EMBEDS**
18 **HIMSELF IN FCGI'S BUSINESS AND INTRODUCES FCGI TO BASTIAN**

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

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

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

12 78. On July 19, 2011, Munger first entered into a "Relationship" with
13 Counter-claimants by way of a Non-Disclosure, Non-Circumvent, Non-Compete &
14 Confidentiality Agreement Munger executed ("NDACA") with the Company's affiliate,
15 ultimate beneficial owner and majority in interest shareholder of the Company for the
16 benefit of the Full Color® Games Intellectual Property ("Full Color-IP") all of which
17 continues to be in full force and effect.

19 79. On July 19, 2011, Mahon, after receiving the fully executed NDACA
20 from Munger, through his law firm of Howard & Howard, PLLC, began to
21 confidentially disclosed all of the Full Color IP, the FCGS including but not limited to
22 trade secrets, formulas, company business plans, know how.

24 80. Some of the most coveted and confidential disclosures was the complete
25 list of all Full Color® Games copyright, trademark and patent applications that were to
26 be filed, filed, pending and or fully issued, including but not limited Mahon's most
27 coveted trademark of "Full Color" that is not only the name, branding, image and
28

1 likeness of all of the Full Color IP and the FCGS that Mahon is also the namesake of
2 Mahon's corporations he founded years before he even met Munger.

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

5 directly or indirectly circumvent or create, work for or engaged in
6 any work for hire, consulting or employment in any businesses or
7 with any companies that competes, markets, sells, distributes,
8 publishes or licenses games that are similar or in any way shape
9 or form in likeness to any of the casino or non-casino style games
10 or intellectual property owned, controlled, licensed, developed,
11 published, distributed or licensed to or from FCG or any of its
12 affiliates, partners, contractors, distributors, publishers,
13 employees, agents, attorneys, clients, customers, licensees or
14 licensors or communicate, transact business or interfere with any
15 of its business relationships as related to any and all of its
16 enterprises and its confidential information related to the FCG's
17 licenses or copyrights, trademarks, patents pending or any of its
18 derivatives, its software code, statistics or methodologies that it
19 owns or controls or has rights to during the term of this agreement
20 whereas such would be deemed a material breach of this
21 agreement.

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

26 83. On July 2, 2012, a year later, Munger, deposited \$10,000 into the FCGI
27 bank account, without any written contract of any sort in pursuit of establishing a
28 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

1 back, he just thought Mahon's inventions were genius and claimed he just wanted to see
2 it succeed." This was the modus operandi of Munger in order to gain the trust of Mahon
3 that he would employ over and over infiltrating and shadowing Mahon's operations.

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

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

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

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

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

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

1 90. Rutherford never signed the ANPI, never completed his investment on
2 time, never completed the \$50,000 investment in total.

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

5 92. Munger and Rutherford ultimately only invested \$80,000 engaging in a
6 material breach of the terms and conditions of the ANPI in both time and investment by
7 6 months and a shortfall of \$20,000 total.

8 93. After Mahon invented 21 or Nothing® and Full Color® Baccarat in
9 April of 2014, Munger became a non-stop fixture in Mahon's life trying to learn
10 everything about Mahon's secrets in how his formulas and methodologies worked.
11 Knowing that Mahon needed new capital to produce his product and launch it, Munger
12 made promises that he could raise additional money from other investors and claimed to
13 have a deep network of high net worth individuals through his "Gold membership" at
14 the Foundation Room in Las Vegas. Munger failed at every attempt until Munger talked
15 his sister, T. Moore and her husband L. Moore, who to invested \$50,000 in cash into a
16 convertible note through their construction company, BL Moore Construction, Inc.

17 94. After a hugely successful debut release of the Full Color IP at the Global
18 Gaming Expo ("G2E") convention in Vegas in the first week of October, Munger's
19 sister did in fact execute the convertible not and wire the funds.

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

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

26 97. Prior to Munger receiving any shares, on or about April 15, 2014,
27 Mahon requested in a text message that Munger affirm that he was an accredited
28

1 investor pursuant to the United States Securities Exchange Commission ("SEC") as
2 FCGI was exempt from registering its securities pursuant to Regulation D Rule 506
3 subsection 4(a)(2) and Munger affirmed back in text that he was an accredited investor.

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

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

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

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

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

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

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

23 105. Upon information and belief, Munger, while working at the GBB, knew
24 that the GBB completely ignored Bastian's unlawful activity as it was allegedly barred
25 for disqualifications in suitability by the Bahamian GBB because Bastian and some or
26 all of the Bastian Casino Gaming Enterprise had purportedly bribed the Bahamian
27 parliament members to craft the GBB licensing rules before they were adopted and put
28

1 into law, to include a statute of limitations that limited the time period that the GBB
2 could look back for examination and consideration of suitability for a license.

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

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

11 108. Munger also knew that unlike the GBB, the NGCB, the UKGC, and
12 other gold-standard regulated jurisdictions have no “statute of limitations” in the age of
13 their crimes by any applicant in their standards and requirements for finding
14 “suitability.”

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

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

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

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

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

9 114. On August 1, 2015, FCGI formally updated its corporate mandate and
10 adopted its Amended & Restated Bylaws dated August 1, 2015 and in so doing unified
11 all of its varied investments, contracts, net profit participation agreements, common
12 stock issuances, convertible notes and stock vesting plans including the \$37,500 of cash
13 that Munger had given FCGI between 2012 and 2013, despite Munger's failure to
14 complete his full investment in the ANPI, and the many obstacles that Mahon was
15 forced to overcome. Both Mahon and FCGI acted in good faith and upon reliance of the
16 same from Munger, converted Munger's loans to be converted in FCGI common shares
17 upon explicit share repurchase terms and conditions that are common in the real money
18 casino gaming industry of licensed and highly regulated business activities.

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

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

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

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

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

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

20 121. By early 2013, a few additional investors had expressed an interest in
21 FCGI.

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

25 123. In April of 2014, after Mahon invented 21 or Nothing® and Full
26 Color® Baccarat the investor interest in FCGI exploded and FCGI raised more money in
27 6 months than Mahon had raised in 6 years.

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

6 125. The C-Note was secured by a security agreement executed by FCGI and
7 each accredited investor. This security agreement identified the collateral as "all right,
8 title, interest, claims and demands of the Company to: that certain License Agreement by
9 and between the Company and Intellectual Properties Holdings, LLC dated April 18,
10 2012."

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

16 127. The C-Note would trigger, which would either require FCGI to pay off
17 the C-Note or convert the C-Note holders interest to shareholders if a corporate event
18 occurred. Such a corporate event included any transaction whereby FCGI transferred all
19 or substantially all of its assets, including the assets secured by the C-Note, namely, the
20 limited license issued by IPH.

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

23 129. Between March and October 2015, unbeknownst to FCGI, upon
24 information and belief, Munger began to develop and fully engage in a
25 working/employment relationship with the Bastian Casino Gaming Enterprise, while at
26 the same time continuing to work for Whitesand and the GBB, and working for FCGI,
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1 and began scheming for ways to increase his control over FCGI through his undisclosed
2 relationship with the Bastian Casino Gaming Enterprise.

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

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

9 132. On or about October 7, 2015, Munger informed Mahon and others that
10 Bastian wished to invest up to \$1 million into FCGI, and signed a Mutual Non-
11 Disclosure, Confidentiality, Non-Circumvent & Non-Interference Agreement with
12 FCGI, and thereafter, on or about October 16, 2015, formally agreed to invest \$1 million
13 in cash into FCGI through his Cayman Island entity, DTG, and further agreed to launch
14 21 or Nothing® through his 62 IslandLuck.com casinos in the Bahamas, and thereafter
15 signed a formal term sheet agreeing to accept 7.65% of FCGI for the \$1 million
16 investment.

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

21 134. After Mahon presented gaming system represented by the Full Color IP
22 to Multislot, Bastian spontaneously announced that he was investing in FCGI, was going
23 to launch the Full Color IP on IslandLuck.com, roll the games out with a live table event
24 in his main casino web shop, market it across all 62 of his casino shops, and then to the
25 rest of the world, and that he wanted Multislot to build the game on their servers so it
26 can be delivered to the Bastian Group through his IslandLuck.com casinos and
27 ultimately across all 62 of his casino shops.

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

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

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

22 138. After returning to the Bahamas, Bastian informed Mahon and Munger
23 that he would have Multislot build 21 or Nothing® in Flash at no direct cost to FCGI
24 and deliver it direct to the Bastian Casino Gaming Enterprise's casinos as part of the
25 investment deal, as further incentive to move to the Isle of Man for guaranteed release.

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

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

20 141. During a meeting where Bastian and Mahon were discussing the terms
21 of the new transaction on December 8, 2015, Bastian advised Mahon of the 12%
22 Bahamian Investment Tax ("BIT") that he would incur for sending money out of the
23 Bahamas for an investment and further stated that because of the tax, FCG LTD would
24 only receive \$880,000 instead of \$1 million.

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

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

6 144. Mahon, who had only met Bastian two other times before this meeting,
7 and had just met Simmons earlier that day, was convinced at the time that the offer was
8 an "integrity test" to see how Mahon would react and further prove his suitability for
9 real money licensing before he could be trusted with \$1 million dollars in cash of
10 Bastian's money.

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

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

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

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

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

9 150. Mahon had never met Murphy, knew nothing of him, Chase, Corporate
10 Options nor Chase Nominees. Mahon wanted to use Equiom but Linham insisted on
11 using Murphy, Chase, Corporate Options and Chase Nominees (falsely) stating the costs
12 were day and night between a small operation and a global conglomerate of Equiom as
13 how he began to manipulate, change and controlled everything related to the Isle of
14 Man.

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

18 152. Linham asserted to Mahon that the purpose of Corporate Options was to
19 provide a local a Registered Agent as required by the Isle of Man Companies Act of
20 2006 (“2006 Company”) for any foreigner to form and maintain a “2006 Company” in
21 the Isle of Man.

22 153. Linham asserted to Mahon that the purpose of Chase Nominees was to
23 provide a local Director as required by the Isle of Man Companies Act of 2006 for any
24 foreigner to operate a “2006 Company”.

25 154. In addition to these companies, on or about January 21, 2016, Linham
26 directed Corporate Options and Chase Nominees to form Bastian’s new entity, Davinci
27 Holdings Ltd under the 2006 Companies Act of the Isle of Man (previously referred to
28

1 as “DHL”) that Bastian would use to make his \$1 million dollar cash investment from
2 into FCGLTD and purchase the 15% interest in shares from FCGI.

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

11 156. Upon formation of FCGLTD and IPHLTD, all companies’ initial sole
12 directors were Murphy was the sole subscriber for both FCGLTD and IPHLTD.
13 Murphy, Chase, Corporate Options and Chase Nominees prepared board resolutions for
14 Linham to be appointed as the CFO and Director, Mahon to be appointed as the CEO
15 and Director, Newman to be appointed as the CLO and Director and Munger to be
16 appointed as the CTO of FCGLTD.

17 157. Upon formation of DHL and ILG, both companies’ initial sole directors
18 was Lee Murphy (“Murphy”), and Chase Nominees was the sole subscriber for both
19 DHL and ILG. Upon information and belief, Bastian directed Murphy, Chase,
20 Corporate Options and Chase Nominees to add Bastian as the CEO and as a Director of
21 DHL and ILG through board resolutions and a Letter of Declaration of Share
22 Ownership.

23 158. Between January 21 and February 2, 2016, Mahon and Linham drafted
24 Amended & Restated Memorandum of Articles to amend the share count, class of shares
25 to voting and non-voting and directed Murphy, Chase, Corporate Options and Chase
26 Nominees to file it with the Isle of Man Companies Registry to ensure that FCGI owned
27 100% of the shares of FCGLTD.

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

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

9 161. The proposed transaction whereby FCGI moved its primary asset, the
10 limited license issued from IPH to the Isle of Man by releasing its limited license so that
11 IPHLTD could issue the full Commercial License Agreement (“CLA”) to FCGLTD in
12 exchange for 100% of the shares in FCGLTD, which would be followed by Bastian’s
13 purchase, through DHL, of shares in FCGLTD, could not occur without the majority
14 consent of the C-Note holders, and the C-Note would have to be amended a second time
15 to allow the C-Note holders to convert to shareholders upon completion of the
16 transaction (hereinafter, “Amendment No. 2”).

17 162. Between February and March, Glenn Howard, FCGI’s president and a
18 primary investor (“Howard”) obtained approval from every FCGI C-Note holder who
19 responded to Amendment No. 2 to the C-Note, which turned out to be 89.49% of all C-
20 Note holders. No one rejected the proposal.

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

23 164. After a company-wide FCGI call with its shareholders and then C-Note
24 holders on April 11, 2016, the C-Note holders who were ultimately contacted,
25 constituting 84.49% of the C-Note holders all agreed to and executed Amendment No.2,
26 which allowed FCGI to relinquish the limited license from IPH in exchange for the
27 issuance of a new CLA to FCGLTD who would initially issue 100% of FCGLTD shares

1 to FCGI. FCGI would thereafter agree to issue portions of its shares in FCGLTD to
2 IPHLTD in exchange for the CLA, and Bastian in exchange for his \$2 million overall
3 investment.

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

6 166. To legally effectuate all of the terms and conditions of Amendment No.
7 2 and voluntary trigger the C-Note, an actual legal transfer the shares of FCGLTD to
8 FCGI had to be fully effectuated by in the public record.

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

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

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

23 170. Because the transaction whereby FCGI’s license and business would be
24 transferred to the Isle of Man was never completed, the C-Note never legally converted
25 into the issuance of any FCGI shares to the Plaintiffs of Eckles, Solso, Brazer, Castaldo,
26 and the Moores (“C-Note Plaintiffs”). As such, the C-Note Plaintiffs were never
27 shareholders of FCGI.

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

6 **II. BASTIAN, MUNGER, LINHAM, AND SIMMONS, ALONG WITH**
7 **THE RELATED ENTITIES ENGAGES IN ATTEMPTED WIRE AND**
8 **MAIL FRAUD AND MONEY LAUNDERING**

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

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

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

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

1 176. Upon information and belief, when Simmons spoke to Linham on June
2 7, 2016, he directed Linham to create an invoice to IslandLuck.com on FCG LTD
3 letterhead for \$444,070.01 in computer equipment whereby Simmons would submit it to
4 the Bank of Bahamas as a way to for Simmons to transfer part of the money to FCG
5 LTD for the purchase of FCGI'S securities in FCGLTD in order to avoid paying the
6 12% BIT rather than complete the wire transfer of the full \$1 million investment to
7 Nedbank by way of DHL as agreed.

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

11 178. Upon information and believe, within minutes after getting off the Skype
12 call with Simmons, Linham communicated with Munger outside of the email chains on
13 the fullcolorgames.com servers to get information to put together an IslandLuck.com
14 equipment invoice because Munger did in fact send an email with a prepared
15 IslandLuck.com list of equipment and a total cost of \$444,070.01 to Linham.

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

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

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

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

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

12 184. On June 9, 2016, at 6:57pm, after the call with Mahon, Linham made
13 several attempts to contact Simmons via Skype where he informs Simmons that FCG
14 LTD's "audit standards" will not allow them to complete the transfer of funds via the
15 invoice previously sent and insisted on completing the transfer in a way that would
16 "stand up to regulatory scrutiny."

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

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

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

5 188. As a result of Bastian, Simmons, Linham, and Munger conspired to
6 commit money laundering through fraud by wire, each are guilty of violating 18 U.S.C
7 §1962(d) through the two predicate acts of 18 U.S.C. §1956 and §1343 in violation of 18
8 U.S.C. §1962(b) had they succeeded.

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

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

17 191. When submitting this false declaration, Linham believed he had
18 destroyed the evidence that proved that Mahon had no knowledge of Bastian's efforts to
19 commit wire, mail, and tax fraud via a fraudulent money laundering scheme. Linham,
20 Munger, and others utilized their failed attempt at money laundering to falsely accuse
21 and prosecute Mahon.

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

24 193. On June 22, 2016, Bastian again engages in money laundering of
25 \$500,000 of funds in a wire transfer through a false "Purpose of Funds" statement to
26 Wells Fargo Bank, N.A. for the fraudulent claim of an "Investment for Davinci
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1 Trading,” a Cayman Islands company that Bastian owns as the beneficiary of Full Color
2 Games Ltd through interstate and foreign commerce.

3 194. FCGLTD has no contract for the sale of securities to “Davinci Trading,”
4 which is Davinci Trading Group or “DTG”, in Cayman Islands.

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

10 196. This purchase of securities is a false statement by Bastian to induce
11 WFB to wire the funds as falsely state “Purpose of Funds” is for “Investment for
12 Davinci Trading” with the beneficiary being “Full Color Games Ltd,” which is money
13 laundering through wire fraud and further a criminal act of securities fraud.

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

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

24 199. On September 20, 2016, at the Shirley Street Branch of the Bank of
25 Bahamas (“BOB”), Bastian, by signature, directed the BOB to make an “External
26 Payment Request” (“EPR”) in the form of a bank wire transfer in the amount of
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1 \$500,000 payable to Full Color Games Ltd in the Isle of Man. It was stamped by BOB
2 as received on September 22, 2015.

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

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

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

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

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

19 **III. MULTISLOT'S FIRST ACT OF RACKETEERING**
20 **(BASTIAN' FOURTH ACT)**

21 205. Per Bastian's prior instructions that Multislot would complete the real
22 money version of 21 or Nothing® ("FC21") for release through the Bastian Casino
23 Gaming Enterprise in the Bahamas with Multislot's existing Real Gaming Server
24 ("RGS") that was integrated into global distributors including but not limited to Every
25 Matrix, BetConstruct and Videoslots, Mahon supplied Multislot with all the game assets,
26 rule sets, game logic, and math certifications necessary to complete FC21 in 2016.
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1 206. A Tier 1 online developer, distributor and or operator is considered to be
2 one that is licensed by the Gibraltar Regulatory Authority (“GRA”) where their
3 operations are required to be based in Gibraltar and their servers are required to be
4 located, literally, deep inside the tunnels of the world famous Rock of Gibraltar where
5 they safely feed the world with the best gaming content there is.

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

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

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

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

26 211. Indeed, in a non-regulated closed market with little or no competition, like
27 the Bahamas, the Tier 1 operators did not compete because there was not sufficient
28

1 volume, giving a Tier 2 / Tier 3 game developer or distributor such as Multislot a
2 marketplace to profit in. Lower costs with lower volume could still make a profit.

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

10 213. When the Full Color IP came onto the scene, every operator and every
11 distributor in every level of Tier 1, 2 or 3 has wanted the Full Color IP content as soon
12 as it was ready and as proof of how bad they want it, they have been willing put it at the
13 front of the line in integrations that are backed up 18-24 months on average by all others
14 proving that it is an anomaly and stood an incredible chance of unlimited success upon
15 release.

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

19 215. When Multislot was presented with the opportunity to be involved
20 because of its relationship with Bastian, Multislot was willing to go to extreme measures
21 to get it first and its willingness to develop FC21 with no upfront fees or costs because
22 Multislot knew it could not afford to buy the Full Color IP or even pay its licensing fees,
23 but that if it were to develop the game on its RGS system first, the Tier 1 distributors
24 who wanted the Full Color content would be forced to integrate Multislot's RGS onto
25 their platforms, which is something a Tier one distributor would not normally do for Tier
26 2/3 content, but would likely do to obtain Full Color's content.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 230. As a result, the Counter-claimants contracted with Spin to provide the
20 HTML5 content with the promises and assurance they were integrated into Nektan and
21 NYX in Gibraltar and could release to Bet365, WilliamHill, BetVictor, Ladrokes, Gala,
22 Coral, Rank and all the other GRA Tier 1 distributors and operators that wanted the Full
23 Color IP.

24 231. On October 17, 2016, Multislot emailed the Full Color IP assets in its
25 possession to the team at SPIN in order for SPIN to build the HTML5 games for the Tier
26 1 releases so they would maintain the same UI/UX design and functionality across both
27 the desktop, tablet and mobile platforms not that multiple companies would be tasked to
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1 produce the same product, yet under a completely different codebase of language
2 instructions to match each other as closely as possible in order to maintain global
3 uniformity upon release regardless of where the games were being distributed to Tier 1,
4 Tier 2 or Tier 3 operators.

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

9 233. On December 19, 2016, Mahon approves and signs Multislot's
10 distribution contract to go live worldwide through the Bastian Casino Gaming Enterprise
11 through Island Luck, Videoslots, Every Matrix, Betconstuct and others, to which
12 Multislot responds that it will sign once it completes a final legal review.

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

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

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

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

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

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

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

16 241. Multislot failed to distribute FC21 live anywhere.

17 242. Even though Multislot ceased and desisted all work on the Full Color
18 games, yet Bastian, Munger, and the Bastian Casino Gaming Enterprises continued to
19 work with Multislot, putting their separate relationship with Multislot ahead of FCGI,
20 despite their contractual and fiduciary duties to FCGI.

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

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

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

8 246. The fact that Bastian did not exert his influence on Multislot to release
9 FC21 through Videoslots.com made absolutely no sense. It was Bastian's money that
10 has just been wasted to be at ICE 2017 convention that was now mostly lost. Bastian
11 knew that if FC21 was not released the company was likely to run out of money and his
12 investment would be lost. Bastian had the ability to instantly release FC21 on his 62
13 casinos in the Bahamas but said he was too busy with opening his 200 Jamaican casino
14 webshops.

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

21 **IV. SPIN FIRST ACT OF RACKETEERING (BASTIAN'S FIFTH ACT)**

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

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

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

12 251. As detailed above, it was determined that Multislot would not be doing
13 the HTML5 coding for Tier 1 Operators until after releasing the games on the Flash Tier
14 2/3 network, forcing FCGI to locate other development partners that had a Tier 1 RGS
15 that was integrated into Tier 1 Operators in Gibraltar.

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

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

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

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

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

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

1 258. Upon information and belief, RSL, which stands for “remote software
2 license” platform is a platform that Bastian and his Bastian Casino Gaming Enterprise
3 had developed for use throughout the entire web shop casino gambling industry in the
4 Bahamas, and had essentially forced his competitors throughout the Bahamas to agree
5 that Bastian and his Bastian Casino Gaming Enterprise would be the “sole provider” of
6 100% of every casino game in the Bahamas through his RSL (ILG) platform. As a
7 result, RSL was the company that all operators would get their casino gaming software
8 feeds from.

9 259. With FCG and its affiliates being able to develop its own Full Color
10 RGS version of Kingfisher, and his ownership interests FCGI’s affiliated enterprises that
11 obtained it, he could then, afford to get a sub-licensed copy of it for the mere cost of a
12 revenue share and use it in the Bahamas to feed his Bastian Casino Gaming Enterprise
13 and would profit at incredibly low amortized costs.

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

24 261. With a deal with Virtuasoft for their own RGS in Kingfisher, Mahon and
25 FCG and FCG LTD also finalized a proposal for Spin to develop the RNG versions of
26 FC21, Full Color Baccarat (“FCB”), and Full Color Poker (“FCP”) so they can be
27 integrated into Tier 1 operators around the world. Based on the initial proposal, Bastian
28

1 and the other investors approved of the basic arrangement which would allow both
2 Bastian Casino Gaming Enterprise and FGCI and its affiliates to utilize Kingfisher to
3 distribute its content and the content of third parties.

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

13 263. On October 26, 2016, Spin sent out Invoice #295001 in the amount of
14 \$54,000.00 to pay on the **Proposal v1.4** along with the SPIN W-9 IRS form. On
15 October 27, 2018, Spin received the wire of \$54,000.00 for the full proposal to be
16 completed.

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

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

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

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

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

22 269. In early December, 2016, amidst the issues and delay with Spin, Mahon
23 and Linham met with Gameiom, the Tier 1 distributor personally recommended to them
24 by WilliamHill.com for a direct integration to release the Full Color IP. Gameiom
25 instantly said they would take the entire suite of Full Color IP and do a direct integration
26 of the FULL COLOR KINGFISHER RGS and could also distribute to BetVictor, Gala,
27 Coral and Ladbrokes that was already integrated and a plethora of other Tier 1 operators

1 they had in the queue for integrations of their own since their GBR license had just been
2 issued.

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

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

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

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

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

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

18 276. That same day, February 7, 2017, Bastian, on behalf of Island Luck and
19 other members of the Bastian Casino Gaming Enterprise, Mahon on behalf of FCGI,
20 FCGLTD and its affiliated entities, and Kent Young, on behalf of Spin agreed to have
21 Spin integrate the Full Color Kingfisher RGS onto Bastian's RSL(ILG) platform to
22 deliver both the Full Color IP games and Spin games to IslandLuck.com that Spin had
23 not been able to get on its own. Spin would pay royalties for use of Kingfisher RGS
24 integrations, and FCGI and its affiliates would pay Spin for delivering Full Color IP
25 content to its integrated operators.

26 277. Although the future prospects for business at the ICE 2017 convention
27 were unlimited the funding to get there was not and nothing changed the fact the FCGI
28

1 and FCGLTD were relying entirely on the release of product, the press coming from the
2 convention, the real numbers, analytics, and revenue streams.

3 278. On February 22, 2017, NYX confirmed that Spin was not integrated on
4 NYX Gibraltar, but was only integrated with NYX New Jersey, finally confirming Spins
5 fraudulent claims, misrepresentation and concealment of the fact that they are not in fact
6 integrated into NYX Gibraltar. Because Spin was not already integrated as they
7 claimed, the integration process to get on NYX Gibraltar would take nothing less than
8 12-18 months to complete due to relying on Spin to also get licensed by the UKGC,
9 certifications and then into NYX'S integration queues.

10 279. Spin had also represented that it was already integrated with another Tier
11 1 operator on Gibraltar called Nektan. This turned out to be only partially true. Spin
12 had been integrated on a Nektan server with their ROC 1.0 software, but it had never
13 been certified and deployed. More importantly, Spin had built Full Color games on
14 ROC 3.0, which had never been integrated into any of the operators in Gibraltar,
15 including Nektan.

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

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

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

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

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

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

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

20 287. On information and belief, the next day, on March 15, 2017, Young,
21 Mishra, and others at Spin have a secret call where Munger secretly negotiates a deal
22 concerning Mahon's complaints concerning the language translations, and ongoing
23 delays. The negotiation further delays Spin's timing and fails to even mention the
24 ongoing need to complete the Kingfisher integration. The negotiations also result in
25 Spin charging \$18,000 more to get the Full Color IP live to the Tier 1 operators, forcing
26 the payment for an "upgrade" the ROC RGS in order to deliver their games which again
27 alters the contract, but this time without Mahon's knowledge.

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

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

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

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

21 292. By the end of March, 2017, Spin was still not completing the integration
22 work and the games produced had many problems. Spin was also refusing to complete
23 all of the tasks required for a commercial release and unilaterally changing the work
24 they would complete and disrupt FCGI and FCGLTD's business and marketing plans.
25 However, Spin was not really communicating with Mahon, but instead was secretly
26 communicating with Munger and others. It appears that once Spin realized they were
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1 going to be able to integrate with Bastian's casinos in the Bahamas, they were focused
2 only on getting that accomplished.

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

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

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

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

24 297. On April 2, 2017, Munger had more secret email discussions with
25 Linham.

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

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

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

13 301. By April 4, 2017, Bastian had still not shown up for their meeting and,
14 perplexed, reviewed the budget Munger had sent to Bastian. The budget had significant
15 and obvious errors that caused the budget to show negative cash flow and
16 misrepresented the actual status of the company. Munger failed to add the “revenue” to
17 the “bank balance” after the “expenses.” Based on this information, it appears that
18 Munger had given this false information to Bastian, and Bastian has not failed to appear
19 for his meetings with Mahon concerning the budget.

20 302. Based on Bastian’s failure to put in the additional capital he had
21 promised earlier in the year, Mahon turned to report the issues he was now having to
22 FCGI investors.

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

26 304. On April 19, 2017, Mahon had a company-wide call with FCGI
27 investors and outlined the progressive complications and epic failures detailed in above.

1 Mahon advises that the company file lawsuits against Linham, Newman, Multislot,
2 Bastian and Spin and lays out the explicit details to the claims and their merits that were
3 ultimately filed herein and in the Mahon et. al. vs. Newman et a. lawsuit filed on August
4 17, 2018, in the Eighth Judicial District Court for the State of Nevada.

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

16 **V. NEWMAN'S RACKETEERING SCHEME**

17
18 306. Between November of 2008 and March of 2010, Mahon had met many
19 potential investors who had seen his inventions in the Full Color IP and the FCGS.
20 Everyone that would see his inventions would become mesmerized with its potential and
21 attempt to promise him money, relationship, and launch plans to make billions off of his
22 inventions if they could only get a piece of the pie.

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

26 308. On or about March 17, 2010, a few months after Mahon had moved to
27 Las Vegas, Nevada, still grappling with the debt and concerns about losing the IPR with
28

1 the USPTO patent filings knowing that if he didn't get his three non-provisional patents
2 filed by May 7, 2010. When Mahon was no longer able to afford his original intellectual
3 property attorney to complete these tasks, he was referred to Newman as a local
4 Practitioner that could file them.

5 309. At all times between March of 2010 and ending on or about October 21,
6 2014, Newman was employed as an attorney for Howard & Howard Attorneys ("H2")

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

10 311. H2's website advertised "Newman specializes in providing strategic
11 intellectual property counseling services that help clients obtain a competitive edge and
12 achieve their business goals."

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

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

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

1 315. On March 24, 2010, Mahon sent Newman a draft copy of an Assignment
2 of Gross Revenue Interests (“AGRI”) agreement to Newman’s
3 rnewman@howardandhoward.com email address at H2.

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

9 317. On or about April 1, 2010, Newman and Mahon fully executed the
10 AGRI.

11 318. Beginning on May 5, 2010 and through October 28, 2014, Newman and
12 H2, through over 40 of their employees, used the United States Postal Service (“USPS”)
13 to mail bills for the hard costs of their work to Mahon, Intellectual Properties Holdings,
14 LLC (“IPH”), FCGI, and other affiliated entities with 65 unique invoices with internal
15 billing ID numbers starting at 348498 and ending in 462111 using the Client ID numbers
16 060857-00001 and ending in 060857-00999 for approximately 24 different client
17 matters.

18 319. The total billing amounts ranged from as small as \$35.00 to as large as
19 \$5,345.00.

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

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

25 322. Despite the fact that Newman had no offices, no employees, no support
26 staff of any kind, no infrastructure, no planning of any kind or any sort, Newman
27 aggressively reassured Mahon that everything would be fine. Mahon’s patent portfolio
28

1 was then over 6 years old and not a single patent has been issued. Mahon wanted to stay
2 with H2 because he wanted the protection of what he believed was a major law firm
3 with a full support staff but has absolutely no choice in the matter but to agree to
4 discharge H2 and ask to transfer all of his files due to the AGRI agreement.

5 Unbeknownst to Mahon or any of his entities, both H2 and Newman had already caused
6 grave and irreparable harm to his inventions and businesses due to the abandonments of
7 his IPR that had already occurred to date.

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

13 324. On or about August 1, 2015, as part of the evolution, Mahon and
14 Newman voluntarily terminated the AGRI agreement and exchanged it with 5%
15 equivalent of IPH’S original 20 million shares in FCGI which equaled a distribution to
16 Newman of 1,000,000 shares of FCGI and was documented in a new fully executed SIA
17 and SRA with Newman, which also included a new Mutual Non-Disclosure Agreement
18 (“MNDA”) and a Voting Trust Agreement (“VTA”) assigning 100% of Newman’s
19 voting rights in the new SIA to Mahon. In addition to these documents, however,
20 Newman agreed to continue to do all the legal work and protect all the FCG-IP like he
21 had promised to do in the original AGRI as detailed in Recital A to the SIA, or there
22 would have been no purpose in terminating the AGRI as not a single patent had been
23 issued in 5 years.

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

1 326. On or about August 1, 2015, Newman further entered into an additional
2 Non-Disclosure and Confidentiality Agreement with FCGI of the same date of August 1,
3 2015.

4 327. As a further result of owning the FCGI shares, Newman obtained a
5 shareholder interest in FCGI that would exceed 3% and any application on any UKGC
6 casino gaming license application would force NEWMAN to obtain a Personal
7 Management Application (“PML”) and be deeply investigated through background
8 checks and due diligence in order to be found suitable in order for Mahon or any of the
9 relevant Counter-claimants to also further be found suitable as an entity due to a single
10 party having more than 3% of the company.

11 328. On or about August 17, 2016, , FCGLTD submitted RSGL Application
12 #3949 to the UKGC with Mahon, Linham, Newman, Munger and Murphy’s attached
13 PML. These applications included Newman as a Director and an Officer of FCGLTD
14 and a shareholder of FCGI.

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

19 330. On August 18, 2016, when Newman and Newman Law failed to deliver
20 any of the contract work by its deadline date, three weeks after he had been paid
21 \$10,000, he was confronted by LINHAM who put him on notice over his failures.

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

1 332. On August 19, 2016, as a result of Newman's defiant and extortionate
2 stance, Mahon began an audit on his FCG-IP protection work. By the end of the night,
3 MAHON had taught himself how to work through the USPTO TESS and PAIR search
4 engines in the USPTO and discovered the abandonment of 5 patent applications
5 (12/776,273, 12/776,336, 12/776,342, 13/083,408 and 13/747,727), the end of 2 PCT
6 applications (PCT/US11/31836 and PCT/US11/31826), the abandonment of two
7 trademark applications (85503833 and 86258846) and the inexplicable suspension of
8 86258846. A public search of the USCO also revealed failures equally as bad as H2 and
9 Newman had further failed to obtain a single copyright on any of the 12 Full
10 Color® Cards applications, setting off an intellectual property crisis of unparalleled
11 proportions for Mahon and his entities.

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

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

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

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

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

4 338. Newman's email demanded immediate cash payment or he threatened to
5 "lien" Mahon's Full Color IP assets. Given the nature of the relationship, the
6 indisputable history and inescapable facts, the Plaintiffs believed the threat to lien
7 Mahon's Full Color IP was an act of extortion considering that Newman had received
8 1,000,000 shares of stock, a full 5% of FCGI as consideration for his work, and had
9 failed to obtain a single patent or a single registered copyright and at best, only two
10 trademarks registered.

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

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

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

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

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

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

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

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

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

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

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

26 350. On or about November 17, 2016, Linham, as a Director of FCGLTD
27 sent a formal written notice from Isle of Man to the investors in the United States at
28

1 FCGI and warned FCGI to remove Newman as an individual shareholder or be removed
2 as a whole entity for failing to remove their bad actor and wrongfully causing the delay
3 of FCGLTD'S licensing application.

4 351. On November 17, 2016, Mahon learned of new conditions for
5 settlement, including threats of liens and litigation, and other demands. Newman's
6 demands demonstrated that he knew he could hold Mahon and FCGI hostage with his
7 threats. Mahon could not and would not agree to Newman's conditions for settlement
8 because he was still evaluating the damage caused by Newman's failures and, as a result
9 Newman's FCGI shares issued to CBL remained in limbo. Newman was in violation of
10 the SRA he executed because of non-compliance events, but FCGI did not have the
11 funds to purchase CBL's shares.

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

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

22 354. On February 21, 2017 in the afternoon, Bastian demanded that Mahon
23 resolve and settle the dispute with Newman. Mahon noted that FCGI did not have the
24 funds to reach a settlement or even attempt to purchase Newman's shares. Bastian
25 offered \$35,000 to \$50,000 to settle with Newman. Mahon did not want to settle with
26 Newman by paying anything, but the business was now experiencing impossible
27 demands on all fronts and it was clear Mahon and FCGI were being victimized from
28

1 every side. It was not until later that Mahon recognized that he was being exploited
2 from within the company, especially via Munger, Bastian, and Linham.

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

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

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

21 VI. LINHAM RACKETEERING SCHEME

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

24 359. On April 4, 2017, after Bastian made no attempt to meet with Mahon to
25 resolve the issue of the company’s cash flow for nearly 20 days, Mahon flew back to Las
26 Vegas, and made plans with Howard to address the issues with FCGI investors in the
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1 concerning the crisis the next day in a FCGI company-wide call to address how FCGI
2 could mitigate the current crisis by either (1) investing more money on their own to cure
3 the inevitable insolvency, (2) taking legal action against Newman, Mutlislol, Bastian,
4 Spin and potentially others; or (3) face the consequences of the loss of the CLA.

5 360. On April 5, 2017, Linham emailed Mahon and formally noticed him that
6 he had resigned as the Director and the CFO of FCGLTD. In his resignation, he noted
7 he had been made aware that Mahon, as the principle of IPH or IPHLTD had sent out
8 notice of a breach of the CLA which, if true, would but FCGLTD into insolvency.
9 Linham, therefore was resigning his position.

10 361. As noted above, Linham had “permanently deleted” as well as his entire
11 Google Cloud account files. Mahon’s recovery of these documents revealed that
12 Linham had regularly and secretly communicated with Munger concerning the company.
13 This was just the beginning of the discovery of Linham’s fraud, his money laundering,
14 his drug problems, and his conspiracy with Munger and Bastian to benefit himself and
15 Munger rather than the company.

16 362. In addition to his resignation on April 4, 2017, Linham fraudulently, and
17 without authorization cancelled FCGLTD D&O Policy. Although Linham had earlier
18 notified the D&O agent FCGLTD’s intent to renew the policy and pay the \$21,000
19 premium --- and had even informed Mahon in writing that the \$21,000 invoice for the
20 premium on the 2017 D&O policy had been paid --- the insurance agent’s office had put
21 Linham on notice that the premium had not been paid in February and March, 2017. In
22 April, 2017, instead of ensuring that the D&O policy was renewed, Linham cancelled it
23 without any authorization as one of his final acts before resignation.

24 **VII. MUNGER’S RACKETEERING SCHEME (SEBAS’ SIXTH ACT)**

25
26 363. Because of Linham’s resignation, on April 7, 2017, Mahon took over the
27 UKGC license applications where Linham had previously been the sole point of contact
28

1 and representative, and was able to get in contact with the UKGC contact overseeing
2 FCGLTD's applications and explained that, as they had previously informed the UKGC
3 that the company was still in the process of utilizing the share buy-back provisions in the
4 SRA to divest Newman/CBL of the shares they fraudulently obtained in FCGI. In this
5 scenario, however, the option of divesting Newman/CBL of the shares issued in their
6 name required his voluntary surrender, the filing of this lawsuit or utilizing the share
7 repurchase options. Since Newman was extorting Mahon and FCGI, the latter two
8 options could take years and as such, kill FCGI and FCGLTD by delaying the issuance
9 of the UKGC licensed application. It was clear that reaching a settlement with Newman,
10 was impossible because neither FCGI nor FCGLTD had the funds to pay Newman's
11 ransom demands and further, it would require the waiver of the rights to seek relief
12 against Newman for the damage he had done to the Full Color IP with his patent Ponzi
13 scheme as detailed in this Nevada Nevada District Court Case #A-18-779686-C.

14 364. Bastian wanted to force Mahon, FCGI, and other affiliated companies
15 into a settlement with Newman and had agreed to put up some money to reach a
16 settlement, which would include a release of Newman for his malpractice and
17 malfeasance in failing to adequately pursue and maintain the IPR with the UPSTO and
18 other applicable agencies. However, Bastian had not, as of April, actually agreed to put
19 in any additional money into FCGLTD so that a settlement could be negotiated or
20 agreed that the new money could be used for a Newman settlement even if Counter-
21 claimants had agreed to forgo seeking the relief they ultimately claim in Nevada District
22 Court Case #A-18-779686-C.

23 365. Without additional funding to resolve the disposition of Newman's CBL
24 shares via (1) settlement, (2) share repurchase, or (3) summarily revocation under the
25 promise of litigation in order to satisfy the UKGC that his ownership shares had been
26 disposed of, long before even attempting to preserve any rights that FCGI, Mahon, and
27 other affiliated entities might have against Newman because FCGTLD was inevitably
28

1 going to run out of money without the UKGC license or any other available revenue
2 streams that Munger, Bastian, Multislot and Spin had prevented from occurring.

3 366. The UKGC licensing requirements, FCGLTD's inability to reach any
4 revenue stream, caused in part by the conspiracy between Munger, Bastian, Spin and
5 others to circumvent FCGI and FCGLTD in their integrations, and FCGLTD's inability
6 to obtain additional investment dollars from Bastian, also caused in part by Munger
7 activities, set the stage for Munger and Bastian to turn other FCGI investors against
8 Mahon to defame and blame Mahon for the collapse of the company and coerce Mahon
9 into giving up property rights or face a barrage of false attacks on his character and
10 reputation, and unending frivolous litigation.

11 367. Because of the precarious situation they were in, Mahon and Howard
12 immediately began to prepare a report to all FCGI investors and advise them of the
13 complete situation as they understood it, and discuss what relief could be sought against
14 the bad actors that Mahon and Howard were currently aware of who had created and
15 progressed the situation in the first place.

16 368. On April 19, 2017, FCGI held an emergency conference call that was set
17 two days earlier at which Mahon and Howard addressed the crisis the company's stock
18 value was facing and attempt to find a solution and a path forward, if any, while
19 confronting the possibility of losing their entire investment because of the actions of
20 Bastian, Spin, Multislot, and others.

21 369. At the time, Mahon was not fully aware of Munger's involvement in all
22 of these issues, but Munger was on the call and received a full disclosure of the plans to
23 file suit against all of his racketeering partners in the Bastian Casino Gaming Enterprise.
24 Neither Mahon nor Howard was aware of the extent of Munger's malfeasance in the
25 case. It was this phone call that forced Munger to reveal his long planned schemes.
26 Mahon and Howard knew that Spin had circumvented FCGI and FCGLTD's FULL
27 COLOR KINGFISHER RGS integration when Spin revealed these facts in the email of
28

1 their full integration schedule on April 7, 2017 where it showed that IslandLuck.com
2 Spin RGS integration into RSL / ILG had already occurred, which happened somewhere
3 after ICE London 2017 between middle of February and April 7, 2017. It was clear that
4 Munger, Bastian, Young and Mishral had circumvented FCGI and FCGLTD and the
5 only person common between it all was Munger. Upon information and belief, Howard
6 and Mahon had the facts now from Spin that proved Munger was the bad actor and the
7 mole inside FCGI that was creating all of the delays, sabotaging the company and acting
8 on behalf of Bastian and his racketeering enterprise and the only way Mahon could truly
9 prove it was to expose these truths on the company wide call and that is exactly what
10 happened. What Mahon and Howard did not expect or account for was for Munger to
11 actively begin to recruit other good actors of FCGI investors.

12 370. Upon information and belief, Linham, Munger, and Bastian, among
13 others, knew that their racketeering activities were going to get exposed, and, in
14 anticipation of the call, had already begun to recruit the existing FCGI investors to join
15 an “investor revolt” by planting the false narrative that FCGLTD was running out of
16 money because Mahon had embezzled money and was shutting down the company to
17 run off with their money and the Full Color IP, and if they didn’t join together to stop
18 Mahon, remove him from corporate power, and take over the Full Color IP they would
19 never see their money back. And that is exactly what they did.

20 371. On April 17, 2017, ahead of the conference call, Solso emailed Howard
21 with a list of documents he would like to have, which included corporate documents,
22 agreements, with vendors, and an income statement balance sheet for FCGLTD and each
23 of its subsidiaries, among other things. In preparation for the call, Mahon did, in good
24 faith prepare all of the documents and put them in a Corporate Google Drive folder to be
25 released to all FCGI Investors.

26 372. On April 19, 2017, as Mahon began to lead a call on FCGI’s conference
27 line to address the progressive complications as already detailed herein and the urgent
28

1 need to deal with FCGLTD's inability to comply with the outstanding compliance issues
2 for the UKGC RSLA, he was verbally attacked by Solso.

3 373. Even before Mahon had completed the disclosures of the facts, Solso
4 was already on the offensive and viscously verbally attacked and berated Mahon, so
5 much so that another shareholder, who was not in the collusion with Munger, demanded
6 that Solso stop his verbal attacks or get off the call. Despite the attack, Mahon set forth
7 the full details of what had taken place to date, including the wrongful activities of
8 Newman, Multislot, Bastian, and Spin, in their failure to launch and release FC21, and to
9 let them know if FCGI's intent to root out the wrongdoers and seek relief against them.

10 374. While still on the call, Mahon also released all of the documents and
11 information Solso was requesting for the FCGI investors to review.

12 375. Between April 19, 2017 and April 24, 2017, Solso and Eckles engaged
13 in series of acrimonious and caustic emails with Mahon, insuring that all the investors
14 were copied on each email to make sure that all of the false and misleading accusations
15 were panned before every other investor to convince them that Mahon needed to be
16 removed and replaced, and determine ways to obtain control of not only FCGI, but the
17 Full Color IP. The instant flaw in their conspiracy was and still is the fact that Mahon
18 invented the Full Color IP, Mahon owned the Full Color IP, and any attempt to obtain
19 ownership of the Full Color IP, whether by legal process or other means, would be
20 wrongful taking of his property.

21 376. On information and belief, Munger and Linham (who had already
22 resigned by then) was poisoning the well, and Solso and Eckles were not only taking the
23 bait, but fully participating in the conspiracy to remove Mahon and extort him out of his
24 property rights. Munger, at that time, had dropped out of any open discussions.

25 377. Over the next few days, Howard had a flurry of calls, emails and
26 communications with FCGI investors including Munger, Solso, Eckles, Brock, Sr., and
27
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1 Brock, Jr., and each of them heavily recruited Howard to join them in seeking to oust
2 Mahon.

3 378. On April 20, 2017, Mahon made one last attempt to get Bastian to take
4 action on his prior (now failed) commitments to invest an additional \$500,000 and
5 advised him of the consequences of no action. Mahon never received a response.

6 379. On April 21, 2017, FCGLTD received correspondence from UKGC
7 putting it on final notice that failure to respond with full compliance of the RSLA
8 application by April 28, 2017 from the October 10, 2016 notice, would result in an
9 automatic refusal and permanent denial of the application.

10 380. This information was forwarded on to everyone, including Bastian in
11 order to ensure that everyone knew the seriousness of the situation and the irreversible
12 damage a refusal would cause that would cause the CLA to be terminated.

13 381. Some of the FCGI investors, including Solso responded to the final
14 notice from the UKCG in a nonchalant manor, indicating their lack of understanding.

15 382. On April 22, 2017, Mahon responded to the investors making it clear
16 that FCGI needed to remove Newman as a shareholder and provide evidence of financial
17 sustainability in order to fully respond to the UKGC, and inquired as to whether anyone
18 was willing to contribute funds to resolve Newman's claims and complete the UKCG
19 application or the company would have to cease operations.

20 383. Not a single investor responded to this email or took any action. Instead
21 the group of investors joined Bastian and Munger's criminal enterprise seeking to coerce
22 Mahon out via illegal and extortionate threats.

23 384. Starting on April 21 and going through April 23, Brock Jr. and Brock Sr.
24 reach out to Howard privately seeking a solution to the dispute with the shareholders.
25 They have a phone conference with Howard and later send an initial draft of some
26 proposals for reaching a resolution.

1 385. On April 23, 2017, Brock Jr. emails Howard an “updated draft” with a
2 new attachment entitled “**FCG plan v1.2.docx**,” which outlines the basics of potential
3 proposals for resolving the parties’ differences.

4 386. The “**FCG plan v1.2.docx**” is visual organogram that acknowledges
5 Mahon’s ownership of the Full Color-IP and that it is licensed to FCGLTD from
6 Mahon’s holding company IPH. The organogram also acknowledges the current
7 structure where IPH or IPHLTD has a 50% revenue share with FCGLTD, and further
8 acknowledges that IPH owns 68% of FCGI with 51 other investors, including
9 themselves own the other 32% affirming that they had no legal standing to effectuate
10 any of their plans to get Mahon to surrender any of his rights with or without coercion,
11 but still outlining the threats against him if he did not cooperate with extortionate threats
12 and demands.

13 387. The organogram makes several suggestions about restructuring the
14 business which would require Mahon to give up his ownership interest in FCGI, but
15 maintain ownership of the Full Color IP and IPH, but issues a perpetual license to FCGI
16 with a revenue share. However, the organogram suggests that Mahon give up his 68%
17 ownership in FCGI and 100% of his ownership interests in FCGLTD despite having to
18 issue a CLA for all knowns and unknown Full Color-IP for no upfront licensing fees and
19 no future rights.

20 388. The organogram further attempted to place fear in Mahon by setting
21 forth the potential consequences. It specifically noted several “Reasons for D[avid]
22 M[ahon] to settle,” which included statements that the potential litigation would “cost
23 him years of revenue” and “cost him his career.” The Brocks also noted the potential
24 types of lawsuits including a potential claim to ownership of the Full Color IP, but
25 admitted that Mahon would “likely” win such a suit. Such statements implicitly seek to
26 strike fear in to Mahon.

1 389. On April 24, 2017, Brock Sr. emails Brock Jr. and Howard and this time
2 they include Solso on the email to set up a phone conference, which is held later that
3 day.

4 390. Immediately after the conference, Howard contacted Mahon with Brock
5 Sr.'s request to speak with him and Mahon agreed. Thereafter, Brock Sr. sent an
6 introductory email to Mahon requesting a phone conference.

7 391. On April 25, 2017, Mahon spoke with Brock Sr. on the phone. During
8 the phone call, Brock Sr. acknowledged that there will ultimately be a lawsuit by the
9 FCGI investor against Mahon if he doesn't come to any terms with them without stating
10 his legal basis for the lawsuit. Mahon asked for Brock to put all of his conditions in
11 writing and send it to him. Brock Sr. and Brock Jr. said they did not have anything
12 writing yet, which turned out to be untrue. They said they would like to revert back and
13 have additional conversations. Mahon agreed to take additional calls when they were
14 ready but gave told them they were running out of time with the UKGC.

15 392. Brock Sr. spoke with Howard to see which side he was on. Howard
16 indicated he was an aggrieved investor because he and his family stood to lose nearly
17 \$500,000 if FCGI failed. This led the Brocks and all others to believe that Howard
18 would join them.

19 393. On information and belief Brocks then circled back with Solso, Eckles,
20 Munger, Linham and others and reported the details of their call with Mahon.

21 394. On information and belief, between April 25, 2017 and April 26, 2017,
22 Brock Sr. and Brock Jr., Solso, Munger, and others continued to hold conference calls
23 and develop the demands that Brock Sr. had initially brought to Mahon including both
24 Brock's written plan as set forth in FCG plan v1.2.docx and an additional prepared
25 documents including the "Recapitalization" plan that Brock Sr. read from and revisions
26 thereto were developed during the calls.

1 395. On information and belief, On April 26, 2017, Solso took everything
2 that Brock Sr. and Brock Jr. had concocted in **FCG plan v1.2.docx** and explicitly
3 memorialized all of their calls, plots, plans and racketeering schemes over the previous
4 two days, and indisputably put the summation of it all in writing that was called
5 **Principles_2017 04 26 v 2.pdf.**” This document in included all of Brocks’ original
6 scheme and demands already outlined above while and adding a host of new demands,
7 and identified most of them as “non-negotiable.”

8 396. Solso began circulating **Principles_2017 04 26 v 2.pdf** amongst Brock
9 Sr. Brock Jr. Eckles, Solso, Linham, Bastian, and Howard, believing that Howard was
10 supporting them in their efforts to wrongfully remove Mahon and take his property.

11 397. Upon information and belief, the indication of “v2” on the updated
12 version of the new racketeering scheme being co-authored by Solso and others,
13 including Brock Sr., Brock Jr., and Munger, and had been secretly circulating between
14 all of these individuals.

15 398. The primary two points, both of which were non-negotiable and from
16 which the other points extended were (1) that Mahon give up all rights and title to the
17 Full Color UP and (2) that Mahon resign his position as officer and give up all shares in
18 the company.

19 399. During email exchanges concerning the document, Munger actually adds
20 suggested conditions to the **Principles_2017 04 26 v 2.pdf** plan by noting additional
21 information that he is aware that Mahon has that would need to be turned over, including
22 confidential and top secret mathematical gaming “reports” as certified real money casino
23 game play by BMM & GLI Independent test labs. Munger’s suggestions in this manner
24 are breaches of several confidentiality agreements and his fiduciary duties to the
25 company.

26 400. Munger’s additional conditions is a tacit admission that they could not
27 succeed without Mahon’s involuntary submission, involuntary servitude and his brain
28

1 power to continue inventing new unique and proprietary intellectual property so they
2 could exploit it to their benefit and to his detriment and effectively place him into forced
3 labor.

4 401. Essentially, the demands that Solso, Munger, and others are pushing on
5 Mahon through Brock Sr. is that he is to give up completely the Full Color IP, his life's
6 work, and property that he owned before any of the investors were a part of any
7 company, in order for Mahon to avoid years of frivolous litigation that would tie up the
8 Full Color IP and potentially ruin his chances for obtaining gaming licenses. Further, at
9 the time, Mahon believed that the CLA to FCGLTD was still effective and did not yet
10 have any basis for unilaterally terminating any of the licenses already issued only to
11 comply with the extortionate threats of Brock Sr., Brock Jr., Eckles, Munger, Bastian or
12 anyone for that matter.

13 402. Similarly, the demand that Mahon give up his shares in every company
14 he owns on top of that was also not something that the parties could accomplish in
15 litigation, or any other method unless the shares were purchased for value neither Mahon
16 nor any of the named can be forced to give up tens of thousands of hours of work they
17 produced over 10 years to he avoid the threat of frivolous and unending litigation that
18 would not result in Mahon losing his shares. Such threats are extortion. During this same
19 time period, also on April 26, 2017, Munger set up a secret meeting where he involved
20 Spin and Bastian and their principles to meet. On information and belief, this meeting
21 was not only to consider the best way to extort concession from Mahon, but was also to
22 discuss Spin's and Bastian's desire to get Spin integrated on Bastian's RSL without Full
23 Color.

24 403. On April 26, 2017, one hour after Munger's secret meeting, and after
25 receiving the updated **Principles_2017 04 26 v 2.pdf**, Brock Sr. and Brock Jr. sought
26 to have another follow-up conversations with Mahon.

1 404. Brock Sr. and Brock Jr. in their new call, reasserted just how amazing
2 the Full Color IP was. Brock Jr. went on and on about “just how much money could be
3 made” if Mahon would agree to their new plans and Brock Sr. made it unequivocally
4 clear just how bad it would be for Mahon if he didn’t and was sued and Mahon he
5 should listen to their plan and consider agreeing to it.

6 405. Brock Sr. goes through a list of conditions that go even beyond the prior
7 conditions set forth in the FCG plan v1.2.docx that are identical to those in the
8 **Principles_2017 04 26 v 2.pdf** plan despite the fact that Brock continued to assert in the
9 phone call that he did not have anything writing.

10 406. Not only does Brock Sr. verbally request Mahon resign from his
11 positions with FCGI and FCGLTD, Brock Sr. tells Mahon to grant FCGI all title, rights
12 and ownership in the Full Color IP and relinquish his shares in FCGI in exchange for a
13 smaller revenue share than he already has.

14 407. Above all else, the proposal demanded that Mahon give up his property
15 rights, including both his intellectual property rights and his ownership rights in the
16 company, which he held long before any investor put money into FCGI, or endure
17 endless litigation tying up his property rights that they admit Mahon would likely win.

18 408. Brock Sr. was suggesting that Mahon give up valuable property rights at
19 the threat of litigation that would likely not succeed, and could not result in Mahon
20 losing the very property rights that Brock Sr. was asking him to concede.

21 409. On April 27, 2017, Mahon calls to have another conference call Brock
22 Sr. and Brock Jr., in response to their request from the day before. Although they never
23 sent Mahon a copy of the written out “**Principles_2017 04 26 v 2.pdf**” and its
24 amendments by Munger, Brock Sr. clearly verbally outlined everything in the written
25 document.

26 410. In email to Mahon after the last call, Brock Sr. kept reiterating how
27 litigation was not a good course and that Mahon should “avoid imminent litigation.”

1 This endless cycle of what had to be done to avoid litigation was his suave way of
2 indisputably engaging in the extortion. Brock Sr. made it unequivocally clear that the
3 “investor group” wasn’t offering Mahon an opportunity to negotiate. His message was
4 these were the terms, or “this is the way it’s going to be” if you wish to “avoid the
5 litigation.” Mahon ends the call by requesting the proposal in writing.

6 411. On April 28, 2017, Brock Sr. continued to email Mahon and requests
7 another phone call continue the conversations with the hope that “we can find some kind
8 of solution to our issues with FCG.”

9 412. On April 28, 2017, Mahon responds to Brock Sr. that he wanted their
10 plans that they had repeated during their phone call in writing and further explained that
11 the companies are officially beginning to shut down and cancel contracts since there is
12 no funding and FCGLTD cannot pursue the UKGC license.

13 413. On April 29, 2017, Brock Sr. responds in an email and again reiterates
14 that not agreeing to the requests coming from the investors leads “down a tortuous path
15 that will likely result in FCG shutting down and then imminent litigation” solidifying the
16 threat that if Mahon refuses the terms and conditions already proposed, tortuous and
17 frivolous litigation will ensue.

18 414. The communications engendered by Solso, Brock Sr., Brock Jr., Munger
19 and others were an attempt to coerce Mahon into giving up property rights that they
20 could not succeed in obtaining in litigation with the threat of frivolous and unending
21 litigation that, although it could never achieve what was demanded, would tie up
22 Mahon’s property rights for years to come and potentially destroy his career. Such a
23 threat can only be designed to instill fear in Mahon and coerce his cooperation in
24 wrongfully obtaining Mahon’s property rights, and the rights of FCGI and its other
25 shareholders who were not aligned with Munger. Mahon could not be voted out of
26 office as he had the voting shares and owned a majority interest. Yet Brock Sr., Brock
27 Jr., Solso, Eckles, Castaldo, Brazer, Moores, Munger, and others demands on Mahon

1 were designed to wrongfully obtain property rights that they could not legally obtain via
2 any litigation, with the threat of endless, frivolous, career-ending litigation.

3 **VIII. MUNGER & LINHAM CONSPIRE TO DEFRAUD INVESTORS FOR**
4 **\$320,000 IN FALSE “BACK SALARY” EMPLOYMENT CLAIMS**

5 415. Munger filed individual claims, verifying four different times in the
6 verified pleadings submitted to the Court in this litigation claims he is owed back pay
7 between 2015 and 2017 for alleged work for FCGI.

8 416. Munger was paid in full from both FCGI and FCGNA, that Munger was
9 loaned \$5,225.00 from FCGNA as an emergency loan to pay his property taxes in
10 December of 2015 that he failed to ever pay back pack.

11 417. Munger and Linham conspired to claim Munger was an employee
12 accruing \$20,000 a month in “Back Salary” through a fraudulent billing scheme starting
13 on January 1, 2016 as detailed in full below.

14 418. On November 23, 2016, Munger and Linham conspired to defraud FCGI
15 and future investors by claiming that Munger was accruing 80% a month of unpaid
16 salary with the (fraudulent) intent to collect it upon a successful closing of FCGLTD’S
17 Series A funding round as witnessed in a letter that Linham, signed, and sent to Munger,
18 requesting that Munger keep the letter between Linham and Munger.

19 419. The fraudulent letter attached to the email created and signed by the two
20 both Linham and Munger which suggested that Munger’s current remuneration was a
21 reduced rate and was only 20% of his appropriate salary. Since Munger was receiving
22 \$5,000 a month for his services, this letter suggested that Munger should actually be
23 receiving \$25,000 a month.

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25 ////

26 ////

1 **FEDERAL RACKETEERING CLAIMS**
2 **(VIOLATIONS OF FEDERAL RACKETEERING STATUTE)**
3 **(18 U.S.C. § 1961 et seq.)**

4 **Allegations Common to First, Second, Third, Fourth, Fifth and Sixth Claims for**
5 **Relief**

6 420. “Racketeering activity” for purposes of the RICO Act means any act
7 “chargeable” under several generically described state criminal laws, any act
8 “indictable” under numerous specific federal criminal provisions, including wire fraud
9 and money laundering. The RICO Act specifically states at 18 U.S.C 1961(b):

10 It shall be unlawful for any person through a pattern of racketeering
11 activity or through collection of an unlawful debt to acquire or
12 maintain, directly or indirectly, any interest in or control of any
13 enterprise which is engaged in, or the activities of which affect,
14 interstate or foreign commerce.

15 421. The RICO Act specifically defines a “pattern of racketeering” at 18
16 U.S.C: 1961(5):

17 “pattern of racketeering activity” for purposes of the RICO Act
18 means requires at least two acts of racketeering activity, one of
19 which occurred after the effective date of this chapter and the last of
20 which occurred within ten years (excluding any period of
21 imprisonment) after the commission of a prior act of racketeering
22 activity.

23 422. A claim under 18 U.S.C. §1962(b), (c) and (d), re:

24 (1) Counter-claimants must prove that Counter-defendants engaged in a

25 **“pattern of racketeering activity”.**

26 (2) Counter-claimants must prove that through the pattern of racketeering
27 activity, Counter-defendants acquired or maintained, directly or
28 indirectly, an interest in or control of an enterprise.

1 (3) Third, Counter-claimants must prove that the Counter-claimant's
2 enterprise engaged in, or had some effect on, interstate or foreign
3 commerce.

4 423. To establish a pattern of racketeering activity as defined in 18 U.S.C.
5 §1961(1) and succeed on these claims under 18 U.S.C. §1961(5), the Counter-Claimants
6 must prove each of the following by a preponderance of the evidence:

- 7 (1) at least "two predicate acts" of racketeering were committed;
8 (2) the predicate acts of racketeering had a relationship to each other which
9 posed a threat of continued criminal activity; and
10 (3) the predicate acts of racketeering embraced the same or similar purposes,
11 results, participants, victims, or methods of commission, or were
12 otherwise interrelated by distinguishing characteristics.

13 **A. The Federal RICO Enterprise**

14
15 424. Counter-Defendants and Third-Party Defendants are each involved in an
16 "enterprise" as defined in 18 U.S.C. §1961 (4).

17 425. With respect to all allegations common to the First, Second, Third and
18 Fourth Claims of violations of sections 18 U.S.C. §§ 1962(b), (c) and (d), Counter-
19 Defendants' and Third-Party Defendants' "enterprise" includes Bastian, Simmons,
20 Munger, Linham, Playtech, Island Luck, DTG, DHL, ILG, M&A, Valcros, Jungels,
21 Horan and Multislot, collectively known as the "Bastian Gaming and Casino
22 Enterprise."

23 426. With respect to all allegations common to Fifth and Sixth Claims of
24 violations of sections 18 U.S.C. §§ 1962(b), (c) and (d) Counter-Defendants' and Third-
25 Party Defendants' "enterprise" includes Munger, Eckles, DHWT, Solso, Millennium
26 Trust, Brazer, Brazer Trust, T Moore, L Moore, Moore Family Trust, Brock Sr., Brock
27 Jr., and Castaldo, known as the "Investor Enterprise."

1 427. With respect to all allegations common to the Fifth Claim in the
2 violations of sections 18 U.S.C. §§ 1962(b), (c) and (d), Counter-defendant's
3 "enterprise" includes the Bastian Casino Gaming Enterprise, and the Investor Enterprise.

4 428. With respect to all allegations common to the Sixth Claim in the
5 violations of sections 18 U.S.C. §§ 1962(b), Counter-defendant's "enterprise" includes
6 H2, Newman, Newman Law, and CBL, collectively hereinafter known as the "Newman
7 Law Group."

8 429. Counter-Defendants or Third-Party Defendants Bastian, Simmons,
9 Munger, Linham, Playtech, Island Luck, DTG, DHL, Multislot, Eckles, DHWT, Solso,
10 958 Partners, Millennium Trust, Brazer, Brazer Trust, T Moore, L Moore, Moore Family
11 Trust, Brock Sr., Brock Jr., Castaldo Newman, Newman Law and CBL are "persons"
12 within the meaning of 18 U.S.C. § 1961(3).

13 430. Counter-Defendants and/or Third-party Defendants Bastian, Simmons,
14 Munger, Linham, Playtech, Island Luck, DTG, DHL, Multislot, Eckles, DHWT, Solso, ,
15 Millennium Trust, Brazer, Brazer Trust, T Moore, L Moore, Moore Family Trust, Brock
16 Sr., Brock Jr., Castaldo Newman, Newman Law, CBL, and Bastian Casino Gaming
17 Enterprise are each an "enterprise that affects interstate commerce" pursuant to 18
18 U.S.C. § 1961(4) and §1962(b), (c) and (d).

19 431. Each of the Counter-Defendants and Third-Party Defendants are
20 associated with or are in fact members of the Bastian Casino Gaming Enterprise that
21 engages in legitimate and illegitimate activities, including the racketeering activities
22 herein alleged and pursuant to 18 U.S.C. § 1961 et. seq.

23 432. Bastian is the head of the Bastian Casino Gaming Enterprise, and adds
24 the following paragraphs and facts in how the Counter-Defendants and Third-Party
25 Complaint have engaged in violating the federal RICO Acts of 18 U.S.C. §§1961 (b), (c)
26 and (d) and have engaged in a continuing and concerted course of conduct involving
27
28

1 with the purpose and effect of willfully causing injury to the FCGI and interfering with
2 their interstate and foreign commerce as set forth here above and further here below.

3 433. At all times relevant to this Counter-Claim and Third-Party Complaint,
4 the Bastian Casino Gaming Enterprise and other parties, including Counter-Defendants
5 and/or Third-party Defendants Bastian, Simmons, Munger, Linham, Playtech, Island
6 Luck, DTG, DHL, Multislot, Eckles, DHWT, Solso, Millennium Trust, Brazer, Brazer
7 Trust, T Moore, L Moore, Moore Family Trust, Brock Sr., Brock Jr., Castaldo Newman,
8 Newman Law, and CBL, with the approval and/or acquiescence of Bastian, exercised
9 authority over the conduct and activities, both legitimate and illegitimate.

10 **B. Federal RICO Predicate Acts**

11
12 434. The predicate acts forming the pattern of racketeering and the specific
13 statutes common to the First, Second, Third Claims, Fourth, Fifth, Sixth and Seventh
14 Claims include:

- 15 a. Definition of “scheme or artifice to defraud (18 U.S. Code § 1346)”

16 435. The predicate acts forming the pattern of racketeering and the specific
17 statutes common to the First, Second, Third, Fourth, Fifth, Sixth and Seventh Claims
18 include:

- 19 a. Fraud by wire (18 U.S.C. §1343, §1346);

20
21 436. The predicate acts forming the pattern of racketeering and the specific
22 statutes common to the First, Second and Third Claims include:

- 23 a. Laundering of Monetary Instruments (money laundering) (18 U.S.C.
24 § 1956, §1346);

25 437. The predicate acts forming the pattern of racketeering and the specific
26 statutes common to the Fourth, Fifth, Sixth and Seventh Claims include:

- 27 a. Interference with commerce by threats or violence (18 U.S.C § 1951)

1 438. The predicate acts forming the pattern of racketeering and the specific
2 statutes common to the Fifth Claims include:

- 3 a. Theft of trade secrets (18 U.S.C § 1832)
4 b. Forced labor (18 U.S.C § 1589)

5
6 439. The predicate acts forming the pattern of racketeering and the specific
7 statutes common to the Sixth Claims include:

- 8 a. Frauds and Swindles (18 U.S.C § 1341)

9 **C. Scheme or Artifices**

10 440. The Counter-defendants have engaged in scheme or artifices that have
11 violated the Federal RICO statute 18 U.S.C. § 1346, which states in pertinent part:

12
13 For the purposes of this chapter, the term “scheme or artifice to
14 defraud” includes a scheme or artifice to deprive another of the
intangible right of honest services.

15 **(1) 18 U.S. Code § 1346 - Frauds by wire**

16 Scheme or Artifice

17 441. The Counter-defendants have violated the Federal RICO statute 18
18 U.S.C. §§ 1341, 1346, which states in pertinent part:

19
20 Whoever, having devised or intending to devise any scheme or
21 artifice to defraud, or for obtaining money or property by means of
22 false or fraudulent pretenses, representations, or promises, transmits
23 or causes to be transmitted by means of wire, radio, or television
24 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.

25 **(2) 18 U.S. Code § 1956 - Laundering of Monetary Instruments (money**
26 **laundering)**

27 Scheme or Artifice

1 442. The Counter-defendants have violated the Federal RICO statute 18
2 U.S.C. § 1956, which states in pertinent part:

3 (1) Whoever, knowing that the property involved in a financial
4 transaction represents the proceeds of some form of unlawful
5 activity, conducts or attempts to conduct such a financial transaction
which in fact involves the proceeds of specified unlawful activity—

6 (A)

7 (i) with the intent to promote the carrying on of specified
8 unlawful activity; or

9 (ii) with intent to engage in conduct constituting a violation of
10 section 7201 or 7206 of the Internal Revenue Code of 1986;
or

11 (B) knowing that the transaction is designed in whole or in part—

12 (i) to conceal or disguise the nature, the location, the source,
13 the ownership, or the control of the proceeds of specified
14 unlawful activity; or

15 (ii) to avoid a transaction reporting requirement under State or
16 Federal law,

17 shall be sentenced to a fine of not more than \$500,000 or twice
18 the value of the property involved in the transaction, whichever
19 is greater, or imprisonment for not more than twenty years, or
20 both. For purposes of this paragraph, a financial transaction
21 shall be considered to be one involving the proceeds of specified
22 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.

23 **(3) 18 U.S. Code § 1951 - Interference with commerce by threats or violence**

24 443. The Counter-defendants have violated the Federal RICO statute 18
25 U.S.C. § 1951, which states in pertinent part:

26 (a) Whoever in any way or degree obstructs, delays, or affects commerce
27 or the movement of any article or commodity in commerce, by
28 robbery or extortion or attempts or conspires so to do, or commits or

1 threatens physical violence to any person or property in furtherance
2 of a plan or purpose to do anything in violation of this section shall
3 be fined under this title or imprisoned not more than twenty years, or
4 both.

(b) As used in this section—

- 5 (2) The term “extortion” means the obtaining of property from
6 another, with his consent, induced by wrongful use of actual or
7 threatened force, violence, or fear, or under color of official right.
- 8 (3) The term “commerce” means commerce within the District of
9 Columbia, or any Territory or Possession of the United States; all
10 commerce between any point in a State, Territory, Possession, or
11 the District of Columbia and any point outside thereof; all
12 commerce between points within the same State through any
13 place outside such State; and all other commerce over which the
14 United States has jurisdiction.

15 **(4) 18 U.S. Code § 1832 - Theft of trade secrets**

16 444. The Counter-defendants have violated the Federal RICO statute 18
17 U.S.C. § 1832, which states in pertinent part:

- 18 (a) Whoever, with intent to convert a trade secret, that is related to a
19 product or service used in or intended for use in interstate or foreign
20 commerce, to the economic benefit of anyone other than the owner
21 thereof, and intending or knowing that the offense will, injure any
22 owner of that trade secret, knowingly—
- 23 (1) steals, or without authorization appropriates, takes, carries
24 away, or conceals, or by fraud, artifice, or deception obtains
25 such information;
- 26 (2) without authorization copies, duplicates, sketches, draws,
27 photographs, downloads, uploads, alters, destroys, photocopies,
28 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

1 (5) conspires with one or more other persons to commit any offense
2 described in paragraphs (1) through (3), and one or more of such
3 persons do any act to effect the object of the, shall, except as
4 provided in subsection (b), be fined under this title or
5 imprisoned more than 10 years, or both.

6 (b) Any organization that commits any offense described in subsection
7 (a) shall be fined not more than the greater of \$5,000,000 or 3 times
8 the value of the stolen trade secret to the organization, including
9 expenses for research and design and other costs of reproducing the
10 trade secret that the organization has thereby avoided.

11 **(5) 18 U.S. Code § 1341 - Frauds and swindles**

12 445. The Counter-defendants have violated the Federal RICO statute 18
13 U.S.C. § 1341, which states in pertinent part:

14 Whoever, having devised or intending to devise any scheme or
15 artifice to defraud, or for obtaining money or property by means of
16 false or fraudulent pretenses, representations, or promises, or to sell,
17 dispose of, loan, exchange, alter, give away, distribute, supply, or
18 furnish or procure for unlawful use any counterfeit or spurious coin,
19 obligation, security, or other article, or anything represented to be or
20 intimated or held out to be such counterfeit or spurious article, for
21 the purpose of executing such scheme or artifice or attempting so to
22 do, places in any post office or authorized depository for mail matter,
23 any matter or thing whatever to be sent or delivered by the Postal
24 Service, or deposits or causes to be deposited any matter or thing
25 whatever to be sent or delivered by any private or commercial
26 interstate carrier, or takes or receives therefrom, any such matter or
27 thing, or knowingly causes to be delivered by mail or such carrier
28 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

446. 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;

- 1 (ii) they all included individual Counter-Defendants and Third-Party
2 Defendants as directed by Bastian, with the approval/and or
acquiescence of Bastian and/or Simmons
- 3 (iii) they were all performed by each individual Counter-defendants
4 outside of the scope of the legitimate authority of their office or
5 employment and/or for their personal and / or to the benefit of
their individual entity or entities;
- 6 (iv) they were all performed by such corporations in a manner that
7 favored their individual, corporate, partnership, trust, enterprising
8 or collective benefit to the disadvantage of the FCGI and its non-
party shareholders;
- 9 (v) they were all directed to operate in such a manner that they each
10 knew that their actions, if discovered, would cause the FCGI
ultimate harm or injury;
- 11 (vi) they all related to each other as part of a common course of
12 conduct, plan, and objective to engage in a continued and
13 concerted course of conduct with the purpose and effect of
defrauding the FCGI;
- 14 (vii) they all included acts of concealment, conversion, and/or
15 coercion, the illegitimate economic effect of which was the act of
16 acquiring, maintaining and controlling security interests and
17 income from Mahon's Full Color IP, as well as from FCGI and
FCGLTD upon the successful completion of their criminal
18 racketeering activities
- 19 (viii) they had sufficient continuity, repetition and duration in that they
occurred at least since 2015 up to and including 2019, and
- 20 (ix) they each posed a threat of continued repetition against the FCGI
21 and did indeed do so as set forth further here below in the other
Claims of racketeering.

22 **D. Federal RICO Injury**

23

24 447. FCGI has been injured by the actions of the Bastian Casino Gaming
25 Enterprise and the individual members of the enterprise and the individual members of
26 the Investor Enterprise, both as a direct result of the individual predicate acts committed
27 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

448. 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."

449. Generally, a RICO "conspiracy" is an agreement by two or more people to commit an unlawful act. Put another 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.

1 450. A conspiracy is a kind of criminal partnership -- an agreement of two or
2 more persons to commit one or more crimes. The crime of conspiracy is the agreement
3 to do something unlawful; it does not matter whether the crime agreed upon was
4 committed.

5 451. For a conspiracy to have existed, it is not necessary that the conspirators
6 made a formal agreement or that they agreed on every detail of the conspiracy. It is not
7 enough, however, that the Counter-defendants simply met, discussed matters of common
8 interest, acted in similar ways, or perhaps helped one another. The Counter-claimants
9 must prove that there was a plan to commit at least one of the crimes alleged in the
10 indictment as an object of the conspiracy with all of the Counter-defendants agreeing as
11 to the particular crime which the conspirators agreed to commit.

12 452. One becomes a member of a conspiracy by willfully participating in the
13 unlawful plan with the intent to advance or further some object or purpose of the
14 conspiracy, even though the person does not have full knowledge of all the details of the
15 conspiracy.

16 453. Furthermore, one who willfully joins an existing conspiracy is as
17 responsible for it as the originators.

18 **FIRST CLAIM FOR RELIEF (Money Laundering & Securities Fraud)**

19 **VIOLATION OF FEDERAL RACKETEERING STATUTE (18 U.S.C.**
20 **1962(d))**

21 **(As to Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech,**
22 **Island Luck, DHL, DTG Multislot, Horan, and Jungels)**

23 454. FCGI repeats and re-alleges and incorporates by reference the
24 allegations set forth in paragraphs herein with specificity and particularity as though set
25 forth fully herein.
26
27
28

1 455. Section 1962(d) of the Racketeer Influenced and Corrupt Organizations
2 Act ("RICO"), 18 U.S.C. § 1961 et seq., in its pertinent part states:

3 "It shall be unlawful for any person to conspire to violate any of the
4 provisions of subsection (a), (b), or (c) of this section"

5 456. The below named Counter-Defendants and Third-Party Defendants have
6 conspired to violate 18 U.S.C. §1962(b) which is a violation of 18 U.S.C. § 1962(d) as
7 set forth fully herein.

8 457. The predicate acts alleged above constituted substantial acts of money
9 laundering in violation of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1356,
10 laundering of monetary instruments (money laundering).

11 458. Bastian, Simmons, Linham, Munger, Playtech, Island Luck, DHL, DTG
12 are "persons" within the meaning of 18 U.S.C. § 1961(3).

13 459. Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros,
14 Playtech, Island Luck, DHL, DTL, Multislot, Horan, and Jungels are an "enterprise"
15 within the meaning of 18 U.S.C. § 1961(4) and §1962(a).

16 **-Conspiracy to violate 18 U.S.C. §1962(b)**

17
18 460. Counter-Defendants and Third-Party Defendants have conspired to
19 violate the 18 U.S.C. §1962(b) and in order to succeed on this claim under 18 U.S.C.
20 §1962(d) the Counter-claimants hereby prove each of the following three facts by a
21 preponderance of the evidence and is hereby detailed with specificity and particularity
22 already fully set forth herein:

23 (1) Counter-Defendants and Third-Party Defendants engaged in a pattern
24 of racketeering activity beginning:

- 25 a. On October 1, 2015 when Munger introduced Bastian to the FCGO
26 and Mahon in complete conflict of his NDACA and his fiduciary
27 duties to FCGI

- 1 b. November 11, 2015 the Counter-defendants racketeering activity
2 began with the signed contract to invest \$1 million into FCGI and
3 then canceling the investment under the guise and scheme of tax
4 evasion;
- 5 c. On November 17, 2015 when Bastian directed Multislot to produce
6 the Full Color IP on their RGS to the benefit of the Bastian Casino
7 Gaming Enterprise at no cost to FCGI or its affiliates as part of his
8 scheme to begin to control and influence FCGI;
- 9 d. On November 18, 2015 when SEBAS demanded that FCGI change its
10 entire corporate structure and move its assets and operations to a
11 foreign country that would ultimately facilitate the Bastian's tax
12 evasion scheme;
- 13 e. On December 8, 2015 when Counter-defendants Bastian, Simmons,
14 Playtech, and Island Luck, first attempted to get Mahon to conspire
15 with them to avoid \$120,000 in BIT in order to conceal the purchase
16 of their securities in FCGI and gain rights to the Full Color IP;
- 17 f. On June 7, 2016 when Bastian, Simmons, and Munger seduced,
18 corrupted and conspired with Linham, CFO of FCGI and FCGLTD,
19 to engage in a scheme of creating a fraudulent billing invoice for the
20 sale of computer equipment that none neither FCGI nor FCGLTD
21 owned, would sell nor ship to the Bastian Casino Gaming Enterprise,
22 nor would they receive so the Bastian Casino Gaming Enterprise
23 could submit the fraudulent commercial invoice to the Bank of
24 Bahamas and get the funds fraudulently wire transferred to
25 FCGLTD'S bank account in the IOM, concealing the purchase of
26 BASTIAN'S casino gaming enterprise purchase of 15% of FCGI'S
27 securities interest in FCGLTD and avoiding the \$120,000 in BIT.

- 1 g. On June 7, 2016 when Bastian, Simmons, and Munger, the CTO of
2 FCGI and FCGLTD conspired to aid and abet Linham in taking an
3 Island Luck quote in the amount of \$444,770.01 and assist him in
4 creating the false billing invoice;
- 5 h. On June 7, 2016 when Linham did in fact produce the fraudulent
6 invoice in the amount of \$444,770.00 and did in fact email it back to
7 Simmons and the Bastian Casino Gaming Enterprise;
- 8 i. Bastian and his entire Bastian Casino Gaming Enterprise owed FCGI
9 and FCGLTD the duty to lawfully execute the terms and conditions of
10 the DHL SIA he signed on May 31, 2016 and legally and lawfully
11 transferring the \$1 million dollars of cash into DHL in the Isle of Man
12 through Nedbank and cause DHL in the Ilse of man to simply do an
13 interbank transfer into the bank account of FCGLTD.

14 (2) Counter-defendants acquired or maintained, directly or indirectly, an
15 interest in or control of an enterprise.

16 FCGI re-alleges and incorporates ¶461 and its sub-references herein and
17 indisputably prove that Bastian and his Bastian Casino Gaming
18 Enterprise attempted to wrongfully conspire to acquire the ownership
19 interests of FCGI's ownership interests in FCGLTD;

20 (3) Counter-claimant's enterprise engaged in, or had some effect on,
21 interstate or foreign commerce.

- 22
- 23 a. FCGI re-alleges and incorporates ¶460(1) and (2) and their sub-
24 references herein allege that Bastian and his Bastian Casino Gaming
25 Enterprise attempted to wrongfully conspire to acquire the Counter-
26 claimants' ownership interests of FCGI'S ownership interests in
27 FCGLTD;

IN THE SUPREME COURT OF THE STATE OF NEVADA

BRIAN MARCUS, an individual,
Appellant,

Case No. 79512

vs.

FULL COLOR GAMES, INC., A
NEVADA CORPORATION,
Respondent.

APPEAL

from a decision in favor of Respondent
entered by the Eighth Judicial District Court, Clark County, Nevada
The Honorable Mark R. Denton, District Court Judge
District Court Case No. A-17-759862-B

APPELLANT'S APPENDIX VOLUME IV

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DATE	DESCRIPTION	VOLUME	PAGES
05/01/2019	Affidavit of Service	V	AA0789 – AA0790
08/30/2017	Amended Verified Shareholder Derivative Complaint and Amended Complaint	I	AA0035 – AA0068
02/04/2019	Defendant Full Color Games, Inc.’s Amended Answer, Counterclaims, and Third-Party Complaint	IV	AA0569 – AA0783
02/01/2019	Defendant Full Color Games, Inc.’s Answer, Counterclaims, and Third- Party Complaint	III	AA0359 – AA0568
06/14/2019	Full Color Games, Inc.’s Opposition to Third-Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0926 – AA0936
08/26/2019	Notice of Appeal	VI	AA0965 – AA1062
07/29/2019	Notice of Entry of Order on Third Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0958 – AA0964
07/29/2019	Order on Third-Party Defendant Brian Marcus’ Special Motion to Dismiss	V	AA0954 – AA0957

	Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
11/27/2017	Plaintiffs' Opposition to Defendants' Motion for Summary Judgment on all Derivative Claims Set Forth in the Amended Verified Shareholder Derivative Complaint and Counter-Motion for Leave to File an Amended Complaint	I/II/III	AA0069 – AA0323
12/06/2019	Recorder's Transcript of Hearing Re: Third-Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	VI	AA1063 – AA1074
01/12/2018	Second Amended Verified Shareholder Derivative Complaint and Second Amended Complaint	III	AA0324 – AA0358
02/11/2019	Summons	V	AA0784 – AA0788
06/21/2019	Third Party Defendant Brian Marcus' Reply in Support of Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0937 – AA0953
05/15/2019	Third Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party	V	AA0791 – AA0925

	Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
08/11/2017	Verified Shareholder Derivative Complaint and Complaint	I	AA0001 – AA0034

CERTIFICATE OF SERVICE

I certify that on the 14th day of February 2020, this document was electronically filed with the Nevada Supreme Court. Electronic service of the foregoing: APPELLANT’S OPENING BRIEF and VOLUMES I-V of the JOINT APPENDIX shall be made in accordance with the Master Service List as follows:

Mark A. Hutchison
Todd W. Prall
HUTCHISON & STEFFEN, PLLC
10080 West Alta Drive, Suite 200
Las Vegas, Nevada 89200
Attorneys for Respondent Full Color Games, Inc.

DATED this 14th day of February 2020.

/s/ Brandon Lopipero

An Employee of MAIER GUTIERREZ & ASSOCITES

1 b. The conspired transactions include using the internet to communicate,
2 send copies of the Island Luck quote, the false FCGLTD invoice, the
3 coordination of the scheme, the cancelation of it and the affirmation
4 of it all that consisted between FCGI a USA entity, the Bahamian
5 Bastian Casino Gaming Enterprise and the Isle of Man FCGLTD
6 proving beyond the shadow of any doubt the engagement of interstate
7 and foreign commerce.

8 461. As a collective result, the Counter-Defendants are guilty of violating the
9 federal RICO Acts of 18 U.S.C. §§1961(b) whereby they conspired to:

10 acquire or maintain, directly or indirectly, any interest in or control
11 of any enterprise which is engaged in, or the activities of which
12 affect, interstate or foreign commerce.

13 462. Counter-Defendants and Third-Party Defendants willfully conspired to
14 and did in fact engage in a continuing and concerted course of conduct involving with
15 the purpose and effect of intentionally, whose actions, had they completed would have
16 caused irreparable and incalculable harm to the FCGI knowingly depriving them from
17 being found suitable for licensing before the UKGC and all the other 450+ jurisdictions
18 around the world that the FCGI and its affiliates could seek, and their investors
19 investments relied upon prior to making their investments to FCGI.

20 463. FCGI's business and property interests have suffered and continue to
21 suffer injury as a direct, proximate, and foreseeable result of the Counter-Defendants'
22 and Third-Party Defendants' individual predicate acts as well as the racketeering activity
23 alleged herein. Accordingly, FCGI seeks an award of treble damages from the
24 racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as
25 provided by 18 U.S.C. 1964(d).

26 ////

27 ////

1 **SECOND CLAIM FOR RELIEF (Wells Fargo Money Laundering)**

2 **VIOLATION OF FEDERAL RACKETEERING STATUTE (18 U.S.C.**
3 **1962(b))**

4 **(As to Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech,**
5 **Island Luck, DHL, DTG Multislot, Horan, and Jungels)**

6 464. FCGI repeats and re-alleges and incorporates by reference the
7 allegations set forth in paragraphs herein with specificity and particularity as though set
8 forth fully herein.

9 465. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations
10 Act ("RICO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

11 "It shall be unlawful for any person through a pattern of racketeering
12 activity or through collection of an unlawful debt to acquire or
13 maintain, directly or indirectly, any interest in or control of any
14 enterprise which is engaged in, or the activities of which affect,
15 interstate or foreign commerce."

16 466. The above named Counter-defendants have conspired to violate 18
17 U.S.C. §1962(b) as set forth fully herein.

18 467. The predicate acts alleged above constituted substantial acts of money
19 laundering in violation of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1356,
20 laundering of monetary instruments (money laundering).

21 468. Defendants Bastian, Simmons, Linham, Munger, Playtech, Island Luck,
22 DHL, and DTG are "persons" within the meaning of 18 U.S.C. § 1961(3).

23 469. Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros,
24 Playtech, Island Luck, DHL, DTG, Multislot, Horan, and Jungels are an "enterprise"
25 within the meaning of 18 U.S.C. § 1961(4) and §1962(a).

26 470. At all times relevant to this Counter-Claim and Third-Party Complaint,
27 Counter-Defendants and Third-Party Defendants Bastian, Simmons, Linham, Munger,
28 Playtech, Island Luck, DHL, and DTG were associated with, and participated in the

1 affairs of the Bastian Casino Gaming Enterprise through a pattern of racketeering
2 activity.

3 471. FCGI does business in interstate and foreign commerce.

4 472. FCGI has already alleged Counter-Defendants and Third-Party Plaintiffs
5 have violated the Federal RICO Act of 18 U.S.C. §1962(b) in order to succeed in proving
6 all elements necessary to succeed on this claim under 18 U.S.C. §1962(d). Here, FCGI,
7 further alleges that Counter-Defendants and Third-Party Defendants continued their
8 scheme to engage in wire fraud and money laundering in an ongoing racketeering
9 pattern except this time the conspiracy actually successfully completed their
10 racketeering acts.

11 473. As such, Counter-claimants, in order to succeed on this claim under 18
12 U.S.C. §1962(b) the Counter-claimants re-alleges and incorporates by reference the
13 allegations set forth in paragraphs herein with specificity and particularity as though set
14 forth fully herein and allege as follows:

15 (1) Counter-Defendants and Third-Party Defendants engaged in a
16 “pattern of racketeering activity” whereby:

- 17 a. On June 22, 2016, Counter-defendant, a Bahamian citizen, who
18 self admittedly refuses to do business in the United States for the
19 purpose of avoiding paying United States taxes, surprisingly not
20 only has a United States bank account, but has over \$500,000
21 United States dollars in the account.
- 22 b. On June 22, 2016, Bastian ordered Wells Fargo Bank, N.A.,
23 through a “Wire Transfer Service – Outgoing Wire Transfer
24 Request,” through bank account number 1010173095067, in the
25 account holder’s name of Sebastian Bastian, made a fraudulent
26 wire transfer to the Beneficiary of FCGLTD in the Isle of Man to
27 their Nedbank account 2260060590 for the fraudulently stated
28

1 “Purpose of Funds” as “INVESTMENT FOR DAVINCI
2 TRADING” in the amount of \$500,000 for the purposes of
3 avoiding paying the \$120,000 in BIT taxes and more importantly
4 the concealment of the DHL’S purchase of 15% FCGI’S
5 securities interest in FCGLTD.

- 6 c. It is indisputable that Davinci Trading, already established as
7 DTG, is Bastian’s Grand Cayman Island entity as detailed here
8 above.
- 9 d. DTG has no contact or dealings with FCGLTD.
- 10 e. The statement of the “purpose of funds” by Bastian is fraudulent.
- 11 f. On June 23, 2016, FCGLTD did in fact receive a \$500,000 USD
12 incoming wire transfer from Bastian’s United States Wells Fargo
13 Account.
- 14 g. It is indisputable that Bastian fraudulently used the US Federal
15 Reserve banking system to perpetuate his wire fraud and engaged
16 in money laundering rather than having DHL make a single \$1
17 million wire transfer from DHL’S Isle of Man bank account to
18 FCGLTD’S Isle of Man bank account as contemplated by the
19 agreement between the parties.

- 20 (2) Through the pattern of racketeering activity, Counter-Defendants and
21 Third-Party Defendants acquired or maintained, directly or indirectly,
22 an interest in or control of an enterprise whereby.

23 FCGI re-alleges and incorporates ¶473(1) and its sub-references
24 herein that Bastian and his Bastian Casino Gaming Enterprise
25 attempted to engaged in Claim One and now, repeating to a full
26 fruition in Claim Two, the Counter-Defendants and Third-Party

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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.

474. 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.

475. 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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1 **THIRD CLAIM FOR RELIEF (Bank of Bahamas Money Laundering)**

2 **VIOLATION OF FEDERAL RACKETEERING STATUTE 18 U.S.C.**
3 **1962(b))**

4 **(As to Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech,**
5 **Island Luck, DHL, DTG Multislot, Horan, and Jungels)**

6 476. FCGI repeats and re-alleges and incorporates by reference the
7 allegations set forth in paragraphs herein with specificity and particularity as though set
8 forth fully herein.

9 477. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations
10 Act ("RICO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

11 "It shall be unlawful for any person through a pattern of racketeering
12 activity or through collection of an unlawful debt to acquire or
13 maintain, directly or indirectly, any interest in or control of any
14 enterprise which is engaged in, or the activities of which affect,
15 interstate or foreign commerce."

16 478. The above named Counter-defendants have conspired to violate 18
17 U.S.C. §1962(b) as set forth fully herein.

18 479. The predicate acts alleged above constituted substantial acts of money
19 laundering in violation of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1356,
20 laundering of monetary instruments (money laundering).

21 480. Defendants Bastian, Simmons, Linham, Munger, Playtech, Island Luck,
22 DHL, and DTG are "persons" within the meaning of 18 U.S.C. § 1961(3).

23 481. Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros,
24 Playtech, Island Luck, DHL, DTG, Multislot, Horan, and Jungels are an "enterprise"
25 within the meaning of 18 U.S.C. § 1961(4) and §1962(b).

26 482. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b), re-
27 alleges and incorporates by reference the allegations set forth in paragraphs herein with
28 specificity and particularity as though set forth fully herein, hereby allege each of the

1 following three facts with new and additional specificity and particularity already fully
2 set forth herein:

3 (1) Counter-Defendants and Third-Party Defendants continued to
4 engaged in a continued “pattern of racketeering activity” whereby:

- 5 a. Nearly 9 months after the formation of DHL in the Isle of Man,
6 Bastian still had failed to apparently put his own investment funds
7 into DHL in order to make a direct bank to bank transfer from
8 DHL to FCGLTD in their Nedbank accounts in IOM.
- 9 b. On or about September 20, 2016, Bastian ordered the Bank of
10 Bahamas, through the Shirley Street branch in Nassau, New
11 Providence, Bahamas, to engage in an “External Payment
12 Request” (“EPR”), through bank account number 3310002822, in
13 the Applicant’s name of Sebastian Bastian and made a fraudulent
14 bank wire transfer request to beneficiary of FCGLTD in the Isle
15 of Man to their Nedbank account 2260060590.
- 16 c. On September 22, 2015, the EPR was stamped by BOB as
17 received, whereby the “Signature of the Applicant” line includes
18 one known signature of Bastian, whereby the signatures directed
19 the BOB to make an EPR in the form of a bank wire transfer in
20 the amount of \$500,000 payable to Full Color Games Ltd in the
21 Isle of Man.
- 22 d. The EPR makes clear false declarations to BOB, who is regulated
23 by the Central Bank of Bahamas (“CBB”), in the CBB’S
24 Exchange Control Reporting (“ECR”) section of the EPR as CAT
25 Code 2084 (Commission, Advert. Subscript., Prof Service, Misc.,
26 e.g. visas, pay Bahamians abroad) all of which was indisputably
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1 false and in fact, was truly for the purposes of ECR CAT Code
2 5010 (Share Purchase).

- 3 e. FCGLTD did not charge Bastian or any party in the Bastian
4 Casino Gaming Enterprise any “commission,” did not buy any
5 “advertising subscription, purchase any “professional service”, or
6 any other “miscellaneous items, e.g., visa or pay any Bahamian
7 abroad.”
- 8 f. The false ECR CAT CODE declaration as stated in the BOB EPR
9 is for the purpose for tax evasion of the BIT by Bastian, Simmons,
10 Playtech, and/or Island Luck in order to conceal DHL’S purchase
11 of FCGI’S ownership shares of FCGLTD’S stock and further to
12 avoid reporting it to the Bahamian Government as required by the
13 ECR which in that controls the “Outward Direct Investments” in
14 purchases of securities as further detailed in the Bahamas
15 Exchange Control Reporting Act of 1952.
- 16 g. This purchase of securities is a false statement by Bastian and the
17 second signatory in order to induce BOB to wire the funds as a
18 falsely stated ECR CAT CODE.
- 19 h. On October 3, 2016, Linham confirmed that FCGLTD did in fact
20 receive the \$500,000 into its Nedbank account in Isle of Man
21 validating the act of racketeering of money laundering through
22 fraud by wire violating 18 U.S.C §1962(b) through the two
23 predicate acts of 18 U.S.C.§1956 and §1343.
- 24 i. It is indisputable that Bastian fraudulently used BOB who then
25 used the Central Bank of the Bahamas (“CBOC”) who then used
26 the US Federal Reserve banking system to perpetuate the wire
27 fraud and engaged in money laundering rather than having DHL
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1 make a proper wire transfer from DHL'S Isle of man bank
2 account to FCGLTD'S Isle of Man bank account.

3 j. FCGLTD did not engage in any business with Bastian or the
4 Bastian Casino Gaming enterprise pursuant to their declaration
5 under ECR CAT CODE 2084.

6 k. The statement of the "purpose of funds" by Bastian is fraudulent.

7 l. This BOB EPR in the amount of \$500,000 was for the continued
8 and ongoing pattern of racketeering activities for the purposes of
9 avoiding paying the \$120,000 in BIT taxes and more importantly
10 the concealment of the DHL'S purchase of 15% of FCGI'S
11 securities interest in FCGLTD.

12 (2) Through the pattern of racketeering activity, Counter-Defendants and
13 Third-Party Plaintiffs acquired or maintained, directly or indirectly,
14 an interest in or control of an enterprise whereby.

15 The Counter-claimants re-alleges and incorporates ¶482(1) and its
16 sub-references herein and indisputably prove that Bastian and his
17 Bastian Casino Gaming Enterprise attempted to engaged in Claim
18 One, Claim Two now, repeating to a full fruition in Claim Three, the
19 Counter-Defendants and Third-Party Defendants have indeed
20 continued to wrongfully acquire more of the FCGI'S ownership
21 interests in FCGLTD;

22 (3) FCGI's enterprise engaged in, or had some effect on, interstate or
23 foreign commerce:

24 a. The Counter-claimants re-alleges and incorporates ¶482(1) and
25 (2) and their sub-references herein and indisputably prove that
26 Bastian and his Bastian Casino Gaming Enterprise attempted to
27 engage in Claim One, Claim Two and now, repeating to a full
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1 fruition in Claim Three, the Counter-defendants have indeed
2 continued to wrongfully acquire the Counter-claimants ownership
3 interests of FCGI'S ownership interests in FCGLTD;
4 b. Bastian's Bank of Bahamas Outgoing Wire Transaction includes
5 using the internet and telecommunications systems in order to
6 complete the fraudulent wire transfer, further to communicate
7 with others, to send copies of the wire transfer details, to
8 coordinate the scheme, consisted between the Bahamian bank of
9 BOB, the USA Federal Reserved banking system to facilitate the
10 wire, FCGI a USA entity, the Bahamian BASTIAN casino
11 gaming enterprises and the Isle of Man FCGLTD demonstrating
12 the engagement of interstate and foreign commerce.

13 483. As a result, FCGO has alleged with specificity and particularity that the
14 Counter-Defendants and Third-Party Defendants are guilty of 18 U.S.C. §1962(b) herein
15 this Third Claim.

16 484. FCGI's business and property interests have suffered and continue to
17 suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's
18 individual predicate acts as well as the racketeering activity alleged herein. Accordingly,
19 FCGI seeks an award of treble damages from the racketeering activity, costs of this
20 litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

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(Counter-defendants Bastian, Simmons, Munger, Linham, Playtech, Island Luck, DTG, DHL, Horan, Jungels, Multislot, M&A, Valcros)

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- 1 a. On January 31, 2017, as fully detailed in ¶235 Multislot, engaged
2 in extortion when they attempted to wrongfully extort the FCGI
3 and its affiliates out of their HTML5 property rights to the Full
4 Color IP and prevent them from globally releasing FCG21
5 through Videoslots et al. as expected if the FCGI and its affiliates
6 did not comply with Multislot demands, ultimately depriving the
7 FCGI and its affiliates of all income.
- 8 b. By contract, Multislot attempted to acquire or maintain, directly
9 and indirectly, an interest in and control of the Full Color IP,
10 specifically FC21 which is the property of Mahon and licensed to
11 FCGI and its affiliates, all of whom have their own beneficial
12 property rights in the Full Color IP.
- 13 c. The Full Color IP could not be released on its own without the
14 GBB or UKGC license of Multislot while on their RGS that they
15 controlled and in so doing, controlled the FCGI and its affiliates.
- 16 d. The FCGI and its affiliates and their property rights in the Full
17 Color IP, which is engaged in, or the activities of which affect,
18 interstate or foreign commerce would generate revenue that
19 Multislot controlled through their contracts with Videoslots.com,
20 BetConstruct, EveryMatrix, et al., who would then charge a fee
21 for their control and pay the FCGI and its affiliates. Multislot was,
22 therefore,, in every step of the commerce, in control and
23 attempted to wrongfully extort FCGI and its affiliates out of their
24 free rights to give certain revenue streams property rights of the
25 Full Color IP commerce, specifically, the HTML5 rights to the
26 Tier 1 operators, which constitute approximately 80% of all future
27 revenues in which Multislot had no rightful claim to.
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1 (2) Through the pattern of racketeering activity, Counter-defendants and
2 Third-Party Defendants acquired or maintained, directly or indirectly,
3 an interest in or control of an enterprise whereby.

4 a. The Counter-claimants re-alleges and incorporates ¶489(1) and its
5 sub-references herein and indisputably prove that Multislot not
6 only threatened to pull the release of the Full Color IP to
7 Videoslots, BetConstruct, EveryMatrix et al. as a result of failing
8 to comply with the Multislots' demands, but they repeated it by
9 failing to release it on BetConstruct, EveryMatrix et al. and even
10 failed to ever release it on Bastian's IslandLuck.com despite
11 saying they would.

12 b. Despite the fact that FCGI and its affiliates had paid to have the
13 games fully certified for release through BMM and translated into
14 24 languages, over \$110,000, and 15 months of direct
15 development time invested into the build and release, Multislot
16 deliberately never released the product at all, proving that their
17 pattern is going on indefinitely by wrongfully owning and
18 controlling the interests and property rights of FCGI and its
19 affiliates and their lawful enterprises.

20 (3) FCGI's enterprise engaged in, or had some effect on, interstate or
21 foreign commerce:

22 FCGI re-alleges and incorporates ¶489(1) and (2) and their sub-
23 references herein and indisputably prove that the failure to globally
24 release the Full Color IP of FC21 on Videoslots.com, BetConstruct,
25 EveryMatrix, IslandLuck.com or anywhere, ever, even to this day, is
26 proof on its face that the Counter-defendants have interfered with
27 interstate and foreign commerce.
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1 490. FCGI further alleges that Multislot violated 18 U.S.C. §1951 through
2 interference with commerce by threats or violence or better known as the “Hobbs Act
3 extortion by the wrongful use of actual or threatened force, violence, or fear.”

4 491. More, specifically, Multislot wrongfully demanded that Counter-
5 claimants give up all HTML5 property rights they had already assigned to another party.

6 492. Multislot demanded that Counter-claimants in control of the Full Color
7 IP give up the HTML5 Tier 1 rights or they would pull the product releases to all other
8 operators which would cause great economic harm to the Counter-claimants if they
9 refused to do so.

10 493. Multislot not only wrongfully obstructed the release of the Counter-
11 claimants Full Color IP that they spent approximately \$110,000 in corporate funds, over
12 15 months of time developing in good faith, but they permanently delayed the release of
13 all Full Color IP not just through the Island Luck platform, but to all other interstate and
14 foreign commerce through Videoslots, Betconstruct, EveryMatrix and Pinnacle after
15 getting the games fully certified and translated for global release because FCGI and its
16 affiliates would not give in to the extortion demands. Multislot knew that the FCGI and
17 its affiliates would fail to reach revenue as a result, would run out of money and go out
18 of business within months and as a result believed that FCGI and its affiliates would
19 succumb to their wrongful demands as the only alternative to save themselves. FCGI
20 and its affiliates did not give into the wrongful demands and subsequently did in fact go
21 out of business and experience a total loss of all of its investments that exceeded \$3
22 million cash and nearly 10 years of business development as a result.

23 494. Multislot’s actions and threats were wrongful because Multislot had no
24 lawful claim to the property. Multislot had no lawful claim to the property rights of the
25 HTML5 rights in either oral or written contract. In fact Multislot turned down the
26 opportunity when it had it in July, 2016 and knew that others, specifically Spin, had the
27 HTML5 rights to the Tier 1 product. Multislot retained all other distributors and
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1 operators that only wanted FLASH developed Full Color IP product and those that were
2 already integrated into the MULTISLOT RGS. Only Mahon and his licensees owned all
3 all rights to its revenue streams from the Full Color IP pursuant to their respective
4 licensing agreements with Mahon.

5 495. As a result, FCGI alleges with specificity and particularity, alleged the
6 Counter-claimants are guilty of violations of 18 U.S.C. §1962(b) herein this Fourth
7 Claim.

8 496. FCGI's business and property interests have suffered and continue to
9 suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's
10 individual predicate acts as well as the racketeering activity alleged herein. Accordingly,
11 FCGI seeks an award of treble damages from the racketeering activity, costs of this
12 litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

13 **FIFTH CLAIM FOR RELIEF (Munger, Bastian,**
14 **Brock Sr., Brock Jr., Eckles & Solso. Extortion)**

15 **VIOLATION OF FEDERAL RACKETEERING STATUTE**
16 **18 U.S.C. 1962(b))**

17 **(All Counter-Defendants and Third-Party Defendants)**

18 497. FCGI repeats and re-alleges and incorporates by reference the
19 allegations set forth in paragraphs herein with specificity and particularity as though set
20 forth fully herein.

21 498. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations
22 Act ("RICO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

23 "It shall be unlawful for any person through a pattern of racketeering
24 activity or through collection of an unlawful debt to acquire or
25 maintain, directly or indirectly, any interest in or control of any
26 enterprise which is engaged in, or the activities of which affect,
27 interstate or foreign commerce."
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1 499. The above named Counter-Defendants and Third-Party Defendants have
2 conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

3 500. The predicate acts alleged above constituted substantial acts of extortion
4 in violation of the Hobbs Act in violations of 18 U.S.C. § 1346, frauds by wire; 18
5 U.S.C. § 1951, interference with commerce by threats or violence; 18 U.S.C. § 1832,
6 theft of trade secrets; 18 U.S.C. § 1589, forced labor.

7 501. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b), re-
8 alleges and incorporates by reference the allegations set forth in paragraphs herein with
9 specificity and particularity as though set forth fully herein with new and additional
10 specificity and particularity already fully set forth herein:

11 (1) Counter-defendants and Third-Party Defendants continued to engaged
12 in a continued “pattern of racketeering activity” whereby:

- 13 a. Beginning on or about April 19, 2017, in here above, Counter-
14 Defendants and Third-Party Defendants, and each of them,
15 engaged in frauds by wire, attempted extortion with the
16 wrongful taking of FCGI’s and its affiliates property rights
17 and interests in the IPR and Full Color IP in order to acquire
18 and maintain an interest in it in order to wrongfully profit off
19 of it through interstate and foreign commerce as detailed in
20 their racketeering activities in written documents “**FCG**
21 **plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v**
22 **2.pdf**” and furthered by verbal assertion and reaffirmation of
23 it by Brock Jr. and then furthered by the Investor Enterprise
24 by the promise of Munger to engage in the theft of Mahon’s
25 trade secrets furthered by the Investor Enterprise in order for
26 the Counter-Defendants and Third-Party Defendants to
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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 ¶501(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 ¶501(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

1 plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf and it
2 would affect and or deprive the FCGI and its affiliates of their rights
3 of income through interstate and foreign commerce proof on its face
4 that the Counter-defendants have interfered with interstate and
5 foreign commerce and equally as damaging designed to ensure that
6 their racketeering activities *“will cost him [MAHON] years of*
7 *revenue and ... cost him his career”*.

8 502. FCGI further alleges that Multislot violated 18 U.S.C. §1951 through
9 interference with commerce by threats or violence or better known as the “Hobbs Act
10 extortion by the wrongful use of actual or threatened force, violence, or fear.”

11 503. The Counter-Defendants and Third-Party Defendants as explicitly
12 demanded in their "non-negotiable" demands **FCG plan.docx, FCG plan v1.2.docx,**
13 **Principles_2017 04 26 v 2.pdf** have wrongfully demanded that Mahon give up his
14 property rights and further FCGI’s and its affiliates’ rights to revenues and their licenses
15 related thereto that the Counter-Defendants and Third-Party Defendants did not have any
16 lawful rights to beyond their already explicitly agreed to terms and conditions of their
17 stock ownership rights in any of the named entities but sought to obtain 100% ownership
18 Mahon’s IPR and Mahon’s (majority in interest) stock ownership in FCGI , his 100%
19 voting control in FCGI not only without paying for it but under the threat of extortion if
20 they did not give into the Counter-Defendants’ and Third-Party Defendants’ demands
21 and were threatened with the damage that would ensure in a tortuous lawsuit that would
22 follow if they did not comply with their demands.

23 504. The Counter-claimants re-alleges all paragraphs herein as indisputable
24 proof that the Counter-defendants, through their explicitly detailed plans in **FCG**
25 **plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf**, their threats to cause
26 Mahon harm was designed to and did obstruct, delay and affect interstate and foreign
27 commerce in quantifiable means that caused the FCGI’s business entities to have casino
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1 gaming license applications refused, licenses to be terminated, products fail to launch
2 and businesses to fail in their entirety causing the loss of millions of dollars of real
3 money by the FCGI and its affiliates.

4 505. The Counter-defendants' and Third-Party Defendants' actions of threats
5 were wrongful. The Counter-Defendants and Third-Party Defendants had no lawful
6 claim to the property rights to the demands that they explicitly made in **FCG plan.docx**,
7 **FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf**. Only MAHON owned all Full
8 Color IP property and had owned all this property for years upon years as further
9 evidenced in licensing contracts, on public record, in product manufactured, published
10 and distributed in over 160 countries in over 13 languages and through public recordings
11 of perfected securities interests in UCC-1 filings with the Nevada Secretary of State and
12 all rights to its revenue streams were the property of the FCGI and its affiliates, pursuant
13 to their respective Licensing agreements with Mahon as the master licensor . The
14 Counter-defendants' and Third-Party Defendants' actions therefor had no lawful claim to
15 Mahan's property much more to FCGI's licensing and stock ownership rights to the
16 property rights afforded to them in the relevant licensing agreements.

17 506. As a result, FCGI alleges, with specificity and particularity, that the
18 Counter-Defendants and Third-Party Defendants are guilty of 18 U.S.C. §1962(b) herein
19 this Fifth Claim.

20 507. FCGI's business and property interests have suffered and continue to
21 suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's
22 individual predicate acts as well as the racketeering activity alleged herein. Accordingly,
23 FCGI seeks an award of treble damages from the racketeering activity, costs of this
24 litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

1 **SIXTH CLAIM FOR RELIEF (Newman Securities Extortion)**
2 **VIOLATION OF FEDERAL RACKETEERING STATUTE 18 U.S.C.**
3 **1962(b))**

4 **(Counter-defendants Newman, Newman Law, CBL and H2)**

5 508. FCGI repeats and re-alleges and incorporates by reference the
6 allegations set forth in paragraphs herein with specificity and particularity as though set
7 forth fully herein.

8 509. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations
9 Act ("RICO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

10 "It shall be unlawful for any person through a pattern of racketeering
11 activity or through collection of an unlawful debt to acquire or
12 maintain, directly or indirectly, any interest in or control of any
13 enterprise which is engaged in, or the activities of which affect,
 interstate or foreign commerce."

14 510. The above named Counter-Defendants and Third-Party Defendants have
15 conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

16 511. The predicate acts alleged above constituted substantial acts of extortion
17 in violation of the Hobbs Act and through fraud in violations of 18 U.S.C. § 1346, frauds
18 by wire; 18 U.S.C. § 1951, interference with commerce by threats or violence; 18 U.S.C.
19 § 1341, frauds and swindles.

20 512. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b), re-
21 alleges and incorporates by reference the allegations set forth in paragraphs herein with
22 specificity and particularity as though set forth fully herein, hereby allege following
23 three elements with new and additional specificity and particularity already fully set
24 forth herein:

25 (1) Third-Party Defendants continued to engaged in a continued "pattern
26 of racketeering activity" whereby:

1 a. Beginning on or about March 17, 2010, the Third-Party
2 Defendants and each of them engaged in frauds by swindle, frauds
3 by wire and attempted extortion with the wrongful taking of
4 Mahon's property in the IPR that H2 and Newman were hired to
5 protect and used the AGRI as the means and methods for
6 Newman to obtain FCGI and, purportedly, FCG LTD corporate
7 stock interests. Had Newman truly done the work, he would have
8 been entitled to the shares, but instead he engaged in a patent
9 Ponzi scheme that allowed him to get shareholder rights in FCGI
10 and its affiliates. When his failures were discovered and the
11 Newman Group was terminated, the Newman Group made
12 unlawful and wrongful threats in order to wrongfully exert control
13 over FCGI and its affiliates and wrongfully profit therefrom
14 through interstate and foreign commerce as detailed in the
15 Newman Group's extortionate demands for money on the threat
16 of lying and/or destroying FCGI's and its affiliates' IPR and
17 profits derived therefrom. The extortionate threats include the
18 following communications by Newman as set forth below:

- 19 (1) On August 27, 2016 at 4:04pm PST, in a document entitled
20 **"Settlement Agreement.pdf"**;
21 (2) On November 17, 2016 at 5:50pm PST after Newman's phone
22 call with Linham and Howard memorialized in the emailed
23 document entitled
24 **"2016 11 17 Rich Newman Settlement Proposal.docx"**;
25 (3) On February 21, 2017, Newman emailed document titled
26 **"Mutual Termination and Release-2-21-2017.docx"**;
27
28

1 (4) On March 8, 2017 at 1:41am PST, in an email from Newman
2 to Mahon changing his terms back to a new demand of \$50K
3 to \$75K.

4 b. The Newman Group, with its extortionate demands, held FCGI
5 and its affiliates property rights and corporate stock ransom in
6 order to prevent the FCGI and its affiliates from being able to
7 obtain a UKGC casino gaming license and prevent them from
8 obtaining revenue streams through interstate and foreign
9 commerce.

10 (2) Through the pattern of racketeering activity, Third-Party Defendants
11 acquired or maintained, directly or indirectly, an interest in or control
12 of an enterprise whereby.

13 FCGI re-alleges and incorporates ¶512(1) and its sub-references
14 herein allege Third-Party Defendants have wrongfully engaged in
15 racketeering activity to acquire and maintain, both directly and
16 indirectly an interest in and control of the FCGI and its affiliates and
17 its property rights and they would not return the fraudulently obtained
18 stock until FCGI paid them a ransom in order to deprive the FCGI
19 and its affiliates the right to obtain a UKGC casino gaming license,
20 release the Full Color IP and obtain revenue in interstate and foreign
21 commerce.

22 (3) FCGI's enterprise engaged in, or had some effect on, interstate or
23 foreign commerce:

24 FCGI re-alleges and incorporates ¶512(1) and (2) and their sub-
25 references herein and alleges that their plans were well known and
26 admitted to in advance as explicitly detailed Newman's repetitive
27 pattern of ever changing extortion demands as witnessed in his
28

1 emails, settlement proposals seeking to interfere with and/or destroy
2 FCGI's and its affiliates rights of income through interstate and
3 foreign commerce.

4 513. Third-Party Defendants have a violated of 18 U.S.C. §1951 through
5 interference with commerce by threats or violence or better known as the "Hobbs Act
6 extortion by the wrongful use of actual or threatened force, violence, or fear."

7 514. Third-Party Defendants, as explicitly demanded in their "non-
8 negotiable" demands in the emails and wires communications explicitly detailed in the
9 "Settlement Agreement.pdf", "2016_11_17_Rich_Newman_Settlement_Proposal.docx",
10 and "Mutual Termination and Release-2-21-2017.docx" have wrongfully demanded that
11 FCGI and its affiliates give up their property rights as defined in the related licenses to
12 the IPR and the shares that Newman Group wrongfully obtained and was holding
13 hostage that Third-Party Defendants did not have any lawful right to as he knowingly
14 obtained the shares by fraud and/or failed to meet the conditions for stock ownership,
15 and sought to wrongfully assert influence over FCGI and its affiliates by making
16 extortionate threats against the IPR and FCGI's business if they did not comply with
17 their demands.

18 515. FCGI re-alleges all paragraphs that the Third-Party Defendants not only
19 intended to inflict fear and cause economic harm in perpetuity, but intended to cause the
20 fear of the loss of the protection of his inventions due to Newman Group's fraud and
21 they inflicted economic damages on Mahon and FCGI and its other affiliates, which
22 inhibited FCGI and its affiliates from obtaining the UKGC license and wrongfully
23 deprives Mahon and FCGI of revenue streams.

24 516. FCGI re-alleges all paragraphs herein that the Counter-Defendants, their
25 threats, coercion and attempted extortion did in fact obstruct, delay and affect interstate
26 and foreign commerce in quantifiable means that caused the Counter-claimants business
27 entities to have casino gaming license applications refused, licenses to be terminated,
28

1 products fail to launch and businesses to fail in their entirety causing the loss of millions
2 of dollars of real money by the Counter-claimants entities individually and as investing
3 shareholders.

4 517. Third-Party Defendants' actions of threats were wrongful because Third-
5 Party Defendants have no lawful claim to the property rights to the demands because
6 Newman fraudulently obtained the money and shares from the Counter-claimants and as
7 such had no legal right to the shares. It is indisputable that only the Mahon invented all
8 Full Color IP property and had owned all this property for years upon years before even
9 meeting Newman as further evidenced in the original copyright, trademark and patent
10 filings by Mahon that are all on public record. The Counter-defendants' actions therefor
11 had no lawful claim to FCGI's property much more to Third-Party Defendants licensing
12 income and stock ownership rights to the property rights afforded to them in the relevant
13 licensing agreements.

14 518. FCGI's business and property interests have suffered and continue to
15 suffer injury as a direct, proximate, and foreseeable result of Third-Party Defendants
16 individual predicate acts as well as the racketeering activity alleged herein. Accordingly,
17 FCGI seeks an award of treble damages from the racketeering activity, costs of this
18 litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

19 **NEVADA RACKETEERING CLAIMS**

20 **(VIOLATIONS OF NEVADA RACKETEERING STATUTE)**
21 **(N.R.S. § 207.400, et seq.)**

22 **Allegations Common to Seventh, Eighth, Ninth, Tenth, Eleventh and Twelfth**
23 **Causes of Action**

24
25 519. Racketeering in Nevada pursuant to N.R.S. § 207.400 is defined as
26 quoted in pertinent part below:

27 *////*

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):

520. "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

521. 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.

522. 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

523. 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.

524. 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.

525. 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);

1 **(6) Taking Property from Another under Circumstances Not Amounting to**
2 **Robbery, including Theft and Larceny**

3 526. The Omnibus Theft Crime statute, N.R.S. § 205.0832 et. seq., which
4 states in part:

5 a person commits theft if, without lawful authority, he knowingly

- 6 (a) Controls any property of another person with the intent to deprive
7 that person of the property.
8 (b) Converts, makes an unauthorized transfer of an interest in, or
9 without authorization controls any property of another person, or
10 uses the services or property of another person entrusted to him or
11 placed in his possession for a limited use.
12 (c) Obtains real, personal or intangible property or the services of
13 another person by a material misrepresentation with intent to deprive
14 that person of the property or services.

12 **(7) Extortion**

13 527. The Nevada's extortion statute, N.R.S. § 205.320, which states in
14 pertinent part:

15 A person who, with the intent to extort or gain any money or other
16 property ... , or to do or abet ... any illegal or wrongful act, whether
17 or not the purpose is accomplished, threatens directly or indirectly
18 ...to injure a person or property ...is guilty of a category B felony ...

19 **(8) Obtaining Possession of Money or Property by Means of False Pretenses**

20 528. The Nevada N.R.S. § 205.380, which states in part:

21 A person who knowingly and designedly by any false pretense
22 obtains from any other person any chose in action, money, goods,
23 wares, chattels, effects or other valuable thing ...with the intent to
24 cheat or defraud the other person, is a cheat, and, unless otherwise
25 prescribed by law, shall be punished ...

25 **(9) Grand Larceny**

26 529. The Nevada's grand larceny statute, N.R.S. § 205.220, which states the:
27 following in pertinent part:

1 Except as otherwise provided in NRS 205.226 and 205.228, a person
2 commits grand larceny if the person:

3 1. Intentionally steals, takes and carries away, leads away or drives
4 away:

5 (a) Personal goods or property, with a value of \$650 or more, owned
6 by another person;

7 (c) Real property, with a value of \$650 or more, that the person has
8 converted into personal property by severing it from real
9 property owned by another person.

10 **(10) Embezzlement**

11 530. The Nevada's embezzlement statute, N.R.S. § 205.300, which states the:
12 following in pertinent part:

13 Any bailee of any money, goods or property, who converts it to his
14 or her own use, with the intent to steal it or to defraud the owner or
15 owners thereof and any agent, manager or clerk of any person,
16 corporation, association or partnership, or any person with whom
17 any money, property or effects have been deposited or entrusted,
18 who uses or appropriates the money, property or effects or any part
19 thereof in any manner or for any other purpose than that for which
20 they were deposited or entrusted, is guilty of embezzlement...

21 **(11) State Securities Fraud**

22 531. The foregoing acts of state securities fraud constitute a violation of
23 N.R.S. § 90.570 and thereby constitute a predicate act under Nevada RICO Statute,
24 N.R.S. § 207.360(32), which states in pertinent part:

25 In connection with the offer to sell, sale, offer to purchase or
26 purchase of a security, a person shall not, directly or indirectly:

27 1. Employ any device, scheme or artifice to defraud;

28 3. Engage in an act, practice or course of business which operates
or would operate as a fraud or deceit upon a person.

1 **(12) Statement made in declaration under penalty of perjury.**

2 532. The foregoing acts of perjury constitute a violation of N.R.S. § 199.145
3 and thereby constitute a predicate act under Nevada RICO Statute, N.R.S. § 207.360(19)
4 which states in pertinent part: “Makes a willful and false statement in a matter material
5 to the issue or point in question.”

6 **(13) Involuntary servitude; penalties.**

7 533. The Nevada's embezzlement statute, N.R.S. § 200.463, which states the:
8 following in pertinent part:

- 9 (1) A person who knowingly subjects, or attempts to subject, another
10 person to forced labor or services by
11 (a) Causing or threatening to cause physical harm to any person;
12 (b) Physically restraining or threatening to physically restrain any
13 person;
14 (c) Abusing or threatening to abuse the law or legal process;
15 (d) Knowingly destroying, concealing, removing, confiscating or
16 possessing any actual or purported passport or other immigration
17 document, or any other actual or purported government identification
18 document, of the person;
19 (e) Extortion; or
20 (f) Causing or threatening to cause financial harm to any person,

17 **(14) Multiple transactions involving fraud or deceit in course of**
18 **enterprise or occupation; penalty.**

19 534. The Nevada's fraud statute, N.R.S. § 200.377, which states the:
20 following in pertinent part:

- 21 (1) A person shall not, in the course of an enterprise or occupation,
22 knowingly and with the intent to defraud, engage in an act, practice
23 or course of business or employ a device, scheme or artifice which
24 operates or would operate as a fraud or deceit upon a person by
25 means of a false representation or omission of a material fact that:
26 (a) The person knows to be false or omitted;
27 (b) The person intends another to rely on; and
28 (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.

- 1 (3) A person who violates subsection 1 is guilty of a category B felony
2 and shall be punished by imprisonment in the state prison for a
3 minimum term of not less than 1 year and a maximum term of not
4 more than 20 years, and may be further punished by a fine of not
5 more than \$10,000.
6 (4) In addition to any other penalty, the court shall order a person who
7 violates subsection 1 to pay restitution.
8 (5) A violation of this section constitutes a deceptive trade practice for
9 the purposes of NRS 598.0903 to 598.0999, inclusive.
10 (6) As used in this section, "enterprise" has the meaning ascribed to it in
11 NRS 207.380.

12 (15) **Theft of trade secrets prohibited; criminal penalties**

13 535. The Nevada's fraud statute, N.R.S. § 600A.035, which states the:
14 following in pertinent part:

15 A person who, with intent to injure an owner of a trade secret or with
16 reason to believe that his or her actions will injure an owner of a trade
17 secret, without limitation:

- 18 (1) Steals, misappropriates, takes or conceals a trade secret or obtains a
19 trade secret through fraud, artifice or deception;
20 (2) Wrongfully copies, duplicates, sketches, draws, photographs, alters,
21 destroys, photocopies, replicates, transmits, delivers, sends, mails,
22 communicates or conveys a trade secret;
23 (3) Receives, buys or possesses a trade secret with knowledge or reason
24 to know that the trade secret was obtained as described in subsection
25 1 or 2;
26 (4) Attempts to commit an offense described in subsection 1, 2 or 3;
27 (5) Solicits another person to commit an offense described in subsection
28 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 Injury

536. 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.

1 **SEVENTH CLAIM FOR RELIEF (Spin Racketeering Fraud)**
2 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
3 **207.400(1)(c))**

4 **(As to Counter-defendants Young, Mishra & Spin)**

5 537. FGGI repeats and re-alleges and incorporates by reference the
6 allegations set forth in paragraphs herein with specificity and particularity as though set
7 forth fully herein.

8 538. Starting in May 2016 and continuing through May, 2017, Spin through
9 their actions and in their conduct engaged in by the Third-Party Defendants Young and
10 Mishra and Spin have conspired to violate N.R.S. § 207.400(1)(b) as set forth in
11 pertinent part herein: “Through racketeering activity to acquire or maintain, directly or
12 indirectly, any interest in or control of any enterprise.”

13 539. The predicate acts alleged above constituted substantial acts of fraud,
14 misrepresentation, concealment and embezzlement of funds that include:

- 15 (1) N.R.S. § 205.380 - Taking property from another under
16 circumstances not amounting to robbery, including theft and larceny
17 specifically, “Obtaining possession of money or property by means
18 of false pretenses”
19 (2) N.R.S. § 205.300 - Embezzlement
20 (3) N.R.S. § 205.377 - Multiple transactions involving fraud or deceit in
21 course of enterprise or occupation ;

22 540. Beginning on October 10, 2016, the Third-Party Defendants sent the
23 FCGI and its affiliates a **Proposal v1.4.**

24 541. Spin lived up to their name and spun a web of lies and defrauded the
25 FCGI and its affiliates in the actual amount of \$74,000 in cash paid to the Spin with the
26 promise to develop the Full Color IP on their ROC RGS for distribution to real money
27 and virtual money gaming operators worldwide that was allegedly integrated into NYX,
28 GVC and NEKTAN (amongst many others) and ready for real money release upon the
completion of the software development of FC21.

1 542. Spin represented to FCGI and its affiliates to believe that their RGS was
2 integrated into a total of 15 global distribution interactive gaming systems (IGS) that
3 would allow FCGLTD to immediately monetize thru hundreds of real and virtual money
4 casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

5 543. Spin represented to the FCGI and its affiliates that it would complete all
6 24 language translations that were fully disclosed to them in person on October 10, 2016
7 as part of the price for the **Proposal v1.4**

8 544. Each of these representations made by Spin were false.

9 545. Spine either knew that each of these representations were false or made
10 the representations with reckless disregard for the truth or falsity of the representations.

11 546. Spine made each of the misrepresentations with the intent to induce
12 FCGI and its affiliates to act in reliance of the misrepresentations.

13 547. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set
14 forth herein.

15 548. FCGI and its affiliates incurred damages as a result of relying upon
16 Spin's misrepresentations.

17 549. Between October 2016 and April of 2017, MAHON caused SPIN to be
18 paid \$54,000, \$10,000 and a third time, \$10,000 for a total of \$74,000 based on the
19 misrepresentations of Spin.

20 550. As such, FCGI alleges that Spin, Young, and Mishra in their
21 racketeering activity and the schemes they employed are in violation of N.R.S. §
22 205.377 by engaging in multiple transactions involving fraud or deceit in course of
23 enterprise.

24 551. Third-Party Defendants Young, Mishra, and Spin have conspired to
25 violate N.R.S. § 207.400(1)(c) as set forth fully herein.

1 552. Third-Party Defendants Young and Mishra are employed by Spin have
2 each engaged in racketeering activity for the benefit of their income and revenue sharing
3 interests and controlled the affairs of their enterprise.

4 553. Third-Party Defendants Young, Mishra, and Spin have conspired to
5 violate N.R.S. § 207.400(1)(d) as set forth fully herein.

6 554. Third-Party Defendants Young and Mishra are employed by Spin and
7 have each intentionally organized, managed, directed, supervised each other and other
8 members of their enterprise to engage in racketeering activity for the benefit of their
9 income and revenue sharing interests and controlled the affairs of their enterprise.

10 555. In violation of N.R.S. § 205.0832(c), Young, Mishra, and Spin have
11 obtained money or property from FCGI and its affiliates by making material
12 misrepresentations concerning Spin's services as more fully alleged herein.

13 556. Third-Party Defendants Young, Mishra, and Spin have engaged multiple
14 acts in acts in violation of NRS § 205.380 obtaining money or property by false
15 pretenses, which is a predicate act under the Nevada RICO Statute, N.R.S. §207.360(9).

16 557. FCGI's business and property interests have suffered and continue to
17 suffer injury as a direct, proximate, and foreseeable result of individual predicate acts
18 and racketeering activity conducted through the affairs of the Spin. Accordingly, the
19 FCGI seeks treble damages in such amount as may be determined at trial, recovery of
20 the costs of this litigation, and an award of reasonable attorneys' fees as provided under
21 N.R.S. § 207.470.

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1 **EIGHTH CLAIM FOR RELIEF (Intentional Recruitment of Racketeering)**

2 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
3 **207.400(d))**

4 **(As to Counter-defendants Munger, Linham, Brock Sr., Brock Jr., Solso, Eckles,**
5 **Bastian, Playtech, DTG, DHL, Island Luck, Multislot, L Moore, T Moore,**
6 **Castaldo, Brazer, Spin, Young, Mishra, DHWT, Millennium Trust, Moore Trust**
7 **and the Brazer Trust)**

8 558. FCGI are re-alleges and incorporates by reference the allegations set
9 forth in paragraphs herein with specificity and particularity as though set forth fully
10 herein.

11 559. Starting around October 2015 and continuing through to this date in
12 time, with specificity and particularity herein, Counter-defendants through their actions
13 and in their conduct engaged to violate N.R.S. § 207.400(d) in pertinent part:

14 “Intentionally to organize, manage, direct, supervise or finance a criminal syndicate.”

15 560. The predicate acts alleged above constituted substantial and intentional
16 acts of fraud, theft, misrepresentation, extortion and indentured servitude to coerce
17 Mahon, FCGI, and its affiliates in order to force Mahon to relinquish his corporate
18 positions and power as CEO and Director, surrender his majority in interest stockholder,
19 surrender all of his stock ownership in all of his entities, engage in the wrongful taking
20 of the Counter-claimants’ property, theft of the Full Color IP trade secrets for their
21 benefit in order to ensure the racketeering enterprise can profit off of their wrongful
22 taking of Mahon’s property and their unlawful activity in perpetuity as follows:

- 23 (1) N.R.S. § 205.380 – Taking property from another under
24 circumstances not amounting to robbery, including theft and larceny
25 specifically, “Obtaining possession of money or property by means
26 of false pretenses”
27 (2) N.R.S. § 205.320 – Extortion
28 (3) N.R.S. § 600A.035 – Theft of Trade Secrets
(4) N.R.S. § 205.463 – Indentured Servitude;

1 561. Beginning on June 7, 2016 until this filing date, Bastian and Simmons
2 organized, managed, directed, supervised and financed Playtech, Island Luck, DHL,
3 DTG and Multislot that recruited Munger and Linham who further organized, managed,
4 directed and recruited Spin, Mishra, Young, Brock Sr., Brock Jr., Solso, and Eckles,
5 who then organized, managed, directed and supervised L Moore and T Moore who then
6 organized, managed, directed, supervised, recruited and financed Castaldo, Brazer (and
7 all of their relevant entities in DHWT, Millennium Trust, Moore Trust and the Brazer
8 Trust) to become a criminal syndicate in order to violate N.R.S. § 207.400(1)(d). Each
9 of them then continued to individually and collectively attempt to recruit, cross-recruit,
10 harass, stalk, badger, intimidate and coerce over 40 other FCGI investors through
11 hundreds of phone calls, emails, text messages and communications over a period of one
12 year between April of 2017 and 2018 creating an incalculable number of violations of
13 this statute upon which only a full discovery process and criminal indictments will ever
14 truly reveal the true magnitude of.

15 562. Each person, entity and or party of the Counter-defendants and Third-
16 Party Defendants acted on their own free will, knowingly and intentionally to organize,
17 meet, manage, direct, concoct, conspire, collude and scheme together to find a way to
18 extort and wrongfully remove Mahon from power as the Director and CEO of FCGI and
19 take over his majority in interest stock ownership FCGI and other affiliated entities, steal
20 his trade secrets and force him into indentured servitude and forced labor in perpetuity in
21 order to carry out their racketeering activities.

22 563. Each person, entity and or party of the Counter-defendants and Third-
23 Party Defendants, acted on their own free will, knowingly and intentionally, to organize,
24 meet, manage, direct, concoct, conspire, collude and scheme together to find a way to
25 wrongfully deprive Mahon of his ownership in the Full Color IP and his majority in
26 interest stock ownership in his entities and FCGI's ownership rights to revenue derived
27 from Mahon's property and then, once acquired, force Mahon into indentured servitude
28

1 in order to exploit Mahon's Full Color IP as they could not do so without Mahon's
2 intellectual prowess and skill sets. Munger made it clear in his emails that he would
3 reveal all of Mahon's trade secrets in the Full Color IP as he had confidential copies of it
4 in the event that Mahon refused.

5 564. As a direct result of the racketeering activity the Counter-defendants
6 Third-Party Defendants intentionally engaged in and acted on, the criminal syndicate
7 became an ongoing and ever growing criminal enterprise at each stage of the new
8 recruitments. Counter-defendants and Third-Party Defendants intentionally concocted a
9 scheme and managed, directed, supervised and financed that scheme while continually
10 acting to further that scheme to intentionally engage in the wrongful taking of Mahon's
11 and FCGI's property through extortion as explicitly detailed in the **FCG plan.docx**,
12 **FCG plan v1.2.docx** and the **Principles 2017 04 26 v 2.pdf** effectuated by the threat of
13 a tortuous litigation, loss of revenue and end of Mahon's career if he and FCGI did not
14 succumb to the Counter-Defendants and Third-Party Defendants wrongful demands.

15 565. Upon information and belief, Bastian, through his Bastian Casino
16 Gaming Enterprise laundered their money to finance the current "Derivative Lawsuit."

17 566. Upon information and belief, Bastian laundered their money through the
18 appearance of a legitimate "employment" of Munger, who would sent fraudulent
19 invoices to Playtech, Island Luck DTC, DHL, and others, who then wired those funds
20 through the MUNGER GROUP'S bank accounts beginning with M&A and Valcros.

21 567. On January 18, 2018, upon information and belief, Munger formed a
22 new and separate entity in Valcros for the Bastian Casino Gaming Enterprise to launder
23 their money in wire transfers into Valcros for the purposes of funding the litigation,
24 making the payment of money appear to be for legitimate purposes.

25 568. FCGI's business and property interests have suffered and continue to
26 suffer injury as a direct, proximate, and foreseeable result of individual predicate acts
27 and racketeering activity conducted through the affairs of the Spin. Accordingly, the
28

1 FCGI seeks treble damages in such amount as may be determined at trial, recovery of
2 the costs of this litigation, and an award of reasonable attorneys' fees as provided under
3 N.R.S. § 207.470.

4 **NINTH CAUSE OF ACTION (Embezzlement & Grand Larceny)**

5 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
6 **207.400(c)(1))**

7 **(As to Counter-defendant Munger)**

8
9 569. FCGI repeats and re-alleges and incorporates by reference the
10 allegations set forth in paragraphs herein with specificity and particularity as though set
11 forth fully herein.

12 570. Starting in January 2017 and continuing through May of 2017, with
13 specificity and explicit particularity herein, Munger through his actions and in his
14 conduct engaged to violate N.R.S. § 207.400(c)(2) in pertinent part:

15 (c) Who is employed by or associated with any enterprise to conduct or
16 participate, directly or indirectly, in:

17 (2) Racketeering activity through the affairs of the enterprise.

18 571. The predicate acts alleged above constituted substantial acts of grand
19 larceny and embezzlement in the racketeering activity through the affairs of their
20 enterprise

21 (7) N.R.S. § 205.220 – Grand Larceny

22 (8) N.R.S. § 205.206 – Burglary

23 (9) N.R.S. § 205.300 – Embezzlement

24 572. Beginning on or about January 1, 2017 through May of 2017 Munger
25 engaged in a racketeering scheme that led to the embezzlement of \$1,350 of funds,
26 burglary of the Counter-claimant's office space at 3773 Howard Hughes Parkway, Las
27 Vegas, NV 89169 and the grand larceny of three (3) Macbook Pro computers whose
28

1 serial number and information and event details are on file in the Las Vegas
2 Metropolitan Police Report Case #LLV180119003003.

3 573. As a result of the racketeering activity by Munger, he either directly or
4 indirectly induced, through information, directives and organization two other
5 individuals that were deprived of funds they were rightfully due by FCGI or its affiliates
6 for work as independent contractors, to wrongfully file "labor board" claims against
7 FCGI and claim they were employees in order to create more progressive complications
8 and injury to FCGI and its affiliates..

9 574. The racketeering activity by Munger was part of the grander scheme of
10 Munger through his continued recruitment of others to induce them to knowingly engage
11 in unlawful acts as they continued to organize, manage, direct, supervise and finance
12 their criminal syndicate with FCGI and its affiliates funds and property as fully detailed
13 in the detailed in the 156 page FCGI ARCC Reported entitled "Embezzlement, Grand
14 Larceny and Attempted Fraud report dated December 30, 2017."

15 575. This racketeering activity violates Nevada RICO Statute, N.R.S. §
16 207.400(c)(2), which makes it unlawful for a person, through racketeering activity to
17 knowingly incite or induce others to engage in intimidation to promote or further the
18 criminal objectives of the criminal syndicate.

19 576. FCGI have suffered and continue to suffer injury to their business or
20 property as a direct, proximate, and foreseeable result of the foregoing acts.
21 Accordingly, Counter-claimants seek an award of treble damages, costs of this litigation,
22 and reasonable attorneys' fees as provided by N.R.S. § 207.470.

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1 **TENTH CLAIM FOR RELIEF (Embezzlement & Wire Fraud)**

2 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
3 **207.400(b)**

4 **(As to Counter-defendants Newman, Newman Law and CBL)**

5 577. FCGI re re-alleges and incorporates by reference the allegations set forth
6 in paragraphs herein with specificity and particularity as though set forth fully herein.

7 578. Counter-defendants through their actions and in their conduct engaged to
8 violate N.R.S. § 207.400(a)(1) in pertinent part:

9 (b) Through racketeering activity to acquire or maintain, directly or
10 indirectly, any interest in or control of any enterprise.

11 579. The predicate acts alleged herein detail the Counter-defendants
12 substantial acts of acquiring, maintaining and directly obtaining an interest in and
13 control of the Counter-claimants lawful enterprises through racketeering activity
14 whereby Newman fraudulently acquired and maintained possession of FCGI corporate
15 shares, positions of power and title of authority in order to exploit them for his own
16 personal and corporate benefit in the Newman Group by engaging in multiple
17 transactions involving fraud throughout the course of Newman's and the Newman
18 Group's racketeering activity.

19 580. Once discovered, Newman and Newman Law's positions of power and
20 title of authority, along with his FCGI corporate shares were canceled, terminated and
21 repurchased but not before Newman Group engaged in an ongoing scheme of extortion
22 for nearly 9 months after the discovery and confrontation to the point it caused
23 FCGLTD, IPHTLD and FCGI to go out of business as a result of his racketeering when
24 Mahon, FCGI, and its affiliates would not give in to the Newman Group's ransom
25 demands to receive their FCGI shares back with free and clear title all of which
26 constitutes the racketeering activity through the affairs of their enterprise based on the
27 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

581. 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.

582. 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.

583. 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.

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1 **ELEVENTH CLAIM FOR RELIEF (Securities Fraud & Perjury)**

2 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
3 **90.570)**

4 **(As to Counter-defendants Sebas, Simmons, Munger, Linham,**
5 **Playtech, Island Luck, DTG, DHL, ILG, M&A and Valcros)**

6 584. FCGI re-alleges and incorporates by reference the allegations set forth in
7 paragraphs herein with specificity and particularity as though set forth fully herein.

8 585. Starting in October 2015 and continuing through to this date in time,
9 with specificity and explicit particularity herein, the Counter-Defendants and Third-
10 Party Defendants through their actions knowingly, willingly and fraudulently engaged in
11 billing fraud, wire fraud for the purposes of tax evasion in order to conceal the purchase
12 of FCGI securities in four different acts of money laundering, then destroyed the
13 evidence of it and engaged in making false statements made in sworn declarations under
14 the penalty of perjury and in their conduct engaged in violation of N.R.S. §
15 207.400(1)(b) as set forth in pertinent part herein:

16 “Through racketeering activity to acquire or maintain, directly or
17 indirectly, any interest in or control of any enterprise.”

18 586. The predicate acts alleged above constituted substantial acts of fraud,
19 misrepresentation, concealment and embezzlement of funds that include:

- 20 (1) N.R.S. § 90.570 -- Offer, sale and purchase (State Securities Fraud)
21 (2) N.R.S. § 205.377 - Multiple transactions involving fraud or deceit in
22 course of enterprise or occupation;
23 (3) N.R.S. § 197.030 –Asking or receiving bribe by public officer or
24 employee
25 (4) N.R.S. § 199.145 –Statement made in declaration under penalty of
26 perjury

27 587. As alleged herein, in violation of N.R.S. § 90.570, Bastian and Simmons
28 employed devices, schemes, and artifices to defraud FCGI four different times beginning

1 on June 7, 2016 that it was the intention of Bastian and Simmons at all times to carry out
2 the money laundering scheme for the purchase of FCGI'S securities four different times.

- 3 (1) First in person directly to Mahon who believed it was an integrity
4 test to determine Mahon's "suitability" for licensing in their first
5 business transaction together, when in fact, time and evidence
6 proved it was a real and quantifiable solicitation to Mahon to
7 participate, but Mahon refused as alleged herein;
8 (2) Second with Munger and Linham who did carry out the scheme
9 to produce the false billing invoice and wire fraud scheme to
10 effectuate the transfer, but it was withdrawn before it was fully
11 carried out after Mahon learned of the attempt;
12 (3) Third with Munger who assisted in facilitating the Wells Fargo
13 fraudulently stated purpose of the \$500,000 wire fraud that
14 resulted in money laundering;
15 (4) Fourth with Bastian and an unidentified second signatory who
16 engaged in the Bank of Bahamas fraudulently stated purpose of a
17 \$500,000 wire fraud that resulted in money laundering.

15 588. On April 4, 2017, right before Linham abruptly resigned from FCGI he
16 permanently destroyed over 3,000 of his corporate emails which made up his entire
17 account, along with the destruction of 100% of his digital Google Drive cloud account --
18 - files that were subsequently restored by Google G-Suite Superadmins on June 5, 2017
19 when Munger was terminated from FCGI --- in order to cover up the entire history of his
20 money laundering and racketeering activities.

21 589. On November 24, 2017, Linham in the sworn Declarations made under
22 the penalty of perjury before the court, ¶¶61-63 LINHAM admitted to the money
23 laundering followed by the preposterous and false claims that Mahon made him do it,
24 despite the clear evidence in the email and Skype messages to Simmons, and other
25 documents refuting the assertion.

26 590. The Counter-defendants' and Third-Party Defendants' violations of the
27 four predicate acts listed here above in N.R.S. § 90.570, N.R.S. § 205.377, N.R.S. §
28

1 197.030 and N.R.S. § 199.145, have caused the Counter-claimants immediate and
2 quantifiable injury, including, but not limited to loss of commercial revenue, loss of a
3 casino gaming license application, injury to their reputation, name, brand, likeness,
4 career, millions of dollars in shareholder investments and years of development work in
5 the loss of relationships, market timing, position and business opportunities.

6 591. This racketeering activity violates Nevada RICO Statute, N.R.S. §
7 207.400(b) which makes it unlawful for a person, through racketeering activity to
8 acquire or maintain, directly or indirectly, any interest in or control of any enterprise.

9 592. FCGI has suffered and continues to suffer injury to its business or
10 property as a direct, proximate, and foreseeable result of the foregoing acts.
11 Accordingly, FCGI seeks an award of treble damages, costs of this litigation, and
12 reasonable attorneys' fees as provided by N.R.S. § 207.470.

13 **Other General Claims**

14
15 **TWELFTH CLAIM FOR RELIEF**

16 **(Inducing lawsuit pursuant to N.R.S. § 199.320)**

17 **(As to Counter-Defendants and Third-Party Defendants Munger, Linham,**
18 **Brock Sr., Brock Jr., Solso, Eckles, Sebas, L-Moore, T-Moore, Castaldo, Brazer)**

19 593. FCGI repeats, re-alleges and incorporates by reference the allegations set
20 forth in paragraphs herein with specificity and particularity as though set forth fully
21 herein.

22 594. Starting around April 19, 2017 and continuing through to this date, with
23 specificity and explicit particularity herein, Counter-defendants through their actions and
24 in their conduct engaged to violate N.R.S. § 199.320 in pertinent part:

25
26 “Every person who shall on his or her behalf bring or instigate, incite
27 or encourage another to bring, any false suit at law or in equity, in
28 any court of this State, with intent thereby to distress or harass a
defendant therein, shall be guilty of a misdemeanor.”

1 595. The Counter-defendants, and each of them, beginning with the evidence
2 seen in FCG plan.docx, FCG plan v1.2.docx and the Principles 2017 04 26 v 2.pdf,
3 on their own behalf, have instigated, incited and encouraged each other to bring a false
4 lawsuit and further, an inequitable one, as tool, means and method carry out their
5 extortion in an wrongful taking of the Mahon's and FCGI's property admittedly by the
6 documents alone, have indisputably acted with the willful intent to cause distress and
7 harass Mahon and FCGI and other affiliates to a point that was beyond just causing the
8 fear, intimidation and loss of revenue and profits for years and the intent to kill Mahon's
9 career. Further, the non-party to the derivative suit, who upon information and belief
10 has made clear to others throughout the casino gaming industry that they are
11 (wrongfully) funding the derivative lawsuit for mere "blood sport."

12 596. The Counter-defendants and Third-Party Defendants have succeeded in
13 preventing the Mahon's and FCGI's property rights from the Full Color IP from being
14 released and reaching revenue as threatened and promised with the filing of this
15 derivative lawsuit the intent of destroying Mahon's character by falsely accusing him of
16 fraud, misrepresentation and concealment as the Fourth, Fifth and Sixth Claims state.

17 597. The Counter-defendants have all violated Nevada RICO Statute, N.R.S.
18 §199.320 which makes it unlawful for a person to engage in wrongfully inducing a
19 lawsuit.

20 598. FCGI has suffered and continues to suffer injury to their business or
21 property as a direct, proximate, and foreseeable result of the foregoing acts.
22 Accordingly, FCGI seeks an award of treble damages, costs of this litigation, and
23 reasonable attorneys' fees as provided by N.R.S. 18.005 and § NRS 18.020.

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1 **THIRTEENTH CLAIM FOR RELIEF**

2 **(Abuse of Process)**

3 **(As to Counter-defendants Munger, Linham, Brock Sr., Brock Jr., Solso, Eckles,**
4 **Sebas, L-Moore, T-Moore, Castaldo, Brazer)**

5 599. The Counter-claimants repeats and re-alleges and incorporates by
6 reference the allegations set forth in paragraphs herein with specificity and particularity
7 as though set forth fully herein.

8 600. Starting around April 19, 2017 and continuing through to this date, with
9 specificity and explicit particularity herein, Counter-defendants through their actions and
10 in their conduct engaged to engage in an abuse of process.

11 601. The Counter-Defendants and Third-Party Defendants, and each of them,
12 beginning with the evidence seen in **FCG plan.docx, FCG plan v1.2.docx** and the
13 **Principles 2017 04 26 v 2.pdf,** on their own behalf, have made it unequivocally clear
14 that their purpose was to extort MAHON and the Counter-claimants out of their property
15 rights in forcing him to step down as the CEO and sole Director of FCGI, give 100% of
16 his stock to the Counter-Defendants, turn over all of his trade secrets and be forced into
17 indentured servitude or face a tortuous litigation if Mahon did not comply.

18 602. Several of the claims in the Derivative Lawsuit have already been
19 dismissed as basically frivolous. The Thirteenth and Fourteenth Claims in to get the
20 Court to award ownership to Mahon's Full Color IP, but are frivolous as they provide no
21 legal or factual basis for recovering the Full Color IP.

22 603. Counter-Defendants have, however, succeeded in preventing the FCGI
23 and its affiliates from utilizing its property rights and preventing the Full Color IP from
24 being released and reaching revenue as threatened and promised with the filing of this
25 derivative lawsuit with the intent of destroying Mahon's character by falsely accusing
26 him of fraud, misrepresentation and concealment as the Fourth, Fifth and Sixth Claims,
27 which have already been dismissed.

604. The Counter-Defendants have all engaged in an abuse of process.

605. 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)

606. 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.

607. 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.

608. LINHAM and MUNGER'S "Back Salary" letter makes it clear that MUNGER is claiming himself to be an employee getting paid by FCGLTD.

609. 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.

610. 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.

611. The actions of Munger and Linham as alleged herein were malicious, oppressive or fraudulent warranting an award of punitive damages.

1 612. As a direct result of all of the foregoing, Counter-defendant's actions
2 have required Counter-claimants to retain the services of an attorney to prosecute this
3 action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable
4 attorneys' fees and costs incurred in this action.

5
6 **FIFTEENTH CLAIM FOR RELIEF**

7 **(Breach of Contract)**

8 **(As to Counter-Defendants and Third-Party Defendants Munger,**
9 **Bastian, and Spin)**

10 613. FCGI re re-alleges and incorporates by reference the allegations set forth
11 in paragraphs herein with specificity and particularity as though set forth fully herein.

12 614. On October 15, 2015, FCGI and Bastian entered into the MNDA.

13 615. On April 29, 2016, FCGI and Spin entered into the MNDA.

14 616. July 19, 2011, Munger entered into the NDACA with FCGI's
15 predecessor.

16 617. Each of the agreements, the MNDAs and the NDADA are binding and
17 enforceable agreements.

18 618. On October 20, 2016, the Counter-claimants and Spin entered into a
19 contract to provide game development and a mutual bi-directional RGS server game
20 distribution agreement that explicitly laid out the terms of a "Monthly Net Gaming
21 Revenue in Section 2.2.

22 619. On January 23, 2017, Spin was paid the first half of the bi-directional
23 RGS integration fees.

24 620. On February 7, 2017, Mahon personally introduced Young of Spin to
25 Bastian to discuss the SPIN ROC RGS integration into the FULL COLOR
26 KINGFISHER RGS integration into the ILG / RSL RGS to deliver the full suite of Full
27 Color IP on Bastian's platform

1 621. Spin would pay FCGI and its affiliates a distribution fee for Spin's
2 games to be delivered through the FULL COLOR KINGFISHER RGS into ILG / RSL
3 throughout Bastian's gaming network in the Bahamas and elsewhere on the exact same
4 basis as the FCGI and its affiliates would pay Spin a distribution fee for the Full Color
5 IP to be distributed through Spin's integrations to others like NYX, RSI, NEKTAN and
6 others

7 622. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian
8 conspired with each other to circumvent the contracts and distribution revenues in direct
9 violation of the individual MNDA's between FCGI and SPIN and further FCGI and
10 SEBAS specifically including but not limited to Section 2.5 "Non-circumvention, non-
11 interference and secrecy" terms as quoted in full.

12 **§2.5Non-Circumvention, Non-Interference and Secrecy.**

13 *During the term of this Agreement and for a period of five years from the date*
14 *first above written, the Receiving Party covenants not to (a) directly or*
15 *indirectly circumvent FCGI with respect to its business relationships to compete*
16 *or facilitate competition with the Disclosing Party, or (b) communicate, transact*
17 *business or interfere with any of FCGI's business relationships or its*
18 *enterprises, or with its confidential information used or included in FCGI's*
19 *business, licenses or copyrights, trademarks, patents pending or any of its*
20 *derivatives, its software code, statistics or methodologies that it and its affiliates*
21 *own, license or control or have rights to do so.*

22 623. The circumvention as also a violation of the NDACA with Munger.

23 624. FCGI was damaged by Spin's, Munger's, and Bastian's breach of their
24 respective contracts in an amount in excess of \$15,000 to be determined at trial.

25 625. As a direct result of all of the foregoing, Munger's actions have required
26 FCGI to retain the services of an attorney to prosecute this action and has thereby been
27 damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs
28 incurred in this action.

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1 IP to be distributed through Spin's integrations to others like NYX, RSI, BWIN,
2 NEKTAN and others.

3 635. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian
4 conspired with each other to circumvent the contracts and distribution revenues in direct
5 violation of the individual MNDA's between FCGI and SPIN and further FCGI and
6 SEBAS specifically including but not limited to Section 2.5 "Non-circumvention, non-
7 interference and secrecy" terms as quoted in full.

8 636. To the extent Spin's, Munger's, and Bastian's circumvention of FCGI
9 and its affiliates was not a technical breach of the MNDAs or the NDACA, the actions
10 denied FCGI its justified and reasonable expectations under the terms of the MNDAs
11 and NDACA.

12 637. FCGI was damaged by Spin's, Munger's, and Bastian's actions which
13 denied FCGI's reasonable and justified expectations under the contracts in an amount in
14 excess of \$15,000 to be determined at trial.

15 638. As a direct result of all of the foregoing, Munger's actions have required
16 FCGI to retain the services of an attorney to prosecute this action and has thereby been
17 damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs
18 incurred in this action.

19
20 **SEVENTEENTH CLAIM FOR RELIEF**

21 **(Civil Conspiracy)**

22 **(As to Counter-Defendants and Third-Party Defendants Munger,**
23 **Bastian, Spin, Young, Mishra, M&A and Valcros)**

24 639. FCGI re re-alleges and incorporates by reference the allegations set forth
25 in paragraphs herein with specificity and particularity as though set forth fully herein.

26 640. On October 15, 2015, FCGI and Bastian entered into the MNDA.

27 641. On April 29, 2016, FCGI and Spin entered into the MNDA.

1 642. July 19, 2011, Munger entered into the NDACA with FCGI's
2 predecessor.

3 643. Each of the agreements, the MNDAs and the NDADA are binding and
4 enforceable agreements.

5 644. On October 20, 2016, the Counter-claimants and Spin entered into a
6 contract to provide game development and a mutual bi-directional RGS server game
7 distribution agreement that explicitly laid out the terms of a "Monthly Net Gaming
8 Revenue in Section 2.2.

9 645. On January 23, 2017, Spin was paid the first half of the bi-directional
10 RGS integration fees.

11 646. On February 7, 2017, Mahon personally introduced Young of Spin to
12 Bastian to discuss the SPIN ROC RGS integration into the FULL COLOR
13 KINGFISHER RGS integration into the ILG / RSL RGS to deliver the full suite of Full
14 Color IP on Bastian's platform

15 647. Spin would pay FCGI and its affiliates a distribution fee for Spin's
16 games to be delivered through the FULL COLOR KINGFISHER RGS into ILG / RSL
17 throughout Bastian's gaming network in the Bahamas and elsewhere on the exact same
18 basis as the FCGI and its affiliates would pay Spin a distribution fee for the Full Color
19 IP to be distributed through Spin's integrations to others like NYX, RSI, BWIN,
20 NEKTAN and others.

21 648. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian
22 conspired with each other to circumvent the contracts and distribution revenues in direct
23 violation of the individual MNDA's between FCGI and SPIN and further FCGI and
24 SEBAS specifically including but not limited to Section 2.5 "Non-circumvention, non-
25 interference and secrecy" terms as quoted in full.

26 **¶2.5Non-Circumvention, Non-Interference and Secrecy.**

27 *During the term of this Agreement and for a period of five years from the date*
28 *first above written, the Receiving Party covenants not to (a) directly or*

1 *indirectly circumvent FCGI with respect to its business relationships to compete*
2 *or facilitate competition with the Disclosing Party, or (b) communicate, transact*
3 *business or interfere with any of FCGI's business relationships or its*
4 *enterprises, or with its confidential information used or included in FCGI's*
5 *business, licenses or copyrights, trademarks, patents pending or any of its*
6 *derivatives, its software code, statistics or methodologies that it and its affiliates*
7 *own, license or control or have rights to do so..*

8 649. The Spin Group, Munger, and Bastian through his Bastian Casino
9 Gaming Enterprises knowingly, willingly and deliberately, through their agents and
10 through conspired

11 650. This direct circumvention stood to prevent the Counter-claimants from
12 generating approximately \$150,000 a month in revenue or \$1.8 million in revenue per
13 year in the Bahamas and the same amount in Jamaica.

14 651. As a result of the civil conspiracy between Spin, Young, Mishra,
15 Bastian, the Bastian Casino Gaming Enterprise, and Munger, FCGI has incurred
16 damages in excess of \$15,000 to be determined at trial.

17 652. The actions of Spin, Young, Mishra, Bastian, the Bastian Casino
18 Gaming Enterprise, and Munger as alleged herein were malicious, fraudulent, or
19 oppressive and warrant an award of punitive damages.

20 653. As a direct result of all of the foregoing, Counter-defendant's actions
21 have required Counter-claimants to retain the services of an attorney to prosecute this
22 action and has thereby been damaged. Accordingly, Counter-claimants seek an award of
23 reasonable attorneys' fees and costs incurred in this action.

24 **EIGHTEENTH CLAIM FOR RELIEF**

25 **(Intentional Interference with Prospective Economic Advantage)**

26 **(As to Counter-defendants Munger, M&A, Valcros, Sebas, Simmons,**
27 **Playtech, DTG, DHL, ILG, Island Luck, Spin, Young, and Mishra)**

28 654. 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.

1 655. As alleged herein, the Counter-Defendants and Third-Party Defendants
2 the Munger Group, Bastian, and the Bastian Casino Gaming Enterprise, and the Spin
3 Group were all separately in multiple contracts with FCGI and its affiliated entities.

4 656. As alleged herein, Munger Group and the Bastian Casino Gaming
5 Enterprise had knowledge of the separate contractual relationship between each Spin,
6 Bastian, and Munger.

7 657. The Munger Group, Bastian, the Bastian Casino Gaming Enterprise
8 engaged in wrongful conduct as alleged in herein with the purpose and effect of
9 preventing the integration of the bi-directional RGS to RGS integration between the
10 SPIN ROC RGS and the FULL COLOR KINGFISHER RGS in order to specifically
11 avoid the Spin Group from paying FCGS and its affiliates their revenue streams and
12 relationship interfere with the business relationships and investments between the
13 Bastian Casino Gaming Enterprise and the FCGI.

14 658. The Spin Group was without any privilege or legal justification for
15 interfering with the contractual relationship between Bastian Casino Gaming Enterprise
16 and the Counter-claimants, but acted upon the unlawful, improper, unfair, and
17 unreasonable motivation of usurping the FCGI's business relationships and revenue
18 streams.

19 659. In interfering with the Counter-claimant's prospective economic
20 advantage, the SPIN GROUP, along with their co-conspiring enabler of the Munger
21 Group, Bastian, and Bastian Casino Gaming Enterprise employed means that were
22 unlawful, improper, unfair, and unreasonable; namely interfered with

23 660. The Counter-defendants, and each of them in their commission of these
24 wrongful acts directly and immediately the Full Color IP and the Counter-claimants
25 investments and assets of the FULL COLOR KINGFISHER GRS from being launched
26 and generating and put them out of business as a result. Consequently, The Counter-
27 claimants have all sustained substantial monetary damages in excess of \$15,000 as a

1 result of its inability to perform and profit under their contracts in an amount to be
2 determined at trial.

3 661. The actions of Spin, Young, Mishra, Bastian, the Bastian Casino
4 Gaming Enterprise, and Munger as alleged herein were malicious, fraudulent, or
5 oppressive and warrant the award of punitive damages.

6 662. As a direct result of all of the foregoing, the Counter-Defendants and
7 Third-Party Defendants have required FCGI to retain the services of an attorney to
8 prosecute this action and has thereby been damaged. Accordingly, FCGI seeks an award
9 of reasonable attorneys' fees and costs incurred in this action.

10 **NINETEENTH CLAIM FOR RELIEF**

11 **(Unjust Enrichment)**

12
13 **(As to Counter-defendants Munger, M&A, Valcros, Bastian, Simmons,
14 Playtech, DTG, DHL, ILG, Island Luck, Spin, Young, Mishra)**

15 663. All Counter-claimants realleges and incorporates by reference the
16 allegations set forth in paragraphs herein with specificity and particularity as though set
17 forth fully herein.

18 664. As alleged herein, the Counter-defendants MUNGER GROUP, the
19 BASTIAN CASINO GAMING ENTERPRISE and the SPIN group have been unjustly
20 enriched by virtue of the following:

- 21 a. circumventing the rightful relationship of the Counter-claimants
22 contractual relationships in order to avoid paying their proper rev-share
23 of the "Monthly Gaming Revenue" through the bi-directional integration
24 of the SPIN ROC RGS into the FULL COLOR KINGFISHER RGS to
25 deliver SPIN'S content they owned and from their third party suppliers
26 into the ILG / RSL RGS to deliver to the BASTIAN CASINO GAMING
27 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;

665. 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.

666. 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.

667. 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)

668. FCGI repeat, re-allege, and incorporate by this reference, the allegations contained in each and every preceding paragraph as though set forth fully herein.

669. 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.

1 670. Based on information provided through this lawsuit and other
2 allegations, FCGI is informed and believe that Munger is actively utilizing confidential
3 information in order to compete with and/or interfere with Mahon and his affiliated
4 companies including, but not limited to IPH, FCG LLC, FCGNA, FCGI, and other
5 companies.

6 671. Based on the facts alleged herein, Munger, Spin and Bastian are also in
7 breach of their respective NDAS and the NDACA because Munger, Spin and Bastian
8 have circumvented FCGI and its affiliates opportunities for revenues streams by
9 integrating Spin into Bastian's RSL platform on the Bahamas without integrating the
10 Full Color RGS and thereby usurping the corporate opportunities of FCGI and its
11 affiliates.

12 672. As a result of Munger's past breaches of the NDACA, FCGI as an
13 affiliate with Mahon and FCG LLC, and others have been damaged in an amount in
14 excess of \$15,000.00.

15 673. As a result of Spin's and Bastian's past breaches of their respective
16 NDA's, FCGI has been damaged in an amount in excess of \$15,000 to be proven at trial.

17 674. Munger's continued breaches of the NDACA have and will continue to
18 cause irreparable harm to Mahon, FCGI, and other affiliated companies including IPH
19 and FCG LLC.

20 675. Bastian's and Spin's continued breaches of the NDA have and will
21 continue to cause irreparable harm to Mahon, FCGI, and other affiliated companies
22 including IPH and FCG LLC.

23 676. FCGI is entitled to temporary, preliminary, and permanent injunctive
24 relief enjoining Munger, Bastian and Spin from continuing to possess and utilize
25 confidential information disclosed to him under the NDACA and from competing or
26 interfering with Mahon, FCG LLC, FCGI, IPH, or any other affiliated entities business
27 interests in the use and commercialization of the Full Color IP.

1 677. FCGI is entitled to temporary, preliminary, and permanent injunctive
2 relief enjoining Munger, Bastian, and Spin for continuing to utilize Spin's integration
3 onto Bastian's RSL platform without including the Full Color content and from
4 interfering with Mahon, FCGI, and other affiliated entities business interests in the use
5 and commercialization of the Full Color IP.

6 678. As a direct result of all of the foregoing, Counter-claimants have been
7 caused to retain the services of an attorney to prosecute this claim breach of the NDA
8 and injunctive relief and therefore are entitled to reasonable attorney's fees and costs.

9
10 **TWENTY-FIRST CLAIM FOR RELIEF**

11 **(Declaratory Relief re: Counter-Defendant status as shareholders)**

12 679. FCGI repeats, re-alleges, and incorporates by this reference, the
13 allegations contained in each and every preceding paragraph as though set forth fully
14 herein.

15 680. An actual existing controversy has arisen and now exists between FCGI
16 and Counter-Defendants concerning each of their ongoing ownership of shares in FCGI.
17 FCGI therefore seek an order from the Court declaring that, based on the facts set forth
18 herein, Counter-Defendants either never were or are no longer a shareholder(s) of FCGI,
19 or that Counter-Defendants' shares should be rescinded because he obtained the shares
20 via fraud.

21 681. As a direct result of all of the foregoing, Counter-claimants have been
22 caused to retain the services of an attorney to prosecute this claim for declaratory relief
23 and therefore are entitled to reasonable attorney's fees and costs.

24 ////

25 ////

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27 ////

1 **TWENTY-SECOND CLAIM FOR RELIEF**

2 **(Breach Of the Of The Covenant Of Good Faith And Fair Dealing)**

3 **(As to Mutlislot)**

4 682. All Counter-claimants realleges and incorporates by reference the
5 allegations set forth in paragraphs herein with specificity and particularity as though set
6 forth fully herein.

7 683. Counter-defendants and each of them entered a development agreement
8 to produce 21 or Nothing® on the MULTISLOT RGS for delivery in the Bahamas,
9 Jamaica through the Bastian Casino Gaming Enterprise and through Multislot's existing
10 integrations that included but were not limited to Videoslots.com, BetConstruct,
11 EveryMatrix.com, Pinnacle.com.

12 684. Multislot, Bastian, and the Bastian Casino Gaming Enterprise and each
13 of induced FCGI and its affiliates to spend over 14 months in development and expend
14 over \$100,000 in its assets to produce the product for release.

15 685. FCGI and its affiliates succeeded in getting the games fully developed,
16 translated and approved for real money release by BMM.

17 686. Multislot failed to sign the contract and release the product by
18 attempting to extort the FCGI and its affiliates out of their rightful ownership of their
19 HTML5 distribution rights.

20 687. Once Multislot refused to surrender their rights that were already legally
21 contracted to others, and refused to sign the contract to even deliver them through and
22 release them in the Flash version that it was fully developed and approved for release in.

23 688. As a result of Multislot's actions, FCGI's and its affiliates' justified
24 expectations under the agreements with Multislot were denied.

25 689. As a result of Multislot's, Bastian's, and the Bastian Casino Gaming
26 Enterprise's breaches of the implied covenant of good faith and fair dealing, FCGI and
27 its affiliates have been damaged in an amount in excess \$15,000.00 to be proven at trial.

1 690. As a direct result of all of the foregoing, Counter-defendant's actions
2 have required Counter-claimants to retain the services of an attorney to prosecute this
3 action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable
4 attorneys' fees and costs incurred in this action.

5
6 **THIRTY-THIRD CLAIM FOR RELIEF**

7 **(Negligent Misrepresentation)**

8 **(As to Spin, Young and Mishra)**

9 691. FCGI realleges and incorporates by reference the allegations set forth in
10 paragraphs herein with specificity and particularity as though set forth fully herein.

11 692. Spin represented to FCGI and its affiliates to believe that their RGS was
12 integrated into a total of 15 global distribution interactive gaming systems (IGS) that
13 would allow FCGLTD to immediately monetize thru hundreds of real and virtual money
14 casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

15 693. Spin represented to the FCGI and its affiliates that it would complete all
16 24 language translations that were fully disclosed to them in person on October 10, 2016
17 as part of the price for the **Proposal v1.4**

18 694. Each of these representations made by Spin were false.

19 695. Spine either knew that each of these representations were false or made
20 the representations with reckless disregard for the truth or falsity of the representations.

21 696. Spine made each of the misrepresentations with the intent to induce
22 FCGI and its affiliates to act in reliance of the misrepresentations.

23 697. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set
24 forth herein.

25 698. FCGI and its affiliates incurred damages as a result of relying upon
26 Spin's misrepresentations.

1 699. Between October 2016 and April of 2017, MAHON caused SPIN to be
2 paid \$54,000, \$10,000 and a third time, \$10,000 for a total of \$74,000 based on the
3 misrepresentations of Spin.

4 700. In fact, the subject representations were negligently made and were
5 untrue. Based on information and belief, inter alia, the true material facts, if known to
6 the Counter-claimants, would not have entered into the contract with the Counter-
7 claimants, much more paid them \$74,000 on top of that.

8 701. As a result of the materially false and misleading information, the
9 Counter-claimants entered into the Proposal v1.4 contract, caused them to be paid
10 \$74,000 in cash and introduced them to their confidential relationships Bastian and the
11 Bastian Casino Gaming Enterprise.

12 702. As a result of Counter-defendants' negligent misrepresentations,
13 Counter-claimants have been damaged in an amount in excess \$15,000.00 to be proven
14 at trial.

15 703. The actions of Spin, Young, and Mishra as alleged herein were
16 malicious, fraudulent, or oppressive and warrant the award of punitive damages.

17 704. As a direct result of all of the foregoing, Counter-defendant's actions
18 have required Counter-claimants to retain the services of an attorney to prosecute this
19 action and has thereby been damaged. Accordingly, Counter-claimants seek an award of
20 reasonable attorneys' fees and costs incurred in this action.

21 **TWENTY-FOURTH CLAIM FOR RELIEF**

22 **(Intentional Misrepresentation)**

23 **(As to Spin, Young, and Mishra)**

24
25 705. All Counter-claimants realleges and incorporates by reference the
26 allegations set forth in paragraphs herein with specificity and particularity as though set
27 forth fully herein.

1 706. Spin represented to FCGI and its affiliates to believe that their RGS was
2 integrated into a total of 15 global distribution interactive gaming systems (IGS) that
3 would allow FCGLTD to immediately monetize thru hundreds of real and virtual money
4 casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

5 707. Spin represented to the FCGI and its affiliates that it would complete all
6 24 language translations that were fully disclosed to them in person on October 10, 2016
7 as part of the price for the **Proposal v1.4**

8 708. Each of these representations made by Spin was false.

9 709. Spine either knew that each of these representations were false or made
10 the representations with reckless disregard for the truth or falsity of the representations.

11 710. Spine made each of the misrepresentations with the intent to induce
12 FCGI and its affiliates to act in reliance of the misrepresentations.

13 711. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set
14 forth herein.

15 712. FCGI and its affiliates incurred damages as a result of relying upon
16 Spin's misrepresentations.

17 713. Between October 2016 and April of 2017, MAHON caused SPIN to be
18 paid \$54,000, \$10,000 and a third time, \$10,000 for a total of \$74,000 based on the
19 misrepresentations of Spin.

20 714. In fact, the subject representations were fraudulently concealed so they
21 would not be discovered in order to induce Mahon, FCGI, and its affiliates entering into
22 a licensing contract with the FCGI or its affiliates in order to have his Full Color IP on
23 their ROC RGS in order to further aid and abet them in gaining integrations elsewhere
24 that they could not get on their own. Based on information and belief, inter alia, the true
25 material facts, if known and not misrepresented to the FCGI and its affiliates, would not
26 have entered into the contract with the Counter-claimants, much more paid them
27 \$74,000 on top of that.

1 715. As a result of material misrepresentations, the FCGI or its affiliates
2 entered into the Proposal v1.4 contract, caused them to be paid \$74,000 in cash and
3 introduced them to their confidential relationships with Bastian and the Bastian Casino
4 Gaming Enterprise.

5 716. As a result of Counter-defendants' intentional misrepresentations, FCGI
6 has been damaged in an amount in excess \$15,000.00 to be proven at trial.

7 717. Spin's, Young's, and Mishra's actions were malicious, fraudulent, or
8 oppressive warranting an award of punitive damages.

9 718. As a direct result of all of the foregoing, Counter-defendant's actions
10 have required Counter-claimants to retain the services of an attorney to prosecute this
11 action and has thereby been damaged. Accordingly, Counter-claimants seek an award of
12 reasonable attorneys' fees and costs incurred in this action.

13 **TWENTY-FIFTH CLAIM FOR RELIEF**

14 **(Fraudulent Concealment)**

15 **(As to Spin, Young, and Mishra)**

16
17 719. FCGI repeats, re-alleges and incorporates by reference the allegations set
18 forth in paragraphs herein with specificity and particularity as though set forth fully
19 herein

20 720. As alleged in more detail herein, Spin, Young, and Mishra fraudulently
21 concealed facts from FCGI and its affiliates concerning Spin's inability to release the
22 Full Color IP for real money gaming in Europe and the rest of the world outside of the
23 USA through NYX, Nektan, Amaya, BWIN as agreed and defined in Section 1.0 in
24 Spin's Proposal v1.4.

25 721. As alleged in more detail herein, Spin, Young, and Mishra fraudulently
26 concealed the fact that they knew that their ROC RGS was not capable of language
27 translations and they would have to build a separate module for it in order to provide it.

1 722. As alleged in more detail herein, Spin, Young, and Mishra fraudulently
2 concealed the fact that they knew that their ROC RGS was not capable of providing
3 multiple currencies and they would have to build a separate module for it in order to
4 provide it.

5 723. As alleged in more detail herein, Spin, Young, and Mishra fraudulently
6 concealed the fact that they knew that their ROC RGS was not capable of providing for
7 a common wallet system in a bi-directional format and they would have to build it for
8 the integration into the FULL COLOR KINGFISHER RGS, and, because of this, their
9 ROC RGS was not capable of completing the ROC RGS bi-directional integration to the
10 FULL COLOR KINGFISHER RGS by March 31, 2017 per as they represented in the
11 schedule they published to the Counter-claimants on January 27, 2017.

12 724. At all relevant times, the Counter-defendants and each of them
13 fraudulently concealed their intent circumvent the FULL COLOR KINGFISHER RGS
14 integration and wrongfully exploit the FCGI's relationship with the Bastian Casino
15 Gaming Enterprise in order to exploit and monetize their own and third party games
16 without completing the integration for FCGI and its affiliates.

17 725. Had Mahon, FCGI, and its affiliates known of Spin's true intent as set
18 forth above, they not have entered into the contract or maintained their contract and
19 would not have any moneys to Spin for the work Spin had fraudulently represented it
20 would complete.

21 726. As a result of concealing the materially false and misleading
22 information, the Counter-claimants entered into the Proposal v1.4 contract, caused them
23 to be paid cash payments at different times, and introduced them to their confidential
24 relationships with Bastian and the Bastian Casino Gaming Enterprise.

25 727. As a result of Spin's, Young's, and Mishra's fraudulent concealment,
26 FCGI has been damaged in an amount in excess \$15,000.00 to be proven at trial.

1 728. The actions of Spin, Young, and Mishra alleged herein were malicious,
2 oppressive or fraudulent and warrant an aware of punitive damages.

3 729. As a direct result of all of the foregoing, FCGI has been required to
4 retain the services of an attorney to prosecute this action and has thereby been damaged.
5 Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in
6 this action.

7
8 **TWENTY-SIXTH CLAIM FOR RELIEF**

9 **(Breach of Fiduciary Duty)**

10 **(As to Munger, Linham, and Newman)**

11 730. FCGI repeats, re-alleges and incorporates by reference the allegations set
12 forth in paragraphs herein with specificity and particularity as though set forth fully
13 herein.

14 731. At all times relevant herein, Munger, Linham, and Newman served as
15 officers of FCGI and some other related affiliated companies until they resigned and/or
16 were removed in or about April or May, 2017, and owe fiduciary duties to FCGI in their
17 capacity as officers.

18 732. By committing the acts alleged herein, including usurping corporate or
19 business opportunities, putting their own work and business interests ahead of the
20 interests of FCGI, interfering with FCGI's contractual relationships, money laundering,
21 wire and mail fraud, and other activities, Munger and Linham have breached their
22 fiduciary duties to FCGI.

23 733. As a result of Munger's and Linham's breach of their fiduciary duties,
24 FCGI has been damaged in an amount in excess \$15,000.00 to be proven at trial.

25 734. The actions of Munger and Linham as alleged herein were malicious,
26 oppressive or fraudulent and warrant the aware of punitive damages.
27

1 735. As a direct result of all of the foregoing, FCGI has been required to
2 retain the services of an attorney to prosecute this action and has thereby been damaged.
3 Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in
4 this action.

5
6 **PRAYER FOR RELIEF**

7 WHEREFORE, the FCGI respectfully demands that judgment be entered in its
8 favor and against Counter-Defendants and Third-Party Defendants as follows:

- 9 1. For a declaration that the Counter-Defendants either were never
10 shareholders of FCGI or are no longer shareholders of FCGI.
- 11 2. For compensatory damages in an amount in excess of \$15,000 to be
12 determined at trial on each breach of contract claim;
- 13 3. For general, special, and compensatory damages in excess of \$15,000 to
14 be determined at trial, jointly and severally, against each Counter-
15 Defendant and Third-Party Defendant on all tort claims.
- 16 4. For general, special, and compensatory damages in excess of \$15,000 to
17 be determined at trial, jointly and severally, against each Counter-
18 Defendant and Third-Party Defendant found liable for each Federal RICO
19 claim and Nevada RICO claim.
- 20 5. For exemplary and punitive damages in an amount to be determined at
21 trial on all applicable claims;
- 22 6. For treble damages on all applicable claims.
- 23 7. Preliminary and Permanent Injunctive Relief enjoining Munger, Bastian
24 and Spin from continuing to possess and utilize confidential information
25 disclosed to them under their respective agreements and from competing
26 or interfering with Mahon, FCG LLC, FCGI, IPH, or any other affiliated

1 entities business interests in the use and commercialization of the Full
2 Color IP.

3 8. Disgorgement of profits against Munger, Bastian, and Spin for violations
4 of their respective agreements.

5 9. For reasonable attorneys' fees; and

6 10. For such other and further relief as the Court may deem just and proper.

7 DATED this 1st day of February, 2019.

8 HUTCHISON & STEFFEN, PLLC

9 /s/ Todd W. Prall

10 Mark A. Hutchison (4639)

11 Todd W. Prall (9154)

12 *Attorneys for Defendant/Counterclaimant*
13 *Full Color Games, Inc.*
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1 **ANSW**

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

14 **DISTRICT COURT**
15
16 **CLARK COUNTY, NEVADA**

17 In re: FULL COLOR GAMES, INC.

Case No. A-17-759862-B
Dept. No. 13

18 MARK MUNGER, an individual; DAVID'S
19 HARD WORK TRUST LTD. 3/26/2012, a
20 California Trust; MOORE FAMILY TRUST, a
21 California Trust; MILLENIUM TRUST
22 COMPANY, LLC CUSTODIAN FBO GARY
23 SOLSO, IRA, a California Trust; JEFFREY
24 CASTALDO; an individual; MARA H.
25 BRAZER, as Trustee for the MARA H.
26 BRAZER TRUST UTA 2/12/2004, a California
27 Trust; individually and as shareholders of FULL
28 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

**DEFENDANT FULL COLOR
GAMES, INC.'S AMENDED
ANSWER, COUNTERCLAIMS, AND
THIRD-PARTY COMPLAINT**

1	FULL COLOR GAMES, INC., a Nevada corporation; DOES I through X; and ROE CORPORATIONS I through X,
2	
3	Defendants.
4	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,
5	
6	Counter-claimants,
7	
8	vs.
9	
10	MARK MUNGER, an individual; DOES I through V; and ROE CORPORATIONS I through V,
11	
12	Counter-defendants.
13	
14	
15	FULL COLOR GAMES, INC., a Nevada corporation,
16	
17	Counter-claimant,
18	
19	v.
20	
21	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;
22	
23	Counter-defendants.
24	
25	FULL COLOR GAMES, INC., a Nevada corporation,
26	
27	Third-Party Plaintiff,
28	

1 v.

2 SEBASTIAN J. BASTIAN, an individual; DIRK
3 SIMMONS, an individual; MARTIN LINHAM,
4 an individual; PLAYTECH SYSTEMS LTD, a
Bahamian limited company;
5 ISLANDLUCK.COM, a Bahamian subsidiary of
PLAYTECH; DAVINCI TRADING GROUP, a
6 Cayman Islands limited liability company;
7 DAVINCI HOLDINGS LTD, an Isle of Man
limited liability company; ILG SOFTWARE
8 LTD, an Isle of Man limited liability company;
9 VALCROS, LLC, a Nevada limited liability
company; G. BRADFORD SOLSO, an
10 individual; DAVID ECKLES, an individual;
11 MARA H. BRAZER, an individual; TERESA
MOORE, an individual; LARRY MOORE, an
12 individual; B.L. MOORE CONSTRUCTION
INC., a California corporation; BRIAN
13 MARCUS, and individual; JOHN BROCK III,
an individual;; JOHN BROCK IV an individual;
14 MUNGER & ASSOCIATES, INC., a Nevada
Corporation; MULTISLOT, LTD, an Isle of Man
Company; ERIC J. JUNGELS, an individual;
15 JEFF HORAN, an individual; SPIN GAMES,
LLC, a Nevada limited liability company; KENT
16 YOUNG, an individual; KUNAL MISHRA, an
individual; RICHARD NEWMAN, an
17 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,

18 Third-Party Defendants.

19
20 **AMENDED ANSWER**

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

23
24 **ANSWER TO ALLEGATIONS**

25 1. FCGI is informed and believes that the allegations set forth in Paragraph
26 1 of the Second Amended Complaint are true and therefore admit the same

27 2. FCGI is without sufficient information and knowledge to form a belief as
28

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

3 3. FCGI is without sufficient information and knowledge to form a belief as
4 to the truth of the allegations set forth in Paragraph 3 of the Second Amended Complaint
5 and therefore deny them. As a result, the Defendants, as Counter-claimants, are forced to
6 file counter-claims and bring racketeering and general claims against the Plaintiffs, as
7 Counter-defendants, in order to expose their wrongdoings, hold them accountable for
8 their unlawful acts in both civil and criminal complaints, exonerate the Defendants and
9 clear their good name, restore their free and clear property rights and finally obtain relief
10 from the Counter-defendants criminal racketeering enterprise and unlawful activity.
11

12 4. FCGI is without sufficient information and knowledge to form a belief as
13 to the truth of the allegations set forth in Paragraph 4 of the Second Amended Complaint
14 and therefore deny them.
15

16 5. FCGI is without sufficient information and knowledge to form a belief as
17 to the truth of the allegations set forth in Paragraph 5 of the Second Amended Complaint
18 and therefore deny them.
19

20 6. FCGI is without sufficient information and knowledge to form a belief as
21 to the truth of the allegations set forth in Paragraph 6 of the Second Amended Complaint
22 and therefore deny them.
23

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

26 8. FCGI is without sufficient information and knowledge to form a belief as
27 to the truth of the allegations set forth in Paragraph 8 of the Second Amended Complaint
28

1 and therefore deny them.

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

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

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

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

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

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

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

22 16. FCGI is without sufficient information and knowledge to form a belief as
23 to the truth of the allegations set forth in Paragraph 16 of the Second Amended
24 Complaint and therefore deny them.

1 Complaint and therefore deny them.

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

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

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

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

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

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

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

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

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

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

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

7 28. Answering Paragraph 28 of the Second Amended Complaint, FCGI
8 admits that Intellectual Properties Holdings, LLC does in fact hold licenses to the
9 intellectual property owned by David Mahon. FCGI denies all allegations set forth in
10 Paragraph 28 of the Second Amended Complaint not expressly admitted herein.
11

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

14 30. FCGI is without sufficient knowledge to form a belief as to the truth of
15 the allegations set forth in Paragraph 30 and therefore deny them.
16

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

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

21 33. FCGI denies the allegations set forth in Paragraph 33 of the Amended
22 Complaint.
23

24 34. FCGI is without sufficient knowledge to form a belief as to the truth of
25 the allegations set forth in Paragraph 34 and therefore deny them.
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27 35. FCGI is without sufficient knowledge to form a belief as to the truth of
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1 the allegations set forth in Paragraph 35 and therefore deny them.

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

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

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

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

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

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

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

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

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

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

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

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

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

12
13 49. FCGI denies the allegations set forth in Paragraph 49 of the Second
14 Amended Complaint.

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

17
18 51. Answering Paragraph 51 of the Second Amended Complaint, FCGI
19 admits Mark Munger gave David Mahon or Full Color Games, Inc. \$10,000.00, but
20 affirmatively alleges that it was the money was given without any terms or conditions
21 attached whatsoever based on his belief in David Mahon's inventions. FCGI further
22 affirmatively alleges that rather than simply accept the money offered by Mark Munger,
23 David Mahon prepared an agreement to document the payment of the \$10,000 as an
24 investment and presented the Assignment of Net Profits Interest ("ANPI") Agreement to
25 Mark Munger and, at Mark Munger's request, to his business partner, Jeremiah
26 Rutherford. FCGI further affirmatively alleges that Mark Munger only paid \$35,000.00
27
28

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

3 52. Answering Paragraph 52 of the Second Amended Complaint, FCGI
4 admits that the ANPI Agreement speaks for itself. FCGI denies all allegations set forth
5 in Paragraph 52 of the Second Amended Complaint not expressly admitted herein, and
6 that are not consistent with the terms of the ANPI Agreement.
7

8 53. Answering Paragraph 53 of the Second Amended Complaint, FCGI
9 admits that the ANPI Agreement speaks for itself. FCGI denies all allegations set forth
10 in Paragraph 53 of the Second Amended Complaint not expressly admitted herein, and
11 that are not consistent with the terms of the ANPI Agreement.
12

13 54. Answering Paragraph 54 of the Second Amended Complaint, FCGI
14 admits that Mark Munger made no further contributions on or about March 13, 2013,
15 and affirmatively allege and admit that Mark Munger did not make the investments he
16 agreed to make under the ANPI Agreement. FCGI denies all allegations set forth in
17 Paragraph 54 of the Second Amended Complaint not expressly admitted herein.
18

19 55. Answering Paragraph 55 of the Second Amended Complaint, FCGI
20 admits that it issued out common stock in Full Color Games, Inc. to Mark Munger
21 pursuant to the Shareholder Issuance Agreement and Shareholder Repurchase
22 Agreement, and affirmatively alleges and admits that Full Color Games, Inc. did so
23 based on Mark Munger's agreement to contribute to the company by being appointed
24 both as a member of the Board of Advisors and as the company's Chief Technology
25 Officer ("CTO"). David Mahon affirmatively alleges and admits and that Mark Munger
26 has denied that he ever accepted the position of CTO and has claimed that the Board of
27
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1 Advisor position did not require anything of him. FCGI denies that Mark Munger
2 should have ever received common stock in Full Color Games, Inc. because Mark
3 Munger denies the conditions upon which he was to receive the stock. FCGI denies all
4 allegations set forth in Paragraph 55 of the Second Amended Complaint not expressly
5 admitted herein.

6
7 56. Answering Paragraph 56 of the Second Amended Complaint, FCGI
8 admits that Mark Munger was involved in introducing Full Color Games, Inc. and David
9 Mahon to Sebastian Bastian. FCGI is without sufficient knowledge and information to
10 form a belief as to the remaining allegations set forth in Paragraph 56 of the Second
11 Amended Complaint and therefore deny them.

12
13 57. FCGI is without sufficient information and knowledge to form a belief as
14 to the truth of the allegations set forth in Paragraph 57 of the Second Amended
15 Complaint and therefore deny them.

16
17 58. FCGI is without sufficient information and knowledge to form a belief as
18 to the truth of the allegations set forth in Paragraph 58 of the Second Amended
19 Complaint and therefore deny them.

20
21 59. Answering Paragraph 59 of the Second Amended Complaint, FCGI is
22 informed and believe that Mark Munger was working for Full Color Games, Inc. and for
23 Sebastian Bastian's companies at the same time as alleged, and affirmatively allege that
24 Mark Munger's work created a conflict of interest and a breach of the Non-Disclosure,
25 Non-Compete and Non-interference Agreement between the FCGI and Mark Munger.
26 FCGI is without sufficient information and knowledge to form a belief as to the truth of
27 the remaining allegations set forth in Paragraph 59 of the Second Amended Complaint
28

1 and therefore deny them.

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

4 61. Answering Paragraph 61 of the Second Amended Complaint, FCGI
5 admits Full Color® Solitaire application was released onto the iTunes App Store. FCGI
6 denies all allegations set forth in Paragraph 61 of the Second Amended Complaint not
7 expressly admitted herein.
8

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

11 63. Answering Paragraph 63 of the Second Amended Complaint, FCGI
12 admits that Glen Howard became an investor in Full Color Games, Inc., on or about
13 February 14, 2014. FCGI denies all allegations set forth in Paragraph 63 of the Second
14 Amended Complaint not expressly admitted.
15

16 64. Answering Paragraph 64 of the Second Amended Complaint, FCGI
17 affirmatively alleges and admits that Mike Berman, doing business as Cactus Matrix, a
18 software subcontractor to Full Color Games, Inc., deleted the entire player website
19 databases, operating files and all recent backups for Full Color® Solitaire. FCGI denies
20 all allegations set forth in Paragraph 64 of the Second Amended Complaint not expressly
21 admitted herein.
22

23 65. FCGI denies the allegations set forth in Paragraph 65 of the Second
24 Amended Complaint.
25

26 66. Answering Paragraph 66 of the Second Amended Complaint, FCGI
27 admits that Glen Howard became a convertible note holder in Full Color Games, Inc., on
28

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

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

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

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

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

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

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

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

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

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

7 76. Answering Paragraph 76 of the Second Amended Complaint, FCGI
8 affirmatively alleges and admits the intellectual property concerning the Full Color®
9 Gaming System was owned by David Mahon and licensed to Intellectual Properties
10 Holdings, LLC and other companies via certain license agreements, including the
11 “License Agreement dated April 18, 2012” issued to Full Color Games, Inc., which
12 licensed the use of the intellectual property owned by David Mahon. FCGI further
13 affirmatively alleges and admits that FCGI in good faith relied upon Richard H.
14 Newman, Esq., attorney for Howard & Howard, LLP, Newman Law, LLC, general
15 counsel for Full Color Games, Inc., Chief Legal Officer of both Full Color Games, Inc.
16 and Full Color Games Ltd, a member of the Board of Advisors of Full Color Games,
17 Inc., a Director of Full Color Games Ltd and a Personal Management License applicant
18 for Full Color Games Ltd to the UK Gambling Commission remote software gaming
19 license application (hereinafter collectively “Newman”) who represented that the Full
20 Color® Gaming System intellectual property invented by and owned by David Mahon,
21 was properly protected by copyright, trademark, and patent law. FCGI further
22 affirmatively alleges and admits that to the extent FCGI discovered that the some of the
23 patent applications or copyright applications were not completed by Newman as
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1 represented, those applications were either corrected as much as possible and all
2 investors were informed of the issues. FCGI further affirmatively alleges and admits
3 that Newman was terminated from all of his legal representation and positions in
4 association with the FCGI as a result of the discovery and his inability to cure his
5 defects. FCGI denies all allegations set forth in Paragraph 76 of the Second Amended
6 Complaint not expressly admitted herein.
7

8 77. Answering Paragraph 77 of the Second Amended Complaint, FCGI
9 affirmatively alleges and admits that all investor documents, publications, applications
10 and all public records filings related to the Full Color® Gaming System, fully disclose
11 the facts that the Full Color® Gaming System was ©David W. Mahon, with “All Rights
12 Reserved” and the nature of their exclusive licensing speak for themselves. FCGI denies
13 all allegations set forth in Paragraph 76 of the Second Amended Complaint not expressly
14 admitted herein.
15

16 78. Answering Paragraph 78 of the Second Amended Complaint, FCGI
17 admits that all investor documents, publications, applications and all public records
18 filings related to the Full Color® Gaming System, fully disclose the facts that the Full
19 Color® Gaming System was ©David W. Mahon, with “All Rights Reserved” and the
20 nature of their exclusive licensing speak for themselves. FCGI denies all allegations set
21 forth in Paragraph 76 of the Second Amended Complaint not expressly admitted herein.
22

23 79. FCGI denies the allegations set forth in Paragraph 79 of the Second
24 Amended Complaint.
25

26 80. FCGI denies the allegations set forth in Paragraph 80 of the Second
27 Amended Complaint.
28

1 81. Answering Paragraph 81 of the Second Amended Complaint, FCGI
2 admits that documents were signed and executed by Larry and Teresa Moore and
3 affirmatively allege and admit that the email chains that forwarded the documents, the
4 wire transfer documents and the convertible note documents all speak for themselves.
5 FCGI denies the allegations set forth in Paragraph 81 of the Second Amended Complaint
6 not expressly admitted herein.
7

8 82. Answering Paragraph 82 of the Second Amended Complaint, FCGI
9 affirmatively alleges and admits that David Mahon hired Richard H. Newman, Esq. of
10 Howard & Howard, LLP who then transferred his practice to Newman Law, LLC, to
11 apply for trademarks, copyrights and patents for intellectual property protection on
12 behalf of the Full Color® Gaming System. FCGI denies the allegations set forth in
13 Paragraph 82 of the Second Amended Complaint not expressly admitted herein.
14

15 83. Answering Paragraph 82 of the Second Amended Complaint, FCGI
16 affirmatively alleges and admits that nonparty Oakwood Limited, doing business as
17 Microgaming, sought to license Full Color Games, Inc.'s real money gaming concepts
18 and prototypes and published promotional literature disclosing its exclusive license to
19 David Mahon's unique and proprietary Full Color® Gaming System to its Operators,
20 despite the games not being commercially available to release on their remote gaming
21 software application servers. FCGI denies the allegations set forth in Paragraph 83 of
22 the Second Amended Complaint not expressly admitted herein.
23
24

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

27 85. Answering Paragraph 85 of the Second Amended Complaint, FCGI
28

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 103. Answering Paragraph 103 of the Second Amended Complaint, David
24

1 Mahon affirmatively alleges and admits that someone from BL Moore Construction, Inc.
2 sought to assign their investment in the Full Color Games, Inc. convertible note to a
3 family trust entitled Moore Family Trust u/d/t/ March 14, 2003 ("Moores") and it was
4 approved and executed based on the representations made by the Moores as to their
5 status as a bonafide accredited investor. Full Color Games, Inc. further affirmatively
6 alleges and admits that on October 10, 2017, the Moore shares were canceled,
7 repurchased and terminated pursuant to the notice sent to Moores via USPS pursuant to
8 the terms and the conditions of Full Color Games, Inc. Amended and Restated Bylaws
9 dated August 1, 2015 that the Moores were bound by when they converted their security
10 interests in the "License dated April 18, 2012" into common stock shares certificate CS-
11 42 on or about April 11, 2016. FCGI denies the allegations set forth in Paragraph 103 of
12 the Second Amended Complaint not expressly admitted herein.
13
14

15 104. FCGI denies the allegations set forth in Paragraph 104 of the Second
16 Amended Complaint.
17

18 105. FCGI denies the allegations set forth in Paragraph 105 of the Second
19 Amended Complaint.
20

21 106. FCGI denies the allegations set forth in Paragraph 106 of the Second
22 Amended Complaint.
23

24 107. Answering Paragraph 107 of the Second Amended Complaint, FCGI
25 admits Full Color Games, Inc., did exhibit at the ICE 2016 Totally Gaming Convention
26 in London, England. FCGI denies the allegations set forth in Paragraph 107 of the
27 Second Amended Complaint not expressly admitted herein.
28

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

1 affirmatively alleges and admits that Martin Linham, CFO of Full Color Games, Inc.,
2 had instructed Corporate Options (without any signed letter of authorization or executed
3 engagement letters from the Full Color Games, Inc.'s Board of Directors) to form Full
4 Color Games Ltd. in the Isle of Man prior to the ICE 2016 convention so he could begin
5 to pitch high net worth individuals, members of the royal families, members of the UK
6 parliament, casino gaming government regulators, accountants, lawyers, distributors,
7 operators, testing labs and institutional investors from the Isle of Man, the UK and
8 Europe. FCGI denies the allegations set forth in Paragraph 108 of the Second Amended
9 Complaint not expressly admitted herein.
10

11 109. FCGI denies the allegations set forth in Paragraph 109 of the Second
12 Amended Complaint.
13

14 110. FCGI denies the allegations set forth in Paragraph 110 of the Second
15 Amended Complaint.
16

17 111. Answering Paragraph 111 of the Second Amended Complaint, FCGI
18 affirmatively alleges and admits that Mahon hired Richard H. Newman, Esq. of Howard
19 & Howard, LLP who then transferred his practice to Newman Law, LLC, to apply for
20 trademarks, copyrights and patents for intellectual property protection on behalf of the
21 Full Color® Gaming System. FCGI denies the allegations set forth in Paragraph 111 of
22 the Second Amended Complaint not expressly admitted herein.
23

24 112. Answering Paragraph 112 of the Second Amended Complaint, FCGI
25 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
26 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
27 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
28

1 to convert their security interests into common stock shares of Full Color Games, Inc., in
2 advance of its maturity date. The majority of the Convertible Note Shareholders
3 approval of Amendment No. 2 triggered a series of expressly documented corporate
4 events. These corporate documents and agreements documenting the corporate event
5 speak for themselves. FCGI denies the allegations set forth in Paragraph 112 of the
6 Second Amended Complaint not expressly admitted herein.
7

8 113. Answering Paragraph 113 of the Second Amended Complaint, FCGI
9 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
10 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
11 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
12 to convert their security interests into common stock shares of Full Color Games, Inc., in
13 advance of its maturity date. The majority of the Convertible Note Shareholders
14 approval of Amendment No. 2 triggered a series of expressly documented corporate
15 events. These corporate documents and agreements documenting the corporate event
16 speak for themselves. FCGI denies the allegations set forth in Paragraph 113 of the
17 Second Amended Complaint not expressly admitted herein.
18
19

20 114. Answering Paragraph 114 of the Second Amended Complaint, FCGI
21 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
22 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
23 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
24 to convert their security interests into common stock shares of Full Color Games, Inc., in
25 advance of its maturity date. The majority of the Convertible Note Shareholders
26 approval of Amendment No. 2 triggered a series of expressly documented corporate
27
28

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

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

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

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

12 118. Answering Paragraph 118 of the Second Amended Complaint, FCGI
13 affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of
14 Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a
15 result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note
16 to convert their security interests into common stock shares of Full Color Games, Inc., in
17 advance of its maturity date. The majority of the Convertible Note Shareholders
18 approval of Amendment No. 2 triggered a series of expressly documented corporate
19 events. These corporate documents and agreements documenting the corporate event
20 speak for themselves. FCGI denies the allegations set forth in Paragraph 118 of the
21 Second Amended Complaint not expressly admitted herein.
22

23 119. Answering Paragraph 119 of the Second Amended Complaint, FCGI
24 denies the allegations set forth in Paragraph 119 of the Second Amended Complaint not
25 expressly admitted herein.
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1 120. Answering Paragraph 120 of the Second Amended Complaint, FCGI
2 affirmatively alleges and admits that Bastian was not a shareholder of Full Color Games,
3 Inc., Full Color Games Ltd., Intellectual Properties Holdings, LLC, Intellectual
4 Properties Holdings, Ltd. or any company owned or affiliated by any of the Answering
5 Defendants. Notwithstanding the lack of relevance, the FCGI affirmatively alleges and
6 admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on
7 or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily
8 trigger a corporate event in the May 2014 Convertible Note to convert their security
9 interests into common stock shares of Full Color Games, Inc., in advance of its maturity
10 date. The majority of the Convertible Note Shareholders approval of Amendment No. 2
11 triggered a series of expressly documented corporate events. These corporate
12 documents and agreements documenting the corporate event speak for themselves.
13 FCGI denies the allegations set forth in Paragraph 120 of the Second Amended
14 Complaint not expressly admitted herein.

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

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

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

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

27 125. FCGI denies the allegations set forth in Paragraph 125 of the Second
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1 Amended Complaint.

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

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

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

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

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

27 131. FCGI denies the allegations set forth in Paragraph 131 of the Second
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1 Amended Complaint.

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

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

6 134. Answering Paragraph 134 of the Second Amended Complaint, FCGI
7 affirmatively alleges and admits that after becoming an individual and a corporate victim
8 of the fraudulent banking accounting practices of Wells Fargo Bank that resulted in a
9 \$142 million dollar class action lawsuit settlement, he ended his 27 year relationship
10 with Wells Fargo due to their lack of ethical restraint and opened new bank accounts at a
11 competing firm with better service and more locations. FCGI denies the allegations set
12 forth in Paragraph 134 of the Second Amended Complaint not expressly admitted
13 herein.

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

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

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

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

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

3 140. Answering Paragraph 140 of the Second Amended Complaint, FCGI
4 admits that Full Color Games Inc. shareholders were sent an investor update on or about
5 June 29, 2017, and the investor update speaks for itself. FCGI denies the allegations set
6 forth in Paragraph 140 of the Second Amended Complaint not expressly admitted
7 herein.
8

9 141. Answering Paragraph 141 of the Second Amended Complaint, FCGI
10 admits that Full Color Games Inc. shareholders were sent and investor update on or
11 about June 29, 2017, and the investor update speaks for itself. FCGI denies the
12 allegations set forth in Paragraph 141 of the Second Amended Complaint not expressly
13 admitted herein.
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15 142. FCGI denies the allegations set forth in Paragraph 142 of the Second
16 Amended Complaint.
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18 143. FCGI denies the allegations set forth in Paragraph 143 of the Second
19 Amended Complaint.

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

22 145. FCGI denies the allegations set forth in Paragraph 145 of the Second
23 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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1 **SECOND CLAIM FOR RELIEF**
2 **(Aiding and Abetting Breach of Fiduciary Duty**
 against Glen Howard, on Behalf of Full Color Games, Inc.)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20 169. - 179. Claim has been dismissed by the Court and no answer is required.

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

25 180. - 188. Claim has been dismissed by the Court and no answer is required.

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

5 189. - 194. Claim has been dismissed by the Court and no answer is required.

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

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

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

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

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

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

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

21 201. FCGI is without sufficient information and knowledge to form a belief as
22 to the truth of the allegations set forth in Paragraph 201 of the Second Amended
23 Complaint and therefore deny them.
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1 **EIGHTH CLAIM FOR RELIEF**
2 **(Conversion against All Defendants, on Behalf of Full Color Games, Inc.)**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 218. FCGI denies the allegations set forth in Paragraph 218 of the Second
25 Amended Complaint.
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1 219. FCGI denies the allegations set forth in Paragraph 219 of the Second
2 Amended Complaint.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 237. FCGI is without sufficient information and knowledge to form a belief as
23 to the truth of the allegations set forth in Paragraph 237 of the Second Amended
24 Complaint and therefore deny them.
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1 **TWELFTH CLAIM FOR RELIEF**
2 **(Appointment of Special Master, on behalf of Full Color Games, Inc. And**
3 **Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore**
4 **Family Trust)**

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

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

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

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

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

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

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

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

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

24 247. FCGI is without sufficient information and knowledge to form a belief as
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1 to the truth of the allegations set forth in Paragraph 247 of the Second Amended
2 Complaint and therefore deny them.

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

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

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

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

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

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

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

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

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

24 256. FCGI is without sufficient information and knowledge to form a belief as
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1 to the truth of the allegations set forth in Paragraph 256 of the Second Amended
2 Complaint and therefore deny them.

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

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

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

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

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

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

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

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

26 263. FCGI denies the allegations set forth in Paragraph 263 of the Second
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1 Amended Complaint.

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

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

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

8 267. FCGI is without sufficient information and knowledge to form a belief as
9 to the truth of the allegations set forth in Paragraph 267 of the Second Amended
10 Complaint and therefore deny them.
11

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

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

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

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

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

25 272. FCGI denies the allegations set forth in Paragraph 272 of the Second
26 Amended Complaint.
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1 273. FCGI is without sufficient information and knowledge to form a belief as
2 to the truth of the allegations set forth in Paragraph 273 of the Second Amended
3 Complaint and therefore deny them

4 **AFFIRMATIVE DEFENSES**

5 FCTI, without altering the burdens of proof the parties must bear, asserts the
6 following affirmative defenses to the Second Amended Complaint, and the claims
7 asserted therein, and FCGI specifically incorporates into the affirmative defenses their
8 answers to the preceding paragraphs of the Second Amended Complaint as if fully set
9 forth herein.
10

11 **FIRST AFFIRMATIVE DEFENSE**

12 The Second Amended Complaint fails to state facts sufficient to constitute a
13 CLAIM FOR RELIEF against Answering Defendants.
14

15 **SECOND AFFIRMATIVE DEFENSE**

16 FCGI is informed and believes, and thereon allege, that the Second Amended
17 Complaint, and each and every CLAIM FOR RELIEF set forth therein, is barred by the
18 applicable statute of limitations, including but not limited to, NRS Sections 11.190,
19 11.200, 11.202, 11.203, 11.204, 11.205 and 11.2055.
20

21 **THIRD AFFIRMATIVE DEFENSE**

22 FCGI is informed and believes, and thereon allege, that Plaintiffs' claims are
23 barred by the equitable doctrines of waiver, duress, release, laches, unclean hands,
24 limitations, and/or equitable estoppel.
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1 **FOURTH AFFIRMATIVE DEFENSE**

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

5 **FIFTH AFFIRMATIVE DEFENSE**

6 Plaintiffs lack standing to bring derivative claims on behalf of FCGI under
7 NRCP 23.1 because Plaintiffs do not meet the ongoing and continuous share ownership
8 requirement.
9

10 **SIXTH AFFIRMATIVE DEFENSE**

11 Plaintiffs lack standing to bring derivative claims on behalf of FCGI because
12 Plaintiffs cannot fairly and adequately represent the company.
13

14 **SEVENTH AFFIRMATIVE DEFENSE**

15 FCGI is informed and believe, and thereon allege, that Answering Defendants'
16 acts and actions as alleged in the Second Amended Complaint are privileged and/or
17 otherwise shielded from liability by the business judgment rule.
18

19 **EIGHTH AFFIRMATIVE DEFENSE**

20 FCGI alleges that at the time and place alleged in the Second Amended
21 Complaint, all or some of Plaintiffs did not exercise ordinary care, caution or prudence
22 to avoid the damages alleged in the Second Amended Complaint and the resulting
23 damages and injury, if any, complained of were directly and proximately contributed to
24 and caused by the fault, carelessness and negligence of the one or all of the Plaintiffs,
25 and any judgment in favor of Plaintiffs and against this answering and against any of the
26 FCGI should be reduced in proportion to Plaintiffs' own fault.
27
28

1 **NINTH AFFIRMATIVE DEFENSE**

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

4 **TENTH AFFIRMATIVE DEFENSE**

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

7 **ELEVENTH AFFIRMATIVE DEFENSE**

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

10 **TWELFTH AFFIRMATIVE DEFENSE**

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

13 **THIRTEENTH AFFIRMATIVE DEFENSE**

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

16 **FOURTEENTH AFFIRMATIVE DEFENSE**

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

19 **FIFTEENTH AFFIRMATIVE DEFENSE**

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

22 ////

23 ////

1 **SIXTEENTH AFFIRMATIVE DEFENSE**

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

4 **SEVENTEENTH AFFIRMATIVE DEFENSE**

5 This Court lacks jurisdiction over some or all of Plaintiffs' claims to the extent
6 those claims require the joinder of parties over whom the Court does not have
7 jurisdiction.
8

9 **EIGHTEENTH AFFIRMATIVE DEFENSE**

10 FCGI were required to employ the services of attorneys to defend this action and
11 a reasonable sum should be allowed as and for attorney's fees, together with the costs
12 expended in this action.
13

14 **NINETEENTH AFFIRMATIVE DEFENSE**

15 FCGI hereby incorporate by reference those affirmative defenses enumerated in
16 Rule 8 of the Nevada Rules of Civil Procedure as if fully set forth herein. In the event
17 further investigation or discovery reveals the applicability of any such defenses,
18 Defendant reserves the right to seek leave of Court to amend their Answer to specifically
19 assert such additional defenses.
20

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

- 22 1. That Plaintiffs take nothing by way of their Second Amended Complaint.
23 2. That Defendants be awarded their attorney's fees and costs for having to
24 defend this action.
25 3. For any other additional relief the Court may deem appropriate to award.
26
27
28

AMENDED COUNTERCLAIMS ANT THIRD-PARTY COMPLAINT

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PRAYER FOR RELIEF 213

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.

1 4. Counter-Defendants and Third-Party Defendants have conspired with
2 each other to engage in a pattern of criminal racketeering activity that began with billing
3 fraud, wire fraud and money laundering for the purposes of tax evasion to conceal the
4 purchase of FCGI'S securities and culminating in a violation of the Hobbs Act (18
5 U.S.C. §1951) against FCGI and its principals in an attempt to wrongfully coerce Mahon
6 into giving up his property interests in his intellectual property.
7

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

- 10
- 11 i. *installed themselves into the positions of trust and authority as the*
12 *Board of Advisors, directors, and officers, and obtained shares of*
13 *FCGI in order to sabotage his business interests, and take over*
14 *the business and licenses to intellectual property as their own;*
 - 15 ii. *sabotaged the commercial viability of FCGI and its ability to*
16 *commercialize the licenses Mahon had bestowed on FCGI for the*
17 *use of his inventions and bring his inventions to the market place*
18 *in the process;*
 - 19 iii. *wrongfully interfered, circumvented and competed against FCGI*
20 *in violation of their contracts and fiduciary duties;*
 - 21 iv. *deleted and destroyed company assets, emails and digital files*
22 *that would reveal their wrongful activities;*
 - 23 v. *deliberately framed Mahon as unsuitable to run his own company*
24 *to other investors and industry partners and vendors by falsely*
25 *claiming he embezzled money out of his own company;*
 - 26 vi. *engaged in a willful character assassination to destroy Mahon's*
27 *ability to be found suitable for casino gaming licensing in order to*
28 *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;

- 1 vii. *engaged in a wrongful attempt to extort Mahon out of his own*
2 *intellectual property and other ownerships in FCGI, or otherwise*
3 *attempt via a veiled threat of ongoing, tortious, and frivolous*
4 *litigation and ongoing character assassination;*
5 viii. *disparaged Mahon to partners, vendors, suppliers and*
6 *governmental regulatory agencies in further attempts to destroy*
7 *his reputation and harm FCGI;*
8 ix. *breached all of their own contracts as a result of their wrongful,*
9 *tortious and racketeering activities;*
10 x. *made false representations concerning services and accepted*
11 *payment for services based on false pretenses.*
12 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.

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

- 16 a. treble damages for all acts through which the Counter-defendants
17 exploited the Counter-claimants for its own benefit and to the
18 Counter-claimant's detriment (breach of contract, breach of
19 fiduciary duties, torts of interference, fraud, misrepresentation,
20 threats, extortion and coercing others to forgo legitimate business
21 interests) and through which the Counter-defendants schemed to
22 deprive MAHON and the other Counter-claimants' of their
23 property rights;
24 b. disgorgement of claims to all wrongfully obtained shares of
25 FCGI's common stock and property rights;
26 c. other equitable and legal remedies, including restitution;
27 attorney's fees; compensatory and punitive damages for loss of
28

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

5
6 **JURISDICTION AND VENUE**

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

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

18 9. Venue is proper in this District pursuant to (i) 18 U.S.C. § 1965(a),
19 because this is a District in which the Defendants are found, have an agent, or transact
20 their affairs; and (ii) 28 U.S.C. § 1391(b)(2), because this is a District in which a
21 substantial part of the events or omissions giving rise to the claim occurred, or a
22 substantial part of the property that is subject of the action is situated.

23 **PARTIES**

24 10. Counter-claimant Full Color Games, Inc. ("FCGI") is a corporation
25 formed under the laws of the State of Nevada and is, or was at all relevant times, doing
26 business in Clark County, Nevada.
27
28

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

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

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

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

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

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

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

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

25 19. Upon information and belief, Third-Party Defendant ILG Software
26 (“ILG”) is an Isle of Man company formed under the 2006 Companies Act owned by
27
28

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 43. FCGI is informed and believes and alleges that the Third-Party
25 Defendants Bastian, Simmons, Munger, Jungels, Horan are the agents and/or
26 representatives of Playtech, Island Luck DTG, DHL, M&A, Valcros and Multislot, and
27 that Bastian, Simmons, Munger, Jungels, and Horan did not separate their various
28

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

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

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

23 46. FCGI is informed and believes and alleges that Counter-Defendant
24 Munger is the agent and/or representative of Third-Party Defendant M&A and Valcros,
25 that Munger did not separate himself or observe corporate formalities intended to
26 differentiate among himself and M&A and Valcros, and that at all times relevant to this
27 Counter-claim and Third-Party Complaint Munger has acted either for himself or in their
28

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

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

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

20 49. The Counter-claimants are informed and believes and alleges that Third-
21 Party Defendant Newman is the agent and/or representatives of Newman Law and CBL,
22 and that Newman failed to observe the corporate formalities intended to differentiate
23 among the various Newman entities, and that at all times relevant to this Counter-Claim
24 and Third-Party Complaint, each acted either for himself or itself or in his or its capacity
25 as agent and/or representative of the others. All corporate, trusts, partnership, and
26 individual Counter-defendants named herein this paragraph will collectively be referred
27 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4 72. On September 30, 2014, FCGI exhibited 21 or Nothing® and Full
5 Color® Baccarat at the Global Gaming Expo ("G2E") in Las Vegas, Nevada to over
6 25,000 attendees from over 110 countries, 54 states and US territories and handed out
7 25,000 decks of Full Color® Cards at the same time to an overwhelming success and
8 interest in the products whereby land based casinos said they would take the games as
9 soon as they were ready.

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

14 74. On February 3, 2015, MAHON and Glen Howard, the President of
15 FCGI ("Howard") demonstrated at ICE Totally London 2015, to attendees from over
16 150 countries at the world's largest online casino gaming convention whereby the
17 world's largest online distributor, Microgaming Systems ("MGS"), and the world's
18 largest online casino, Bet365 (and a plethora of others) each confirmed they would take
19 Mahon's invented games as soon as they were ready.

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

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

24 ////

25 ////

26 ////

27 ////

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

3 77. FCGI alleges that Munger, the purported primary derivative plaintiff in
4 this action has engaged in the 7 ½ year-long scheme of racketeering predicate acts
5 against FCGI in violation of 18 U.S.C. §1961 et seq. including misrepresenting his
6 knowledge and status as a potential investor in order to obtain an interest in and trust of
7 FCGI and its principals, sabotaging and interfering with FCGI's business interests,
8 aiding and abetting others to engage in mail and wire fraud, and money laundering
9 through FCGI and its affiliated entities, setting up a false narrative about Mahon's
10 business practices and failures, and spreading that narrative to FCGI investors to poison
11 them against Mahon, which has culminated extortionate threats against Mahon in order
12 to wrest him of his intellectual and corporate property rights and FCGI's ability to
13 continue business.
14

15 78. Munger's scheme and pattern took place in more than two states and
16 four different countries, and ultimately caused the loss of millions of dollars' worth of
17 Counter-claimant and FCGI's investments into the licensing and commercialization of
18 Mahon's Full Color IP that have taken over 10 years of Mahon's life to produce.
19

20 79. On July 8, 2011, Munger was introduced to Mahon through a mutual
21 acquaintance claiming to be an investor with money to invest.
22

23 80. On July 19, 2011, Munger first entered into a "Relationship" with
24 Counter-claimants by way of a Non-Disclosure, Non-Circumvent, Non-Compete &
25 Confidentiality Agreement Munger executed ("NDACA") with the Company's affiliate,
26 ultimate beneficial owner and majority in interest shareholder of the Company for the
27

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

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

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

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

20 directly or indirectly circumvent or create, work for or engaged in
21 any work for hire, consulting or employment in any businesses or
22 with any companies that competes, markets, sells, distributes,
23 publishes or licenses games that are similar or in any way shape
24 or form in likeness to any of the casino or non-casino style games
25 or intellectual property owned, controlled, licensed, developed,
26 published, distributed or licensed to or from FCG or any of its
27 affiliates, partners, contractors, distributors, publishers,
28 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

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

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

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

20 86. Not more than a week after the \$10,000 deposit was made, Munger
21 chose to introduce Mahon to his business partner, Jeremiah Rutherford who, after seeing
22 a full demonstration of the Full Color IP and FCGS, was fascinated and intrigued with
23 the potential of Mahon's inventions whereby Rutherford said he'd like to invest into
24 Mahon's first commercial venture with the Full Color IP in the release of Full
25 Color® Solitaire and he and Munger could make an equal and joint investment of
26 \$100,000.

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

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

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

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

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

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

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

19 94. Munger and Rutherford ultimately only invested \$80,000 engaging in a
20 material breach of the terms and conditions of the ANPI in both time and investment by
21 6 months and a shortfall of \$20,000 total.

22 95. After Mahon invented 21 or Nothing® and Full Color® Baccarat in
23 April of 2014, Munger became a non-stop fixture in Mahon’s life trying to learn
24 everything about Mahon’s secrets in how his formulas and methodologies worked.
25 Knowing that Mahon needed new capital to produce his product and launch it, Munger
26 made promises that he could raise additional money from other investors and claimed to
27 have a deep network of high net worth individuals through his “Gold membership” at
28

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 110. Munger also knew that unlike the GBB, the NGCB, the UKGC, and
26 other gold-standard regulated jurisdictions have no "statute of limitations" in the age of
27
28

1 their crimes by any applicant in their standards and requirements for finding
2 “suitability.”

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

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

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

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

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

24 116. On August 1, 2015, FCGI formally updated its corporate mandate and
25 adopted its Amended & Restated Bylaws dated August 1, 2015 and in so doing unified
26 all of its varied investments, contracts, net profit participation agreements, common
27 stock issuances, convertible notes and stock vesting plans including the \$37,500 of cash
28

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

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

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

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

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

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

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

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

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

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

14 125. In April of 2014, after Mahon invented 21 or Nothing® and Full
15 Color® Baccarat the investor interest in FCGI exploded and FCGI raised more money in
16 6 months than Mahon had raised in 6 years.

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

23 127. The C-Note was secured by a security agreement executed by FCGI and
24 each accredited investor. This security agreement identified the collateral as "all right,
25 title, interest, claims and demands of the Company to: that certain License Agreement by
26 and between the Company and Intellectual Properties Holdings, LLC dated April 18,
27 2012."
28

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

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

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

13 131. Between March and October 2015, unbeknownst to FCGI, upon
14 information and belief, Munger began have violations within the violations of breaching
15 the NDACA by developing and fully engaging a in a working/employment relationship
16 with the Bastian Casino Gaming Enterprise, while at the same time continuing to work
17 for Whitesand and the GBB (which violated all of their internal conflicts of interests as
18 clearly identified by Maureen Williamson, Esq. in her email to Munger at Munger's
19 secret mmunger@whitesandgaming.com email address that was previously unknown),
20 and working for FCGI, and began scheming for ways to increase his control over FCGI
21 through his undisclosed relationship with the Bastian Casino Gaming Enterprise.
22 Munger went even further and began to fraternize with Mahon's lawyer, Newman,
23 Newman Law whereby they both secretly started a new business called Gambling with
24 the Stars ("GWTS") to build a virtual and real money live dealer casino gaming studio in
25 Las Vegas that would completely conflict with the NDACA and further, directly
26 compete against FCGI. Munger and Newman's side venture self-centered agenda and
27 scheming showed complete and willful disregard of the NDACA, one of which Newman
28

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

4 **IV. MUNGER INTRODUCES FCGI AND MAHON TO BASTIAN**

5
6 132. On October 1, 2015, Munger introduced Bastian to FCGI in an attempt
7 to get Bastian to invest money into FCGI and increase Munger's interest and control
8 over FCGI.

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

12 134. On or about October 7, 2015, Munger informed Mahon and others that
13 Bastian wished to invest up to \$1 million into FCGI, and signed a Mutual Non-
14 Disclosure, Confidentiality, Non-Circumvent & Non-Interference Agreement with
15 FCGI, and thereafter, on or about October 16, 2015, formally agreed to invest \$1 million
16 in cash into FCGI through his Cayman Island entity, DTG, and further agreed to launch
17 21 or Nothing® through his 62 IslandLuck.com casinos in the Bahamas, and thereafter
18 signed a formal term sheet agreeing to accept 7.65% of FCGI for the \$1 million
19 investment.

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

24 136. After Mahon presented Full Color® Gaming System represented by the
25 Full Color IP to Multislot, Bastian spontaneously announced that he was investing in
26 FCGI, was going to launch the Full Color IP on IslandLuck.com, roll the games out with
27 a live table event in his main casino web shop, market it across all 62 of his casino
28

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

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

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

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

25 140. After returning to the Bahamas, Bastian informed Mahon and Munger
26 that he would have Multislot build 21 or Nothing® in Flash at no direct cost to FCGI
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1 and deliver it direct to the Bastian Casino Gaming Enterprise's casinos as part of the
2 investment deal, as further incentive to move to the Isle of Man for guaranteed release.

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

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

24 143. During a meeting where Bastian and Mahon were discussing the terms
25 of the new transaction on December 8, 2015, Bastian advised Mahon of the 12%
26 Bahamian Investment Tax ("BIT") that he would incur for sending money out of the
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1 Bahamas for an investment and further stated that because of the tax, FCG LTD would
2 only receive \$880,000 instead of \$1 million.

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

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

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

23 147. Mahon instantly declined the offer and said that would be illegal and he
24 could not jeopardize his licensing suitability in any way shape or form. Bastian and
25 Simmons withdrew the suggested BIT tax evasion scheme with no other discussion
26 about it whatsoever leading Mahon to believe it was indeed an "integrity test," that he
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1 clearly had passed (as they continued on for another 30 minutes and finalized the \$2
2 million investment terms and conditions afterwards without missing a beat).

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

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

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

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

23 152. Mahon had never met Murphy, knew nothing of him, Chase, Corporate
24 Options nor Chase Nominees. Mahon wanted to use Equiom but Linham insisted on
25 using Murphy, Chase, Corporate Options and Chase Nominees (falsely) stating the costs
26 were day and night between a small operation and a global conglomerate of Equiom as
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1 how he began to manipulate, change and controlled everything related to the Isle of
2 Man.

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

6 154. Linham asserted to Mahon that the purpose of Corporate Options was to
7 provide a local a Registered Agent as required by the Isle of Man Companies Act of
8 2006 ("2006 Company") for any foreigner to form and maintain a "2006 Company" in
9 the Isle of Man.

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

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

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

26 158. Upon formation of FCGLTD and IPHLTD, all companies' initial sole
27 director was Lee Murphy ("Murphy") and Chase Nominees was the sole subscriber for
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1 both FCGLTD and IPHLTD. Murphy, Chase, Corporate Options and Chase Nominees
2 prepared board resolutions for Linham to be appointed as the CFO and Director, Mahon
3 to be appointed as the CEO and Director, Newman to be appointed as the CLO and
4 Director and Munger to be appointed as the CTO of FCGLTD.

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

10 160. Between January 21 and February 2, 2016, Mahon and Linham drafted
11 Amended & Restated Memorandum of Articles to amend the share count, class of shares
12 to voting and non-voting and directed Murphy, Chase, Corporate Options and Chase
13 Nominees to file it with the Isle of Man Companies Registry to ensure that FCGI owned
14 100% of the shares of FCGLTD.

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

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

23 163. The proposed transaction whereby FCGI moved its primary asset, the
24 limited license issued from IPH to the Isle of Man by releasing its limited license so that
25 IPHLTD could issue the full Commercial License Agreement ("CLA") to FCGLTD in
26 exchange for 100% of the shares in FCGLTD, which would be followed by Bastian's
27 purchase, through DHL, of shares in FCGLTD, could not occur without the majority
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1 consent of the C-Note holders, and the C-Note would have to be amended a second time
2 to allow the C-Note holders to convert to shareholders upon completion of the
3 transaction (hereinafter, "Amendment No. 2").

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

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

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

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

19 168. To legally effectuate all of the terms and conditions of Amendment No.
20 2 and voluntary trigger the C-Note, an actual legal transfer the shares of FCGLTD to
21 FCGI had to be fully effectuated by in the public record.

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

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

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

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

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

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

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

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

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

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

14 178. Upon information and belief, when Simmons spoke to Linham on June
15 7, 2016, he directed Linham to create an invoice to IslandLuck.com on FCG LTD
16 letterhead for \$444,070.01 in computer equipment whereby Simmons would submit it to
17 the Bank of Bahamas as a way to for Simmons to transfer part of the money to FCG
18 LTD for the purchase of FCGI'S securities in FCGLTD in order to avoid paying the
19 12% BIT rather than complete the wire transfer of the full \$1 million investment to
20 Nedbank by way of DHL as agreed.

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

24 180. Upon information and believe, within minutes after getting off the Skype
25 call with Simmons, Linham communicated with Munger outside of the email chains on
26 the fullcolorgames.com servers to get information to put together an IslandLuck.com
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1 equipment invoice because Munger did in fact send an email with a prepared
2 IslandLuck.com list of equipment and a total cost of \$444,070.01 to Linham.

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

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

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

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

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

25 186. On June 9, 2016, at 6:57pm, after the call with Mahon, Linham made
26 several attempts to contact Simmons via Skype where he informs Simmons that FCG
27 LTD's "audit standards" will not allow them to complete the transfer of funds via the
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1 invoice previously sent and insisted on completing the transfer in a way that would
2 “stand up to regulatory scrutiny.” Linham has since admitted that he and Munger
3 constructed the invoice and sent it to Bastian’s CFO in the Bahamas.

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

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

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

19 190. As a result of Bastian, Simmons, Linham, and Munger conspired to
20 commit money laundering through fraud by wire, each are guilty of violating 18 U.S.C
21 §1962(d) through the two predicate acts of 18 U.S.C. §1956 and §1343 in violation of 18
22 U.S.C. §1962(b) had they succeeded.

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

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

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

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

13 195. On June 22, 2016, Bastian again engages in money laundering of
14 \$500,000 of funds in a wire transfer through a false "Purpose of Funds" statement to
15 Wells Fargo Bank, N.A. for the fraudulent claim of an "Investment for Davinci
16 Trading," a Cayman Islands company that Bastian owns as the beneficiary of Full Color
17 Games Ltd through interstate and foreign commerce.

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

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

25 198. This purchase of securities is a false statement by Bastian to induce
26 WFB to wire the funds as falsely state "Purpose of Funds" is for "Investment for
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1 Davinci Trading” with the beneficiary being “Full Color Games Ltd,” which is money
2 laundering through wire fraud and further a criminal act of securities fraud.

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

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

13 201. On September 20, 2016, at the Shirley Street Branch of the Bank of
14 Bahamas (“BOB”), Bastian, by signature, directed the BOB to make an “External
15 Payment Request” (“EPR”) in the form of a bank wire transfer in the amount of
16 \$500,000 payable to Full Color Games Ltd in the Isle of Man. It was stamped by BOB
17 as received on September 22, 2015.

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

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

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

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

3 206. On October 3, 2016, at 8:53am PST, Linham confirmed that FCGLTD
4 did in fact receive the \$500,000 into its Nedbank account in Isle of Man validating the
5 act of racketeering of money laundering through fraud by wire violating 18 U.S.C
6 §1962(b), (c) and (d) through the two predicate acts of 18 U.S.C. §1956 and §1343.

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

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

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

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

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

5 211. Multislot is not licensed in Gibraltar and is not a Tier 1 developer,
6 distributor or operator. Multislot is a Tier 2/Tier 3 casino gaming developer. The
7 company makes low budget online casino games with average graphics and average
8 functionality.

9 212. Multislot is a small company of approximately 8-10 people that is based
10 in a non-regulated jurisdiction of Costa Rica and was formed years ago to make games
11 to supply to the underground and non-regulated world. This is why the Bastian Casino
12 Gaming Enterprise, which started in the unregulated Bahamas utilized Multislot and, in
13 fact was their largest customers by monthly revenue.

14 213. Indeed, in a non-regulated closed market with little or no competition, like
15 the Bahamas, the Tier 1 operators did not compete because there was not sufficient
16 volume, giving a Tier 2 / Tier 3 game developer or distributor such as Multislot a
17 marketplace to profit in. Lower costs with lower volume could still make a profit.

18 214. On average, Multislot as a Tier 2/Tier 3 game developer would spend a
19 maximum of about \$50,000-\$100,000 to produce an in-house generic online real money
20 casino game for desktop only and a limited set of languages and currencies whereas a
21 Tier 1 game developer and Gibraltar Licensee like Microgaming (Oakwood Ltd) would
22 spend well over \$1 million to produce a super high quality game with world class
23 graphics and another \$1 million to license a brand that works all computer, mobile and
24 tablet devices in all languages and in all currencies.

25 215. When the Full Color IP came onto the scene, every operator and every
26 distributor in every level of Tier 1, 2 or 3 has wanted the Full Color IP content as soon
27 as it was ready and as proof of how bad they want it, they have been willing put it at the
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1 front of the line in integrations that are backed up 18-24 months on average by all others
2 proving that it is an anomaly and stood an incredible chance of unlimited success upon
3 release.

4 216. Microgaming wanted the Full Color IP so bad, in a seemingly
5 unprecedented move, even began to publish the availability of it in their sales literature
6 before a contract was even signed.

7 217. When Multislot was presented with the opportunity to be involved
8 because of its relationship with Bastian, Multislot was willing to go to extreme measures
9 to get it first and its willingness to develop FC21 with no upfront fees or costs because
10 Multislot knew it could not afford to buy the Full Color IP or even pay its licensing fees,
11 but that if it were to develop the game on its RGS system first, the Tier 1 distributors
12 who wanted the Full Color content would be forced to integrate Multislot's RGS onto
13 their platforms, which is something a Tier one distributor would not normally do for Tier
14 2/3 content, but would likely do to obtain Full Color's content.

15 218. Multislot had other limitations beyond its Tier 2/3 status. Multislot was
16 limited geographically as they are based in Costa Rica. The geography and culture
17 simply creates a lack of human resources skilled in the relevant art of online casino
18 gaming industry by its geography and educational institutions, and thirdly by economic
19 conditions that exist to import them. Collectively it creates the inability to obtain and
20 maintain the world class rockstar talent necessary to create a Tier 1 game, much more
21 so. ...invent Tier 1 content on their own and break out of that cycle.

22 219. Multislot was also limited by its technology and its employees in
23 producing an online game is code programmed. Multislot's primary language of their
24 games is produced using "Flash" by Adobe which was first released in 2000 as the
25 internet began to truly grow by leaps and bounds. Multislot chooses Flash because it is
26 cheap and easy and the learning curve is so low, making it easier to obtain human
27 resources in a geography that is already scarce as it could be by default.

1 220. However, since 2000, Flash has lost most of its appeal because it cannot
2 be run on the mobile phones and tablets dominating the world today as neither iOS
3 (Apple iPhone) or (Google) Android will run it. All universal content today is coded
4 natively or universally using WebGL and HTML5.

5 221. As a result of MULTISLOT'S own limitations, MULTISLOT only
6 offered to produce the Full Color IP in "Flash", a dying language on desktops and a dead
7 language on mobile and tablet.

8 222. Multislot was just barely getting into HTML5 and mobile technology
9 being forced to convert all of their existing Flash content in order to stay relevant and
10 provide games to even the existing Tier 2 / Tier 3 distributors and operators as they too
11 were forced to upgrade by consumer behavior and demand in order to compete with the
12 billions of new phones and tablets that were killing the desktop market.

13 223. Multislot wanted to avoid the initial costs of building FC21 and other
14 Full Color IP games by building the games initially in Flash to be released with Bastian,
15 Multislot wanted its "cake and eat it too" with Full Color. Multislot wanted the content
16 but didn't want to build it at Tier 1 level, nor did they want to build it on HTML 5 as a
17 build once and deploy everywhere model. Multislot wanted to mitigate their costs using
18 skill sets they had and a rapid development time and code the Full Color IP in the
19 dying/dead Flash format.

20 224. Unbeknownst to Mahon and FCGI, Multislot was completely subject to
21 its largest customer by volume and revenue, Bastian and was really part of the Bastian
22 Casino Gaming Enterprise. Ultimately, Multislot was at the mercy of the Bastian.

23 225. Because Bastian was investing in FCGI, Mahon and FCGI believed that
24 this would be to their advantage. It was not until much later that they came to learn that
25 Bastian and Munger had different plans sabotage FCGI through both Multislot and later
26 Spin, and attempt to take over the Full Color IP from Mahon.

1 226. Multislot's low-cost choice to develop in Flash inherently conflicted
2 with the Tier 1 demand to code in HTML5 and further created quite a source for
3 conflicts of frustration between the FCGLTD and FCGI and Multislot with them
4 wanting to just "throw the game out and release it" and MAHON demanding that it meet
5 the quality control, user interface ("UI") and the user experience ("UX") that the Tier 1
6 distributors and operators echoed in demands in order to get top priority. Unbeknownst
7 to FCGI at the time, this conflict appeared concocted and planned by Bastian and
8 Munger to FCGI's detriment.

9 227. Beginning in February of 2016 when the Full Color IP was exhibited at
10 the ICE 2017 Totally Gaming Convention in London, Multislot began to arrange for its
11 Flash based distributors and operators to introduce the Full Color IP to them.

12 228. During the same time in 2016, Mahon had also met with a plethora of
13 online Tier 1 casinos and distributors out of Gibraltar that had seen the Full Color IP and
14 wanted it as soon as it was ready but they all demanded it be fully developed in HTML5
15 for a simultaneous release on both mobile and desktop or no release at all.

16 229. Multislot's inexplicable decision to build the Full Color IP on a desktop
17 only in Flash would prevent them from going beyond Multislot's existing Tier 2 / Tier 3
18 integrations but worse, preventing them from being able to even get Multislot's RGS
19 integrated into the Tier 1 distributors and operators.

20 230. Despite FCGI offering additional money and even meeting with
21 Multislot and other related vendors, Multislot ultimately refused to devote full resources
22 to fully develop the Full Color IP games on HTML5 at a Tier 1 quality level until after it
23 had developed and distributed the games via its Tier 2/3 Flash network. Specifically,
24 Multislot confirmed it wanted to release FC21 on Flash through their existing
25 distributors and operators and through the Bastian Casino Gaming Enterprise only and
26 then, and only then, if FC21 was a success they would move resources for HTML5.

1 231. Ultimately, Multislot agreed that FCGLTD and FCGI could find another
2 developer and FCGLTD and FCGI could use their \$100,000 in funds to pay others to
3 code the Full Color IP in HTML5 on a platform that was integrated into existing
4 Gibraltar Licensee(s) and Multislot would simply only deliver their versions of the Full
5 Color IP through their existing Tier 2 / Tier 3 integrations as Multislot didn't truly
6 believe Mahon could get Tier 1 distributors and operators to release the unproven
7 product of the Full Color IP, no matter how disruptive it appeared to be to them.

8 232. As a result, the Counter-claimants contracted with Spin to provide the
9 HTML5 content with the promises and assurance they were integrated into Nektan and
10 NYX in Gibraltar and could release to Bet365, WilliamHill, BetVictor, Ladrokes, Gala,
11 Coral, Rank and all the other GRA Tier 1 distributors and operators that wanted the Full
12 Color IP.

13 233. On October 17, 2016, Multislot emailed the Full Color IP assets in its
14 possession to the team at SPIN in order for SPIN to build the HTML5 games for the Tier
15 1 releases so they would maintain the same UI/UX design and functionality across both
16 the desktop, tablet and mobile platforms not that multiple companies would be tasked to
17 produce the same product, yet under a completely different codebase of language
18 instructions to match each other as closely as possible in order to maintain global
19 uniformity upon release regardless of where the games were being distributed to Tier 1,
20 Tier 2 or Tier 3 operators.

21 234. Between August 18, 2016 and about December, 2016, FCGI and FCG
22 LTD worked with Multislot to ensure that the games being built were fully certified so
23 that they could be distributed to Tier 2/3 distributors throughout Europe and in the
24 Bahamas, among other locations and to be integrated via Multislot's RGS.

25 235. On December 19, 2016, Mahon approves and signs Multislot's
26 distribution contract to go live worldwide through the Bastian Casino Gaming Enterprise
27
28

1 through Island Luck, Videoslots, Every Matrix, Betconstuct and others, to which
2 Multislot responds that it will sign once it completes a final legal review.

3 236. The parties' intention was to have FC21 live through the above networks
4 on Multislot's RGS before the ICE Totally Gaming London casino gaming convention
5 in the first week of February, 2017, and the parties were working to finish the last issues,
6 including language translations and other issues ahead of the convention.

7 237. Suddenly, and without warning, on January 31, 2017 Multislot, through
8 its principals, sends a text to Mahon stating that if FCG LTD and FCGI is not going to
9 use Multislot's claim for Tier 1 distribution, then Multislot will not distribute the game
10 as promised, but deliver it directly to Bastian for Island Luck exclusively. Multislot
11 made this last minute extortionate demand despite already agreeing to the proposed
12 contract and despite having months earlier acknowledged that FCGI was going to
13 contract with Spin for HTML5 Tier 1 release.

14 238. On January 31, 2017, Mahon contacted Bastian and Munger concerning
15 Multislot's last minute threats keep the business from obtaining revenue streams.
16 Bastian stated that he would contact Multislot and would work it out.

17 239. On January 31, 2017, upon information and belief, Bastian spoke with
18 Multislot and its principals, but did not inform FCGI or Mahon about the full context of
19 their conversation.

20 240. On information and belief, Bastian did nothing to dissuade Multislot
21 from continuing to extort concessions from Mahon and FCGI by threatening to not
22 distribute the games to its Tier 2/3 distributors and thus continuing its conspiracy to gain
23 control over FCGI and the Full Color IP

24 241. Thereafter, Multislot continued to refuse to countersign the fully
25 executed contract and further, refused to distribute the game asserting that it had done
26 everything it was supposed to do and even misrepresenting that it had completed a
27 commercially releasable Tier 1 build of FC21 on HTML5, which it had never done.

1 242. As a result, Multislot and Bastian wrongfully induced FCGI Mahon to
2 expend its time, money, energy and efforts for over a year only to end up being
3 threatened and coerced into giving up their property rights in order to fulfill Multislot's
4 and Bastian's hidden agenda

5 243. Multislot failed to distribute FC21 live anywhere.

6 244. Even though Multislot ceased and desisted all work on the Full Color IP
7 of 21 or Nothing®, Bastian, Munger, and the Bastian Casino Gaming Enterprises
8 continued to work with Multislot, putting their separate relationship with Multislot
9 ahead of Mahon and FCGI, despite their contractual and each party's relevant fiduciary
10 duties to FCGI.

11 245. Despite having the FC21 game delivered to Island Luck, Multislot
12 deliberately failed to release FC21 through the Bastian Casino Gaming Enterprise even
13 though it was 100% fully certified and ready for release.

14 246. Despite DHL having executed and agreed to complete the \$1 million in
15 cash-in-kind element of the original DHL and FCGLTD contract, yet they fail to market,
16 promote or launch FC21 through Multislot or any other vendor.

17 247. Multislot did in fact, block the release of FC21 which was slated to go
18 live at ICE Totally Gaming 2017 in London, UK to over 30,000 attendees from 150
19 different countries. FCGI and FCG LTD had invested around \$100,000 in the booth,
20 shipping all of the product to the UK from Las Vegas, hiring dealers, booth staff,
21 marketing, promotion and release material. The failure to go live did extraordinary
22 reputational and existential damage to the Full Color® Games brand and again delayed
23 FCGI's efforts obtain revenue streams.

24 248. The fact that Bastian did not exert his influence on Multislot to release
25 FC21 through Videoslots.com made absolutely no sense. It was Bastian's money that
26 has just been wasted to be at ICE 2017 convention that was now mostly lost. Bastian
27 knew that if FC21 was not released the company was likely to run out of money and his
28

1 investment would be lost. Bastian had the ability to instantly release FC21 on his 62
2 casinos in the Bahamas but said he was too busy with opening his 200 Jamaican casino
3 webshops.

4 249. Despite the fact that Bastian's investment would be lost unless FCGI
5 was able to obtain a revenue stream from the release of FC21, Bastian confirmed that
6 Multislot was not going to release the game at all, to Videoslot.com or even to
7 IslandLuck.com unless FCGI gave up its Tier 1 rights, and that Bastian could do nothing
8 to get Multislot to release the games even though it was Bastian who had directed them
9 to build the games in the first place.

10 **VII. SPIN FIRST ACT OF RACKETEERING (BASTIAN'S FIFTH**
11 **ACT)**

12 250. On May 31, 2016, after the formal signing with Bastian and the
13 confirmation of the \$2 million investment, the Counter-claimants believed that they
14 were finally in a position to truly obtain some quantifiable financial and relational
15 control over their own destiny and obtain control of their own branded Full Color RGS
16 to deliver their own Live Dealer and RNG product through a certified RGS that they
17 could fully control.

18 251. After it was becoming more and more clear in the beginning of June that
19 Multislot was not likely to develop the Full Color IP in HTML5 for Tier 1 distribution, it
20 became necessary to start finding an alternative solution.

21 252. At that time, Mahon learned that previously, on April 25, 2016, FCGI
22 and Spin signed a Non-Disclosure, Non-Circumvent, Non-Compete & Confidentiality
23 Agreement ("NDA") with Howard as the signatory for FCGI. This relationship was
24 created unbeknownst to Mahon as other business developers for FCGI had begun to
25 develop the potential relationship, but could now be utilized potentially to develop Full
26 Color games on HTML5

1 253. As detailed above, it was determined that Multislot would not be doing
2 the HTML5 coding for Tier 1 Operators until after releasing the games on the Flash Tier
3 2/3 network, forcing FCGI to locate other development partners that had a Tier 1 RGS
4 that was integrated into Tier 1 Operators in Gibraltar.

5 254. On June 13, 2016, in a meeting between Spin's CEO Ken Young
6 ("Young") and Mahon in Las Vegas, Nevada and in follow up emails, Young certified to
7 Mahon and FCGI that they had the HTML5 Tier 1 solution for the Full Color IP, and
8 that Spin was integrated into NYX and Nektan, both GRA Licensees, among others.
9 Further, Young assured Mahon that SPIN would license them a copy of their RGS,
10 called the ROC, which could be integrated into a master RGS in addition to running Full
11 Color IP directly through their existing distribution and operator platforms allowing Full
12 Color to develop its own RGS to deliver games, but it would require licensing from the
13 UKGC in order to shelter under NYX or Nektan and any of the other GRA operators to
14 deliver the Full Color IP.

15 255. In late June, 2016, Munger and Mahon met with a new company named
16 Virtuasoft to discuss obtaining licensing of its global Live Dealer and RNG Content
17 Delivery Network Platform ("CDN") through Virtuasoft's proprietary RGS and wallet
18 system called "Kingfisher." Virtuasoft offered to grant a license to Kingfisher with
19 absolutely no upfront costs whatsoever for it except for a backend revenue share
20 agreement upon release of the Full Color IP. Based on this offer, FCGI planned to
21 create a master stand-alone solution to deliver both Live Dealer and RNG games to the
22 world.

23 256. More importantly, the Kingfisher CDN, relationship and license would
24 allow FCGI and its affiliates to obtain their own copy of the Kingfisher platform,
25 rebrand it as the Full Color RGS and allow them to take other 3rd Party content and
26 deliver other product through their own RGS as a way to obtain additional revenue.

1 257. From the day Mahon met Bastian, Bastian wanted a Live Dealer solution
2 to deliver through his own software platform in the Bahamas that he called RSL (that
3 Bastian converted and turned into ILG).

4 258. Once web shops were legalized in Bahamas, Bastian and the Bastian
5 Casino Gaming Enterprise was prevented from delivering a Live Dealer solution
6 because of new laws and regulations that required any Live Dealer solution to have its
7 live studios, servers and platform physically located in the Bahamas. No one in
8 Bahamas could afford a Live Dealer solution based on the need for the economy of scale
9 and costs to setup. Not even Bastian, who controlled 75% of the market, could afford to
10 buy the stand alone software solution just for himself or the RSL platform just for Live
11 Dealer to deliver to the limited market in the Bahamas.

12 259. In fact the Bastian Casino Gaming Enterprise wanted a Live Dealer
13 solution so bad, he had already entered into a contract with Evolution Gaming, the
14 world's largest provider of Live Dealer software and a Tier One provider, he had already
15 completed a full integration but was forced to terminate it once the GBB was actually
16 formed and prohibited him from going live with it until he built his on in the Bahamas.
17 FCGI and its affiliates provided the perfect conduit to make that happen.

18 260. Upon information and belief, RSL, which stands for "remote software
19 license" platform is a platform that Bastian and his Bastian Casino Gaming Enterprise
20 had developed for use throughout the entire web shop casino gambling industry in the
21 Bahamas, and had essentially forced his competitors throughout the Bahamas to agree
22 that Bastian and his Bastian Casino Gaming Enterprise would be the "sole provider" of
23 100% of every casino game in the Bahamas through his RSL (ILG) platform. As a
24 result, RSL was the company that all operators would get their casino gaming software
25 feeds from.

26 261. With FCG and its affiliates being able to develop its own Full Color
27 RGS version of Kingfisher, and his ownership interests FCGI's affiliated enterprises that
28

1 obtained it, he could then, afford to get a sub-licensed copy of it for the mere cost of a
2 revenue share and use it in the Bahamas to feed his Bastian Casino Gaming Enterprise
3 and would profit at incredibly low amortized costs.

4 262. Based in part on the representations from Spin about the necessity of
5 having a UKCG license to be integrated with Tier I operators, on August 17, 2016,
6 FCGLTD paid for and filed Linham, Mahon, Murphy, Munger, and Bastian for certified
7 Personal Management License (“PML”) Applications with UKGC with FCGLTD
8 Remote Software Application for a casino gaming license. A pre-condition to being
9 able to run games through any shelter under any GRA Licensee (Tier I operators) was to
10 first be licensed by the UKGC and as a result, the Counter-claimants went to great
11 lengths to get their licensing applications together and submitted as they had been
12 preparing ever since August 1, 2015 when FCGI Amended & Restated its Bylaws to
13 prepare for becoming a highly regulated real money casino gaming enterprise.

14 263. Mahon obtained a license contract with Virtuasoft so FCGLTD could
15 have their own customized RGS branded as the FULL COLOR KINGFISHER RGS that
16 would allow the Full Color IP to deliver both Live Dealer and RNG games through it but
17 also serve as the central distribution point where all FCGLTD could finally be in
18 complete control of its own distribution network of Full Color IP as well as serve as a
19 third party distribution platform where FCGLTD could serve other company’s games
20 and charge a platform fee as well. As a result, Mahon and FCGLTD also finalized a
21 proposal for Spin to develop the RNG versions of FC21, Full Color Baccarat (“FCB”),
22 and Full Color Poker (“FCP”) so they can be integrated into Tier 1 operators around the
23 world what would also Spin to deliver their games through the FULL COLOR
24 KINGFISHER RGS into operators FCGLTD would integrate into as much as Full Color
25 IP to to deliver into Spin operators they were integrated into through a bi-directional
26 integration. Based on the initial proposal, Bastian and the other investors approved of
27 the basic arrangement which would allow both Bastian Casino Gaming Enterprise and
28

1 FCGI and its affiliates to utilize Kingfisher to distribute its content and the content of
2 third parties as well as any Bastian Casino Gaming Enterprise owned or developed
3 content could also deliver worldwide. The FULL COLOR KINGFISHER RGS would
4 unlock FCGLTD's full financial revenue making power with the Full Color IP as the
5 driver to get integrated to high end and Tier 1 distribution platforms and operators where
6 others who all deliver the same public domain driven formatted content could not.

7 264. By mid-October, Bastian had approved the contract with Spin and
8 Mahon was directed by Bastian to move forward and executed it. Multislot was
9 notified of the contract with SPIN and that SPIN would produce the HTML5 version of
10 FC21, FCB and FCP for release on their ROC servers and to integrate the stand-alone
11 Full Color IP ROC 3 server into the forthcoming Full Color branded RGS of
12 KINGFISHER. Multislot agreed to give FCGI full consent and free use of their own
13 table background graphic and other table assets at no cost or expense, and sent out all of
14 the files directly to Spin and consenting to their use to allow the Full Color IP to have
15 global uniformity within all of FCG's table games.

16 265. On October 26, 2016, Spin sent out Invoice #295001 in the amount of
17 \$54,000.00 to pay on the **Proposal v1.4** along with the SPIN W-9 IRS form. On
18 October 27, 2018, Spin received the wire of \$54,000.00 for the full proposal to be
19 completed.

20 266. In October and November, 2016, Mahon confirmed that several Tier 1
21 Gibraltar Distributors & Operators will take Full Color RGS once it was fully integrated
22 and ready, including WilliamHill.com, BetVictor.com, Rank.com, and BetFred.com,
23 Nektan, and several others. However, upon Mahon's due diligence, Mahon began to
24 discover that many of the Tier I operators could not verify that Spin was actually
25 integrated in NYX or any other system in Gibraltar despite Spin's contractual
26 affirmations that they were.

1 267. On November 7, 2016, Munger, as the CTO, was tasked head up and
2 coordinate the Spin to Kingfisher RGS integration, which was promised to take only
3 about 3-4 weeks max. All the emails, in person meetings and calls ultimately revealed
4 that Spin and its management had no understanding as to what he was doing or even
5 selling because Spin did not even know what systems it had already integrated with.
6 Spin's **Proposal v1.4** is fraudulent, a complete misrepresentation and conceals the entire
7 facts behind the ROC SERVER v1.0, v2.0 and v3.0. Spin's proposals and contracts are
8 designed to dupe people into believing that Spin has the capabilities and capacities that
9 do not yet exist, are misleading and inaccurate as to what he is really integrated into for
10 the Full Color IP integrations and release purposes in order to get companies like FCGI
11 and their affiliates under a contract and tie up their IP and their funds.

12 268. Through December, 2016 and most of January, 2017, Munger and Spin
13 did not even start the integration process. Instead, Munger's emails and other
14 information indicate that Munger was working on other projects for Bastian and
15 IslandLuck.com, Multislot, and even other projects with Spin, but had not engaged to get
16 the FULL COLOR KINGFISHER RGS integrations completed. As of January, 17,
17 2017, there were still emails between Munger and Spin indicating Spin was still waiting
18 for calendar invites for coordination meetings. The integration should have commenced
19 in November, 2016, and was still not commenced in late January.

20 269. Indeed, it is not until late January, that Munger informs Mahon of some
21 changes in the integration process to a "bi-directional" integration between Spin ROC
22 RGS and Full Color RGS Kingfisher, which would require a change in the contract and
23 an additional \$20,000, which is paid via wire transfer on January 23, 2017.

24 270. On January 27, 2017, Spin revealed its schedule changed the completion
25 of the integration until March 31, 2017.

26 271. In early December, 2016, amidst the issues and delay with Spin, Mahon
27 and Linham met with Gameiom, the Tier 1 distributor personally recommended to them

1 by WilliamHill.com for a direct integration to release the Full Color IP. Gameiom
2 instantly said they would take the entire suite of Full Color IP and do a direct integration
3 of the FULL COLOR KINGFISHER RGS and could also distribute to BetVictor, Gala,
4 Coral and Ladbrokes that was already integrated and a plethora of other Tier 1 operators
5 they had in the queue for integrations of their own since their GBR license had just been
6 issued.

7 272. On January 27, 2017, Gameiom emails Mahon the specifics of the
8 confirmation of the deal to move forward with the FULL COLOR KINGFISHER RGS
9 direct integration and release into all the Tier 1 Operators through their GRA License.
10 This would be a Spin build of the Full Color IP in HTML5 through their ROC RGS
11 directly integrated into the FULL COLOR KINGFISHER RGS directly integrated into
12 Gameiom's fully licensed GRA Tier I servers that were directly intergrated into
13 WilliamHill, BetVictor, Gala and Coral's Tier I servers all in Gibraltar with Spin's
14 servers being sheltered under Nektan or NYX per and FCGI and their affiliates servers
15 sheltered under Gameiom.

16 273. As noted above, on January 31, 2017, as previously stated in the above,
17 Multislot began their extortion plot once they discovered through Munger that Full
18 Color IP was going to release worldwide in HTML5 through Gameiom, one of
19 Mutlislot's competitors, through UKGC and Gibraltar to all the major Tier 1 Operators
20 and that Multislot would not get any revenue from Tier 1 operators because Multislot
21 had only coded for FLASH and turned down the first right to get to all of the Tier 1
22 Operators. Multislot refused to release any of the games and, as noted above, Bastian
23 did nothing to get Multislot's cooperation.

24 274. In February, 2017, during the ICE Totally Game 2017 convention in
25 London, after Multislot had refused to release FC21 embarrassing the Full Color Brand
26 Mahon had a conversation with Bastian about looking for new ways to get to revenue.

1 275. Mahon asked Bastian why he could not just immediately integrate the
2 FULL COLOR KINGFISHER RGS into his RSL and take the Spin built games and
3 deliver them in HTML5 since Spin was one of the very few content providers in the
4 Bahamas that had applied for and was expected to be granted a permanent supplier
5 license. Bastian reiterated that his own developers were too busy with a launch of
6 casinos in Jamaica, but also explained that Spin has long been on Bastian's "shit list"
7 because when Spin had applied for licensing in the Bahamas after the GBB was
8 established, Spin jumped into the market without acknowledging Bastian's role in the
9 Bahamas market and began offering games to Bastian's competitors without
10 approaching or going through him, the way that Multislot and other game distributors
11 did.

12 276. Bastian informed Mahon that he had previously turned Spin's services
13 down because Spin already had agreements with his competitors and would not ensure
14 that Bastian would get all new content ahead of his competitors. Spin had basically
15 ignored Bastian's position and power in the Bahamas and had paid dearly for it.

16 277. Mahon saw an opportunity and was able to convince Bastian to allow
17 Spin to integrate onto his Bahama RSL platform with the Full Color games and the
18 Kingfisher RGS because the integration would allow Bastian to not only gain increased
19 revenue from the Full Color IP, but also increase additional the number of Tier 1 games
20 that Spin had developed that would be available for all of Bastian's casinos, and would
21 make even more revenue when they went live in Jamaica. Bastian had never had any
22 Tier 1 slot machine content and he would be able to finally get some of it through Spin.

23 278. That same day, February 7, 2017, Bastian, on behalf of Island Luck and
24 other members of the Bastian Casino Gaming Enterprise, Mahon on behalf of FCGLI,
25 FCGLTD and its affiliated entities, and Kent Young, on behalf of Spin agreed to have
26 Spin integrate the FULL COLOR KINGFISHER RGS onto Bastian's RSL(ILG)
27 platform to deliver both the Full Color IP games and Spin games to IslandLuck.com that
28

1 Spin had not been able to get on its own. Spin would pay royalties for use of Kingfisher
2 RGS integrations, and FCGI and its affiliates would pay Spin for delivering Full Color
3 IP content to its integrated operators.

4 279. Although the future prospects for business at the ICE 2017 convention
5 were unlimited the funding to get there was not and nothing changed the fact the FCGI
6 and FCGLTD were relying entirely on the release of product, the press coming from the
7 convention, the real numbers, analytics, and revenue streams.

8 280. On February 22, 2017, NYX confirmed that Spin was not integrated on
9 NYX Gibraltar, but was only integrated with NYX New Jersey, finally confirming Spins
10 fraudulent claims, misrepresentation and concealment of the fact that they are not in fact
11 integrated into NYX Gibraltar. Because Spin was not already integrated as they
12 claimed, the integration process to get on NYX Gibraltar would take nothing less than
13 12-18 months to complete due to relying on Spin to also get licensed by the UKGC,
14 certifications and then into NYX'S integration queues.

15 281. Spin had also represented that it was already integrated with another Tier
16 1 operator on Gibraltar called Nektan. This turned out to be only partially true. Spin
17 had been integrated on a Nektan server with their ROC 1.0 software, but it had never
18 been certified and deployed. More importantly, Spin had built Full Color games on
19 ROC 3.0, which had never been integrated into any of the operators in Gibraltar,
20 including Nektan.

21 282. Even without these delays, Spin had repeatedly pushed back deadlines
22 for completing the integration work on the specific Full Color games.

23 283. In addition, Spin also claimed that that it is not required by its prior
24 proposal, **Proposal v1.4** contract to provide the games in any language but English and
25 that any additional language would be at an additional cost. However, **Proposal v1.4**
26 identified the 24 languages FC21 was being translated into for delivery was included in
27 the previous price.

1 284. Further, SPIN failed to tell FCGLTD that their ROC RGS did not
2 include what every other real money gaming RGS in the world includes and that is the
3 ability to support all major languages and currencies required for global real money
4 gaming.

5 285. On March 9, 2017, Mahon sent an email to Spin notifying Spin he had
6 paid the Spin Invoice #295002 \$10,000 for the KINGFISHER integration, and also
7 noted in the same email that they were interested in exploring delivering Full Color
8 Games to all of Bastian's casinos in the Bahamas through this RLS platform already in
9 existence.

10 286. Later on March 9, 2017, Munger confirms in an email the interest in
11 getting Full Color games integrated and released on the Island Luck and specifically get
12 Spin integrated with the Island Luck and other Bastian casinos, and Young, Spin's CEO
13 immediately scheduled phone conference to discuss Spin finally getting on Bastian's
14 RSL platform in the Bahamas. Mahon, however, was missing from both Munger's
15 email and the phone conference notification.

16 287. On March 14, 2017, Mahon emails Spin, including Young, Mishra, and
17 others at Spin and formally confronts Spin about the misrepresentations concerning
18 Spin's lack of integration with Gibraltar operators such as Nektan and NYX, and the
19 ongoing delays and problems with the constant delays and failure to start the Kingfisher
20 integration and their inability to release in Europe despite the contract's requirements.

21 288. On the same day Linham and Munger begin to secretly communicate
22 with Spin and Young without Mahon. First, Linham notifies Munger secretly of
23 Mahon's email concerning his fury about Spin's fraud and delays.

24 289. On information and belief, the next day, on March 15, 2017, Young,
25 Mishra, and others at Spin have a secret call where Munger secretly negotiates a deal
26 concerning Mahon's complaints concerning the language translations, and ongoing
27 delays. The negotiation further delays Spin's timing and fails to even mention the

1 ongoing need to complete the Kingfisher integration. The negotiations also result in
2 Spin charging \$18,000 more to get the Full Color IP live to the Tier 1 operators, forcing
3 the payment for an “upgrade” the ROC RGS in order to deliver their games which again
4 alters the contract, but this time without Mahon’s knowledge.

5 290. On March 15, 2017, Mahon emails Young and other Spin employees,
6 along with Bastian, Munger, and Linham notifying them of the ongoing damages
7 incurred every month that the games are not released and the product fails to generate
8 revenue. Mahon also reconfirms that Bastian will integrate ROC SERVER into
9 KINGFISHER into ILG /RSL so Spin can release their games in addition to FCG-IP
10 running through it. Finally, Mahon also notes the benefits all parties will obtain if the
11 integrations are completed and both the Full Color games and Spin’s other games can be
12 released via Bastian Casino Gaming Enterprise is a result of Mahon’s efforts and the
13 Full Color IP. Thereafter, Mahon continues to request information on when Spin’s work
14 will be completed in multiple emails.

15 291. During this same time period, Spin, through Young and others,
16 continued secret communications with Munger, which Munger forwarded to Bastian for
17 secretly for discussion. Among other things, Spin informs Munger that the games are
18 completed and not signed off on by Mahon.

19 292. On March 28, 2017, Spin informed Mahon that the games were
20 completed and requested sign-off: Mahon, however, responded setting forth a whole
21 host of problems that still needed to be completed and addressed.

22 293. On March 31, 2017, Spin’s Staff Accountant emails another invoice,
23 Invoice #295-03, in the amount of \$10,000 to be paid for the FULL COLOR
24 KINGFISHER RGS integration.

25 294. By the end of March, 2017, Spin was still not completing the integration
26 work and the games produced had many problems. Spin was also refusing to complete
27 all of the tasks required for a commercial release and unilaterally changing the work
28

1 they would complete and disrupt FCGI and FCGLTD's business and marketing plans.
2 However, Spin was not really communicating with Mahon, but instead was secretly
3 communicating with Munger and others. It appears that once Spin realized they were
4 going to be able to integrate with Bastian's casinos in the Bahamas, they were focused
5 only on getting that accomplished.

6 295. On April 7, 2017, Spin finally released the full integration schedule
7 entitled "Integrations 4.6.17.xlsx" listing of all SPIN Games ROC RGS integrations
8 revealing, for the first time ever, the ROC2 vs ROC3 distribution plans details detailing
9 why FCGLTD could not go live because FC21 was built on ROC3 vs. ROC 2. Among
10 the integrations that were scheduled, Spin revealed that during the last several months,
11 while it repeatedly blamed others for its delay in completing Full Color work, Spin had
12 already secretly completed a direct integration between Spin and Bastian's RSL (ILG)
13 platform, completely bypassing Full Color's Kingfisher RGS, which was still in a long
14 queue for integration.

15 296. On information and belief, Spin and Bastian had conspired to
16 circumvent Mahon and FCGI with Munger's assistance via secret emails and meetings
17 in March and April, 2017, including a meeting that Mahon later discovered that took
18 place on April 26, 2017, at the Aria Hotel in Las Vegas, Nevada. Despite not speaking
19 to Mahon for 23 days, Bastian flew all the way from the Bahamas for the secret meeting.

20 297. Spin never completed the integration of Kingfisher RGS as promised nor
21 did they complete the bidirectional integration under the FCGI and FCGLTD contracts.
22 Once they had circumvented Full Color and directly integrated into Bastian's RSL (ILG)
23 in the Bahamas, they seemed to lack any motivation to complete their contracts.

24 298. In addition to Munger's secret meetings with Spin and Bastian to
25 circumvent the Counter-claimants, Munger began secretly sending Linham, FCGI's
26 CFO, versions of a "burn down" budget from his private personal email.

1 299. On April 2, 2017, Munger had more secret email discussions with
2 Linham.

3 300. On April 2, 2017, at 11:02am PST, Munger begins to start secretly
4 sending Linham versions of a “burn down” budget from his private personal email and
5 Linham secretly responded back with his own thoughts and comments.

6 301. On information and belief, Munger also sent this budget to Bastian. In
7 February, 2017, Bastian had agreed to put additional money into FCGLTD, but had still
8 not done so, and Mahon was in the Bahamas for a meeting with Bastian to discuss the
9 budget and his additional investment to maintain the company’s cash flow until they can
10 realize additional revenue streams.

11 302. On April 3, 2017, Mahon discovered that Munger had engaged in
12 unauthorized budget discussions with Bastian and shared the “burn down” budget with
13 him and sent him an email notifying him that this was not proper. Mahon had been in
14 the Bahamas for twelve days waiting complete the additional funding by Bastian.

15 303. By April 4, 2017, Bastian had still not shown up for their final funding
16 meeting. Mahon was perplexed and began to do a comprehensive review the budget
17 Munger had wrongfully sent to Bastian. Immediately Mahon discovered that Munger’s
18 unapproved budget had significant and obvious errors that caused the budget to show
19 negative cash flow and misrepresented the actual status of the company. Munger failed
20 to add the “revenue” to the “bank balance” after the “expenses.” Based on this
21 information, it appears that Munger had given this false information to Bastian, and as a
22 result Mahon was left to draw the conclusion that Bastian failed to appear for his
23 meetings with Mahon as a result of Munger’s incompetence or deliberate sabotage of
24 FCGLTD’S budget..

25 304. Based on Bastian’s failure to put in the additional capital he had
26 promised earlier in the year, Mahon turned to report the issues he was now having to
27 FCGI investors.

1 305. On April 17, 2017, all FCGI investors including Munger was notified of
2 a company investor call for FCGI to deal with the financial crisis of FCGLTD as
3 outlined in the email.

4 306. On April 19, 2017, Mahon had a company-wide call with FCGI
5 investors and outlined the progressive complications and epic failures detailed in above.
6 Mahon advises that the company file lawsuits against Linham, Newman, Multislot,
7 Bastian and Spin and lays out the explicit details to the claims and their merits that were
8 ultimately filed herein and in the Mahon et. al. vs. Newman et a. lawsuit filed on August
9 17, 2018, in the Eighth Judicial District Court for the State of Nevada.

10 307. Before the call, Mahon and Howard, did not know that Munger, Bastian,
11 and Linham had all been contacting FCGI investors and business partners, including
12 Spin, behind the scenes in secret calls and meetings planting the false narrative that
13 Mahon had embezzled hundreds of thousands of dollars out of FCGLTD as the reason
14 why the company had run out of money, and that Mahon was the reason that FCGI and
15 FCGLTD were failing. On information and belief, Munger and Linham began to spread
16 the story that Mahon, as the CEO was the cause of FCGI and FCGLTD's failures, and
17 began sharing strategies that could be utilized to attempt to render Mahon unsuitable for
18 casino gaming licenses by character assassination and thereby wrongfully remove
19 Mahon from FCGI via frivolous lawsuit and coerces threats as set forth in more detail
20 below.

21 **VII. NEWMAN'S RACKETEERING SCHEME**

22 308. Between November of 2008 and March of 2010, Mahon had met many
23 potential investors who had seen his inventions in the Full Color IP and the FCGS.
24 Everyone that would see his inventions would become mesmerized with its potential and
25 attempt to promise him money, relationship, and launch plans to make billions off of his
26 inventions if they could only get a piece of the pie.
27

1 309. During that time Mahon began to file for copyright, trademark and
2 patent applications in his name as the sole inventor in order to protect his inventions,
3 proprietary and ownership rights.

4 310. On or about March 17, 2010, a few months after Mahon had moved to
5 Las Vegas, Nevada, still grappling with the debt and concerns about losing the IPR with
6 the USPTO patent filings knowing that if he didn't get his three non-provisional patents
7 filed by May 7, 2010. When Mahon was no longer able to afford his original intellectual
8 property attorney to complete these tasks, he was referred to Newman as a local
9 Practitioner that could file them.

10 311. At all times between March of 2010 and ending on or about October 21,
11 2014, Newman was employed as an attorney for Howard & Howard Attorneys ("H2")

12 312. H2's website advertised Newman as an attorney licensed to practice in
13 New York (2000), Connecticut (2000), Nevada (2008), and licensed to practice before
14 the USPTO (1997).

15 313. "has over 10 years of experience working with clients of all types (such
16 as large corporate entities, start-ups, emerging and established businesses as well as
17 investors) to develop, acquire and enforce worldwide patent, trademark, copyright and
18 trade secret rights, negotiating collaborations and transactions involving intellectual
19 property, preparing patentability, invalidity, clearance and non-infringement opinions,
20 evaluating patent portfolios, providing design-alternative advisement, and performing
21 due diligence for mergers and acquisitions. Mr. Newman draws on his considerable
22 experience to provide the guidance and protection plans that will best address the client's
23 particular situation and needs." It went on further to stay that "[p]rior to joining Howard
24 & Howard, Mr. Newman was in-house counsel for a major gaming product supplier in
25 Las Vegas where he was involved in handling worldwide intellectual property matters.
26 Mr. Newman also optimized and administered an invention submission program,
27 worked with product developers, engineers and business managers to develop a strategic
28

1 portfolio of worldwide patents, trained and supervised a patent agent team, conducted
2 intellectual property due diligence, advised company executives on potential mergers
3 and acquisitions, and obtained worldwide trademark protection for the company's
4 marks.”

5 314. On or about March 16, 2010, Mahon met Newman at H2's Wells Fargo
6 Tower offices where Mahon presented Newman his entire suite of unique and
7 proprietary intellectual property and inventions in Full Color IP, the FCGS and his
8 Multi-Play™ Bingo game (collectively “IPR”) for 4 ½ hours.

9 315. Mahon also advised Newman that he could not currently afford to pay
10 any legal fees and explained his entire story of his financial struggles caused by the
11 initial investors, and that his patents pending were about to expire and the most he could
12 afford to pay for the foreseeable future was the hard costs of the USPTO fees to convert
13 his provisional patents into non-provisional applications.

14 316. Newman informed Mahon that he had never worked on a sweat equity
15 deal for legal services for any else before but that he would be interested in working for
16 a sweat equity deal in the IPR. Newman told Mahon that he would be willing to do all
17 of his USPTO and USCO work at no upfront legal cost to Mahon if Mahon was willing
18 to pay the “hard costs” in filing fees with the governmental agencies, the Copyright
19 Office and the USPTO in exchange for 5% interest in the net profits from the IPR.

20 317. On March 24, 2010, Mahon sent Newman a draft copy of an Assignment
21 of Gross Revenue Interests (“AGRI”) agreement to Newman's
22 rnewman@howardandhoward.com email address at H2.

23 318. Although the AGRI speaks for itself, the agreement ensures H2 and
24 Newman will perform all necessary legal representation to obtain, prosecute, execute
25 and defend the IPR that includes but is not limited to the copyright, trademark and patent
26 work in perpetuity in order for the 5% assignment of gross revenue interests and tag-a-
27 long rights to the IPR.

1 319. On or about April 1, 2010, Newman and Mahon fully executed the
2 AGRI.

3 320. Beginning on May 5, 2010 and through October 28, 2014, Newman and
4 H2, through over 40 of their employees, used the United States Postal Service (“USPS”)
5 to mail bills for the hard costs of their work to Mahon, Intellectual Properties Holdings,
6 LLC (“IPH”), FCGI, and other affiliated entities with 65 unique invoices with internal
7 billing ID numbers starting at 348498 and ending in 462111 using the Client ID numbers
8 060857-00001 and ending in 060857-00999 for approximately 24 different client
9 matters.

10 321. The total billing amounts ranged from as small as \$35.00 to as large as
11 \$5,345.00.

12 322. These invoices sent through the USPS by Newman and H2 totaled
13 \$21,956.00 paid and these were directly or indirectly paid by Mahon, IPH, and/or FCGI.

14 323. On or about October 20, 2014, Newman notices Mahon, completely out
15 of the blue, that he has terminated his working relationship with H2 and that Mahon
16 must transfer all of his legal representation over to his new company, Newman Law.

17 324. Despite the fact that Newman had no offices, no employees, no support
18 staff of any kind, no infrastructure, no planning of any kind or any sort, Newman
19 aggressively reassured Mahon that everything would be fine. Mahon’s patent portfolio
20 was then over 6 years old and not a single patent has been issued. Mahon wanted to stay
21 with H2 because he wanted the protection of what he believed was a major law firm
22 with a full support staff but has absolutely no choice in the matter but to agree to
23 discharge H2 and ask to transfer all of his files due to the AGRI agreement.

24 Unbeknownst to Mahon or any of his entities, both H2 and Newman had already caused
25 grave and irreparable harm to his inventions and businesses due to the abandonments of
26 his IPR that had already occurred to date.

1 325. On or about August 1, 2015, all necessary documents included but not
2 limited to the Amended and Restated Bylaws of August 1, 2015 whereby FCGI
3 implemented the new Share Repurchase Agreement (“SRA”) that was an attachment and
4 condition to any and all Share Issuance Agreements (“SIA”) were executed by all
5 common stock shareholders of FCGI.

6 326. On or about August 1, 2015, as part of the evolution, Mahon, in good
7 faith, believing that Newman’s professional legal representation on all of his m IPR was
8 in fact fully protected as represented and as such Newman would have in fact rightfully
9 earned the shares Mahon was about to grant him thru the conversion and make him a
10 shareholder with rights in FCGI, agreed to voluntarily terminate the AGRI agreement
11 with Newman and did in fact exchange it with 5% equivalent of IPH’S original 20
12 million shares in FCGI which equaled a distribution to Newman of 1,000,000 shares of
13 FCGI and was documented in a new fully executed SIA and SRA with Newman, which
14 also included a new Mutual Non-Disclosure Agreement (“MNDA”) and a Voting Trust
15 Agreement (“VTA”) assigning 100% of Newman’s voting rights in the new SIA to
16 Mahon. In addition to these documents, however, Newman agreed to continue to do all
17 the legal work and protect all the FCG-IP like he had promised to do in the original
18 AGRI as detailed in Recital A to the SIA, or there would have been no purpose in
19 terminating the AGRI as not a single patent had been issued in 5 years.

20 327. On or about August 1, 2015, NEWMAN further wanted his FCGI shares
21 to be issued in the name of his alter ego, “Cooper Blackstone, LLC” (“CBL”) and they
22 were in fact issued to CBL.

23 328. On or about August 1, 2015, Newman further entered into an additional
24 Non-Disclosure and Confidentiality Agreement with FCGI of the same date of August 1,
25 2015.

26 329. As a further result of owning the FCGI shares, Newman obtained a
27 shareholder interest in FCGI that would exceed 3% and any application on any UKGC
28

1 casino gaming license application would force NEWMAN to obtain a Personal
2 Management Application (“PML”) and be deeply investigated through background
3 checks and due diligence in order to be found suitable in order for Mahon or any of the
4 relevant Counter-claimants to also further be found suitable as an entity due to a single
5 party having more than 3% of the company.

6 330. On or about August 17, 2016, , FCGLTD submitted RSGL Application
7 #3949 to the UKGC with Mahon, Linham, Newman, Munger and Murphy’s attached
8 PML. These applications included Newman as a Director and an Officer of FCGLTD
9 and a shareholder of FCGI.

10 331. After the UKGC applications were submitted, Linham contacted Mahon
11 and began pressing him extremely hard on what the status of the Full Color IP was as it
12 was needed for due diligence matters for the PPM and major investors that were
13 interested in engaging in a Series A investment that were requesting it.

14 332. On August 18, 2016, when Newman and Newman Law failed to deliver
15 any of the contract work by its deadline date, three weeks after he had been paid
16 \$10,000, he was confronted by LINHAM who put him on notice over his failures.

17 333. On August 19, 2016, a day later, Newman responded to Linham with an
18 additional demand of \$10,000 on the first of every month. Considering that Newman
19 had been paid \$10,000 on July 29, 2016 not even 21 days before his email, Newman’s
20 unexpected response forced Mahon to look more closely at Newman’s activities for the
21 last 6 years.

22 334. On August 19, 2016, as a result of Newman’s defiant and extortionate
23 stance, Mahon began an audit on his FCG-IP protection work. By the end of the night,
24 MAHON had taught himself how to work through the USPTO TESS and PAIR search
25 engines in the USPTO and discovered the abandonment of 5 patent applications
26 (12/776,273, 12/776,336, 12/776,342, 13/083,408 and 13/747,727), the end of 2 PCT
27 applications (PCT/US11/31836 and PCT/US11/31826), the abandonment of two
28

1 trademark applications (85503833 and 86258846) and the inexplicable suspension of
2 86258846. A public search of the USCO also revealed failures equally as bad as H2 and
3 Newman had further failed to obtain a single copyright on any of the 12 Full
4 Color® Cards applications, setting off an intellectual property crisis of unparalleled
5 proportions for Mahon and his entities.

6 335. On August 25, 2016, Mahon, Linham and Murphy, after a series of
7 emergency FCGLTD BOD meetings, concluded that they must immediately terminate
8 Newman in every capacity he had with FCGLTD, the Full Color IP and the UKGC
9 license application. FCGI did the same.

10 336. On August 25, 2016, Mahon emailed Newman a termination letter
11 notifying Newman that he was terminated from all of his roles and duties at FCGLTD.
12 A specific demand was made upon Newman to turn over all the Full Color IP files.

13 337. On August 25, 2016, Newman emailed the entire FCGLTD BOD with
14 delusional, exorbitant, and unsupported demands for monetary payments he claimed
15 were owed.

16 338. On August 26, 2016, Mahon sent Newman a second notice and demand
17 to turn over all of the H2 files and all of his Newman Law FCG-IP property as time is of
18 the essence to attempt to discover the full extent of, address and fix the copyright,
19 trademark and patent failures Newman had created.

20 339. On August 27, 2016, Newman sent a 2-page email that demanded a cash
21 payment in order for Mahon to get his intellectual property files used for the copyright,
22 trademark and patent filings.

23 340. Newman's email demanded immediate cash payment or he threatened to
24 "lien" Mahon's Full Color IP assets. Given the nature of the relationship, the
25 indisputable history and inescapable facts, the FCGI and Mahon believed the threat to
26 lien Mahon's Full Color IP was an act of extortion considering that Newman had
27 received 1,000,000 shares of stock, a full 5% of FCGI as consideration for his work, and
28

1 had failed to obtain a single patent or a single registered copyright and at best, only two
2 trademarks registered.

3 341. Newman knew that he could exploit the Mahon, FCGI, and other
4 affiliated entities if they did not settle with him and knew that he could hold up
5 FCGLTD'S licensing application and injure the Counter-claimants for years on end with
6 disputes and attempted to extort the Counter-claimants and their investors with his
7 tactics.

8 342. Newman's unreasonable demand for settlement and release and related
9 extortion was successful in putting FCGI, FCGLTD, IPHLTD and other affiliated
10 entities out of business causing investor losses of well over \$3,000,000 in cash and
11 causing over \$1,000,000 in subcontractor debts to go unpaid.

12 343. On August 27, 2016, Mahon asked Newman to send him a copy of the
13 "employment contract" he was claiming he is owed money on, one of which he knows
14 does not exist.

15 344. On August 27, 2016, at 5:52pm PST, Newman continues his attempted
16 extortion of money from FCTLTD by claiming he is an employee by way of his self-
17 written, self-signed employment contract that he claims is "ratified by the PPM."

18 345. On August 27, 2016, Mahon emails Newman asking him to send him a
19 copy of the "retainer agreements" that show the "engagements terms and conditions for
20 all of the entities Newman and Newman Law had done legal work for. Newman failed
21 to produce any such documents. This is because there are no such contracts or
22 documents. Newman has concocted them to further extort money from FCGI or
23 FCGLTD.

24 346. On August 30, 2016, Linham emailed the UGKC and notifies them of
25 the fact that Newman has been removed from PML and the RSGL applications.

1 347. In order to mitigate his damages, on September 6, 2016 MAHON, on his
2 own, obtained a full registration of Full Color® Cards in VA 2-016-156 from the US
3 Copyright Office, a mere 7 days after he filed his application.

4 348. On or about October 10, 2017, the UKGC acknowledges the full
5 disclosure that Newman had been terminated from his roles and his share allotment in
6 FCGLTD terminated but required more disclosures and proof as quoted.

7 349. The UKGC contacted Newman directly. Although it is unknown what
8 assertions Newman made, it is clear that he caused the license issuance to be delayed as
9 a result of his actions.

10 350. Pursuant to the SRA, FCGI had the right to trigger the cancellation,
11 repurchase and termination of his shares for engaging in a multitude of “non-compliance
12 events,” but FCGI could not do so as FCGI did not have the funds to buy them back
13 based on the current share value. Further, even if it did, Newman had threatened to lien
14 the Full Color IP which would have ensured litigation which would be a non-compliance
15 event within a “non-compliance event” causing even greater damage. Newman was
16 fully aware of the conundrum he had created for Mahon and FCGI used this to leverage
17 extortionate demands.

18 351. As a result, Mahon received extraordinary pressure from Bastian and
19 other shareholders in FCGI to find a way to settle with Newman.

20 352. On or about November 17, 2016, Linham, as a Director of FCGLTD
21 sent a formal written notice from Isle of Man to the investors in the United States at
22 FCGI and warned FCGI to remove Newman as an individual shareholder or be removed
23 as a whole entity for failing to remove their bad actor and wrongfully causing the delay
24 of FCGLTD’S licensing application.

25 353. On November 17, 2016, Mahon learned of new conditions for
26 settlement, including threats of liens and litigation, and other demands. Newman’s
27 demands demonstrated that he knew he could hold Mahon and FCGI hostage with his
28

1 threats. Mahon could not and would not agree to Newman's conditions for settlement
2 because he was still evaluating the damage caused by Newman's failures and, a result
3 Newman's FCGI shares issued to CBL remained in limbo. Newman was in violation of
4 the SRA he executed because of non-compliance events, but FCGI did not have the
5 funds to purchase CBL's shares on one hand and on the other hand CBL wrongfully
6 obtained the shares in the first place which wouldn't necessitate a repurchase in the first
7 place, but the UKGC required a disposition, one way or the other, a matter that Newman
8 complicated all the more with his extortionate threats and ransom demands.

9 354. On or about November 30, 2016, Linham, on behalf of FCGLTD
10 responded to the UKGC letter by seeking an extension of time to resolve the disposition
11 of Newman's shares.

12 355. By the end of February 2017, Newman's affiliation with FCGI through
13 CBL's shares was still not resolved. FCGLTD was running out of money as a result of
14 the crisis that Newman had created with his extortionate demands and adding yet
15 another level of progressive complications to the overall challenge of trying to obtain
16 proper licensing and release product, Bastian wanted resolution to the matters while at
17 the same time not fully supporting or funding the release of FCG-IP product as he had
18 agreed.

19 356. On February 21, 2017 in the afternoon, Bastian demanded that Mahon
20 resolve and settle the dispute with Newman. Mahon noted that FCGI did not have the
21 funds to reach a settlement or even attempt to purchase Newman's shares. Bastian
22 offered \$35,000 to \$50,000 to settle with Newman. Mahon did not want to settle with
23 Newman by paying anything, but the business was now experiencing impossible
24 demands on all fronts and it was clear Mahon and FCGI were being victimized from
25 every side. It was not until later that Mahon recognized that he was being exploited
26 from within the company, especially via Munger, Bastian, and Linham.

1 357. On February 21, 2017, Newman sent Mahon an email with his \$50,000
2 settlement demand terms and conditions, including requiring Mahon to forego all of his
3 rights against Newman. Mahon forwarded the settlement demand to Bastian.

4 358. Bastian had discussed a new agreement to fund the company with an
5 additional \$500,000.00 that would result in a “fire sale” additional ownership interest to
6 Bastian. On February 23, 2017, Mahon sent Bastian the full proposal of their newly
7 agreed “fire sale” of additional FCGLTD stock to raise additional capital from Bastian to
8 pay off Newman, avoid litigation, and provide additional funds to keep the company a
9 float until more revenue streams are developed.

10 359. Between February and March, 2017, Bastian, Munger, and other
11 investors have pushed Mahon to attempt a settlement resolution with Newman while
12 Newman increases his demand and continuously harasses Mahon. Newman would
13 explode in yelling expletives at Mahon on the phone and, when Mahon refused to speak
14 to him, he would send him strings of harassing emails. Mahon ultimately left the
15 settlement discussions to Bastian. Although Bastian agreed to \$50,000 at one point to
16 resolve matters, they were never resolved because Bastian ultimately refused to put more
17 money into the company, making it impossible to settle and impossible to resolve
18 Newman’s shares in a way that would satisfy the UKCG.

19 **IX. LINHAM RACKETEERING SCHEME**

20 360. On April 3, 2017, Mahon sent an official notice to Bastian and Simmons
21 stating that FCG LTD was in breach of the CLA with IPH LTD.

22 361. On April 4, 2017, after Bastian made no attempt to meet with Mahon to
23 resolve the issue of the company’s cash flow for nearly 20 days, Mahon flew back to Las
24 Vegas, and made plans with Howard to address the issues with FCGI investors in the
25 concerning the crisis the next day in a FCGI company-wide call to address how FCGI
26 could mitigate the current crisis by either (1) investing more money on their own to cure
27

1 the inevitable insolvency, (2) taking legal action against Newman, Mutlislot, Bastian,
2 Spin and potentially others; or (3) face the consequences of the loss of the CLA.

3 362. On April 5, 2017, Linham emailed Mahon and formally noticed him that
4 he had resigned as the Director and the CFO of FCGLTD. In his resignation, he noted
5 he had been made aware that Mahon, as the principle of IPH or IPHLTD had sent out
6 notice of a breach of the CLA which, if true, would but FCGLTD into insolvency.
7 Linham, therefore was resigning his position.

8 363. As noted above, Linham had “permanently deleted” as well as his entire
9 Google Cloud account files. Mahon’s recovery of these documents revealed that
10 Linham had regularly and secretly communicated with Munger concerning the company.
11 This was just the beginning of the discovery of Linham’s fraud, his money laundering,
12 his drug problems, and his conspiracy with Munger and Bastian to benefit himself and
13 Munger rather than the company.

14 364. In addition to his resignation on April 4, 2017, Linham fraudulently, and
15 without authorization cancelled FCGLTD D&O Policy. Although Linham had earlier
16 notified the D&O agent FCGLTD’s intent to renew the policy and pay the \$21,000
17 premium --- and had even informed Mahon in writing that the \$21,000 invoice for the
18 premium on the 2017 D&O policy had been paid --- the insurance agent’s office had put
19 Linham on notice that the premium had not been paid in February and March, 2017. In
20 April, 2017, instead of ensuring that the D&O policy was renewed, Linham cancelled it
21 without any authorization as one of his final acts before resignation.

22 **X. MUNGER’S RACKETEERING SCHEME (SEBAS’ SIXTH ACT)**

23
24 365. Because of Linham’s resignation, on April 7, 2017, Mahon took over the
25 UKGC license applications where Linham had previously been the sole point of contact
26 and representative, and was able to get in contact with the UKGC contact overseeing
27 FCGLTD’s applications and explained that, as they had previously informed the UKGC
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1 that the company was still in the process of utilizing the share buy-back provisions in the
2 SRA to divest Newman/CBL of the shares they fraudulently obtained in FCGI. In this
3 scenario, however, the option of divesting Newman/CBL of the shares issued in their
4 name required his voluntary surrender, the filing of this lawsuit or utilizing the share
5 repurchase options. Since Newman was extorting Mahon and FCGI, the latter two
6 options could take years and as such, kill FCGI and FCGLTD by delaying the issuance
7 of the UKGC licensed application. It was clear that reaching a settlement with Newman,
8 was impossible because neither FCGI nor FCGLTD had the funds to pay Newman's
9 ransom demands and further, it would require the waiver of the rights to seek relief
10 against Newman for the damage he had done to the Full Color IP with his patent Ponzi
11 scheme as detailed in this Nevada Nevada District Court Case #A-18-779686-C.

12 366. Bastian wanted to force Mahon, FCGI, and other affiliated companies
13 into a settlement with Newman and had agreed to put up some money to reach a
14 settlement, which would wrongfully force Mahon into granting Newman a full and final
15 release of his malpractice and malfeasance in failing to adequately pursue and maintain
16 the IPR with the UPSTO and other applicable agencies. However, Bastian had not, as of
17 April, actually put in any additional money \$500,000 into FCGLTD he had agreed to in
18 February 2017 so that a settlement could even be negotiated or agreed to or that any of
19 the new money could be used for a Newman settlement even if Counter-claimants had
20 agreed to forgo seeking the relief they ultimately claim in Nevada District Court Case
21 #A-18-779686-C.

22 367. Without additional funding to resolve the disposition of Newman's CBL
23 shares via (1) settlement, (2) share repurchase, or (3) summarily revocation under the
24 promise of litigation in order to satisfy the UKGC that his ownership shares had been
25 disposed of, long before even attempting to preserve any rights that FCGI, Mahon, and
26 other affiliated entities might have against Newman because FCGTLD was inevitably
27
28

1 going to run out of money without the UKGC license or any other available revenue
2 streams that Munger, Bastian, Multislot and Spin had prevented from occurring.

3 368. The UKGC licensing requirements, FCGLTD's inability to reach any
4 revenue stream, caused in part by the conspiracy between Munger, Bastian, Spin and
5 others to circumvent FCGI and FCGLTD in their integrations, and FCGLTD's inability
6 to obtain additional investment dollars from Bastian, also caused in part by Munger
7 activities, set the stage for Munger and Bastian to turn other FCGI investors against
8 Mahon to defame and blame Mahon for the collapse of the company and coerce Mahon
9 into giving up property rights or face a barrage of false attacks on his character and
10 reputation, and unending frivolous litigation.

11 369. Because of the precarious situation they were in, Mahon and Howard
12 immediately began to prepare a report to all FCGI investors and advise them of the
13 complete situation as they understood it, and discuss what relief could be sought against
14 the bad actors that Mahon and Howard were currently aware of who had created and
15 progressed the situation in the first place.

16 370. On April 19, 2017, FCGI held an emergency conference call that was set
17 two days earlier at which Mahon and Howard addressed the crisis the company's stock
18 value was facing and attempt to find a solution and a path forward, if any, while
19 confronting the possibility of losing their entire investment because of the actions of
20 Bastian, Spin, Multislot, and others.

21 371. At the time, Mahon was not fully aware of Munger's involvement in all
22 of these issues, but Munger was on the call and received a full disclosure of the plans to
23 file suit against all of his racketeering partners in the Bastian Casino Gaming Enterprise.
24 Neither Mahon nor Howard was aware of the extent of Munger's malfeasance in the
25 case. It was this phone call that forced Munger to reveal his long planned schemes.
26 Mahon and Howard knew that Spin had circumvented FCGI and FCGLTD's FULL
27 COLOR KINGFISHER RGS integration when Spin revealed these facts in the email of
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1 their full integration schedule on April 7, 2017 where it showed that IslandLuck.com
2 Spin RGS integration into RSL / ILG had already occurred, which happened somewhere
3 after ICE London 2017 between middle of February and April 7, 2017. It was clear that
4 Munger, Bastian, Young and Mishral had circumvented FCGI and FCGLTD and the
5 only person common between it all was Munger. Upon information and belief, Howard
6 and Mahon had the facts now from Spin that proved Munger was the bad actor and the
7 mole inside FCGI that was creating all of the delays, sabotaging the company and acting
8 on behalf of Bastian and his racketeering enterprise and the only way Mahon could truly
9 prove it was to expose these truths on the company wide call and that is exactly what
10 happened. What Mahon and Howard did not expect or account for was for Munger to
11 actively begin to recruit other good actors of FCGI investors.

12 372. Upon information and belief, Linham, Munger, and Bastian, among
13 others, knew that their racketeering activities were going to get exposed, and, in
14 anticipation of the call, had already begun to recruit the existing FCGI investors to join
15 an “investor revolt” by planting the false narrative that FCGLTD was running out of
16 money because Mahon had embezzled money and was shutting down the company to
17 run off with their money and the Full Color IP, and if they didn’t join together to stop
18 Mahon, remove him from corporate power, and take over the Full Color IP they would
19 never see their money back. And that is exactly what they did.

20 373. On April 17, 2017, ahead of the conference call, Solso emailed Howard
21 with a list of documents he would like to have, which included corporate documents,
22 agreements, with vendors, and an income statement balance sheet for FCGLTD and each
23 of its subsidiaries, among other things. In preparation for the call, Mahon did, in good
24 faith prepare all of the documents and put them in a Corporate Google Drive folder to be
25 released to all FCGI Investors.

26 374. On April 19, 2017, as Mahon began to lead a call on FCGI’s conference
27 line to address the progressive complications as already detailed herein and the urgent
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1 need to deal with FCGLTD's inability to comply with the outstanding compliance issues
2 for the UKGC RSLA, he was verbally attacked by Solso.

3 375. Even before Mahon had completed the disclosures of the facts, Solso
4 was already on the offensive and viscously verbally attacked and berated Mahon, so
5 much so that another shareholder, who was not in the collusion with Munger, demanded
6 that Solso stop his verbal attacks or get off the call. Despite the attack, Mahon set forth
7 the full details of what had taken place to date, including the wrongful activities of
8 Newman, Multislot, Bastian, and Spin, in their failure to launch and release FC21, and to
9 let them know if FCGI's intent to root out the wrongdoers and seek relief against them.

10 376. While still on the call, Mahon also released all of the documents and
11 information Solso was requesting for the FCGI investors to review.

12 377. Between April 19, 2017 and April 24, 2017, Solso and Eckles engaged
13 in series of acrimonious and caustic emails with Mahon, insuring that all the investors
14 were copied on each email to make sure that all of the false and misleading accusations
15 were panned before every other investor to convince them that Mahon needed to be
16 removed and replaced, and determine ways to obtain control of not only FCGI, but the
17 Full Color IP. The instant flaw in their conspiracy was and still is the fact that Mahon
18 invented the Full Color IP, Mahon owned the Full Color IP, and any attempt to obtain
19 ownership of the Full Color IP, whether by legal process or other means, would be
20 wrongful taking of his property.

21 378. On information and belief, Munger and Linham (who had already
22 resigned by then) was poisoning the well, and Solso and Eckles were not only taking the
23 bait, but fully participating in the conspiracy to remove Mahon and extort him out of his
24 property rights. Munger, at that time, had dropped out of any open discussions.

25 379. Over the next few days, Howard had a flurry of calls, emails and
26 communications with FCGI investors including Munger, Solso, Eckles, Brock, Sr., and
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1 Brock, Jr., and each of them heavily recruited Howard to join them in seeking to oust
2 Mahon.

3 380. On April 20, 2017, Mahon made one last attempt to get Bastian to take
4 action on his prior (now failed) commitments to invest an additional \$500,000 and
5 advised him of the consequences of no action. Mahon never received a response.

6 381. On April 21, 2017, FCGLTD received correspondence from UKGC
7 putting it on final notice that failure to respond with full compliance of the RSLA
8 application by April 28, 2017 from the October 10, 2016 notice, would result in an
9 automatic refusal and permanent denial of the application.

10 382. This information was forwarded on to everyone, including Bastian in
11 order to ensure that everyone knew the seriousness of the situation and the irreversible
12 damage a refusal would cause that would cause the CLA to be terminated.

13 383. Some of the FCGI investors, including Solso responded to the final
14 notice from the UKCG in a nonchalant manor, indicating their lack of understanding.

15 384. On April 22, 2017, Mahon responded to the investors making it clear
16 that FCGI needed to remove Newman as a shareholder and provide evidence of financial
17 sustainability in order to fully respond to the UKGC, and inquired as to whether anyone
18 was willing to contribute funds to resolve Newman's claims and complete the UKCG
19 application or the company would have to cease operations.

20 385. Not a single investor responded to this email or took any action. Instead
21 the group of investors joined Bastian and Munger's criminal enterprise seeking to coerce
22 Mahon out via illegal and extortionate threats.

23 386. Starting on April 21 and going through April 23, Brock Jr. and Brock Sr.
24 reach out to Howard privately seeking a solution to the dispute with the shareholders.
25 They have a phone conference with Howard and later send an initial draft of some
26 proposals for reaching a resolution. Brock Sr. was the CEO and Chairman of Coca-Cola
27 Worldwide Enterprises and although Mahon had never met him, Mahon was over the
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1 moon when Brock Sr. became a significant shareholder as he was famous for having
2 more intellectual property licensing experience than anyone Mahon had ever met and
3 more importantly, over the #1 single most licensed brand on the planet, Coca-Cola and
4 there was no one in the company that Mahon trusted more than Brock Sr. to be the voice
5 of reason in how licensing works and the pitfalls people face when they do wrongful acts
6 that could subject a license to be terminated which was the case in FCGI and FCGLTD
7 in the egregious attempted coup that was going on by Solso and Eckles (being driven by
8 Munger and Bastian).

9 387. On April 23, 2017, Brock Jr. emails Howard an “updated draft” with a
10 new attachment entitled “**FCG plan v1.2.docx**,” which outlines the basics of potential
11 proposals for resolving the parties’ differences.

12 388. The “**FCG plan v1.2.docx**” is visual organogram that acknowledges
13 Mahon’s ownership of the Full Color-IP and that it is licensed to FCGLTD from
14 Mahon’s holding company IPH. The organogram also acknowledges the current
15 structure where IPH or IPHLTD has a 50% revenue share with FCGLTD, and further
16 acknowledges that IPH owns 68% of FCGI with 51 other investors, including
17 themselves own the other 32% affirming that they had no legal standing to effectuate
18 any of their plans to get Mahon to surrender any of his rights with or without coercion,
19 but still outlining the threats against him if he did not cooperate with extortionate threats
20 and demands.

21 389. The organogram makes several suggestions about restructuring the
22 business which would require Mahon to give up his ownership interest in FCGI, but
23 maintain ownership of the Full Color IP and IPH, but issues a perpetual license to FCGI
24 with a revenue share. However, the organogram suggests that Mahon give up his 68%
25 ownership in FCGI and 100% of his ownership interests in FCGLTD despite having to
26 issue a CLA for all knowns and unknown Full Color-IP for no upfront licensing fees and
27 no future rights.

1 390. The organogram further attempted to place fear in Mahon by setting
2 forth the potential consequences. It specifically noted several “Reasons for D[avid]
3 M[ahon] to settle,” which included statements that the potential litigation would “cost
4 him years of revenue” and “cost him his career.” The Brocks also noted the potential
5 types of lawsuits including a potential claim to ownership of the Full Color IP, but
6 admitted that Mahon would “likely” win such a suit. Such statements implicitly seek to
7 strike fear in to Mahon.

8 391. On April 24, 2017, Brock Sr. emails Brock Jr. and Howard and this time
9 they include Solso on the email to set up a phone conference, which is held later that day
10 set up a call on Brock’s Coca Cola Worldwide Enterprises recorded teleconference line
11 using his Coca-Cola email address no less.

12 392. Immediately after the conference, Howard contacted Mahon with Brock
13 Sr.’s request to speak with him and Mahon agreed. Thereafter, Brock Sr. sent an
14 introductory email to Mahon requesting a phone conference.

15 393. On April 25, 2017, Mahon spoke with Brock Sr. on the phone. During
16 the phone call, Brock Sr. acknowledged that there will ultimately be a lawsuit by the
17 FCGI investor against Mahon if he doesn’t come to any terms with them without stating
18 his legal basis for the lawsuit. Mahon asked for Brock to put all of his conditions in
19 writing and send it to him. Brock Sr. and Brock Jr. said they did not have anything
20 writing yet, which turned out to be untrue. They said they would like to revert back and
21 have additional conversations. Mahon agreed to take additional calls when they were
22 ready but gave told them they were running out of time with the UKGC.

23 394. Brock Sr. spoke with Howard to see which side he was on. Howard
24 indicated he was an aggrieved investor because he and his family stood to lose nearly
25 \$500,000 if FCGI failed. This led the Brocks and all others to believe that Howard
26 would join them.

1 395. On information and belief Brocks then circled back with Solso, Eckles,
2 Munger, Linham and others and reported the details of their call with Mahon.

3 396. On information and belief, between April 25, 2017 and April 26, 2017,
4 Brock Sr. and Brock Jr., Solso, Munger, and others continued to hold conference calls
5 and develop the demands that Brock Sr. had initially brought to Mahon including both
6 Brock's written plan as set forth in FCG plan v1.2.docx and an additional prepared
7 documents including the "Recapitalization" plan that Brock Sr. read from and revisions
8 thereto were developed during the calls.

9 397. On information and belief, On April 26, 2017, Solso took everything
10 that Brock Sr. and Brock Jr. had concocted in **FCG plan v1.2.docx and explicitly**
11 memorialized all of their calls, plots, plans and racketeering schemes over the previous
12 two days, and indisputably put the summation of it all in writing that was called
13 **Principles_2017 04 26 v 2.pdf.** This document included all of Brocks' original
14 scheme and demands already outlined above while and adding a host of new demands,
15 and identified most of them as "non-negotiable."

16 398. Solso began circulating **Principles_2017 04 26 v 2.pdf** amongst Brock
17 Sr. Brock Jr. Eckles, Solso, Linham, Bastian, and Howard, believing that Howard was
18 supporting them in their efforts to wrongfully remove Mahon and take his property.

19 399. Upon information and belief, the indication of "v2" on the updated
20 version of the new racketeering scheme being co-authored by Solso and others,
21 including Brock Sr., Brock Jr., and Munger, and had been secretly circulating between
22 all of these individuals.

23 400. The primary two points, both of which were non-negotiable and from
24 which the other points extended were (1) that Mahon give up all rights and title to the
25 Full Color UP and (2) that Mahon resign his position as officer and give up all shares in
26 the company.

1 401. During email exchanges concerning the document, Munger actually adds
2 suggested conditions to the **Principles_2017 04 26 v 2.pdf** plan by noting additional
3 information that he is aware that Mahon has that would need to be turned over, including
4 confidential and top secret mathematical gaming “reports” as certified real money casino
5 game play by BMM & GLI Independent test labs. Munger’s suggestions in this manner
6 are breaches of several confidentiality agreements and his fiduciary duties to the
7 company.

8 402. Munger’s additional conditions is a tacit admission that they could not
9 succeed without Mahon’s involuntary submission, involuntary servitude and his brain
10 power to continue inventing new unique and proprietary intellectual property so they
11 could exploit it to their benefit and to his detriment and effectively place him into forced
12 labor.

13 403. Essentially, the demands that Solso, Munger, and others are pushing on
14 Mahon through Brock Sr. is that he is to give up completely the Full Color IP, his life’s
15 work, and property that he owned before any of the investors were a part of any
16 company, in order for Mahon to avoid years of frivolous litigation that would tie up the
17 Full Color IP and potentially ruin his chances for obtaining gaming licenses. Further, at
18 the time, Mahon believed that the CLA to FCGLTD was still effective and did not yet
19 have any basis for unilaterally terminating any of the licenses already issued only to
20 comply with the extortionate threats of Brock Sr., Brock Jr., Eckles, Munger, Bastian or
21 anyone for that matter.

22 404. Similarly, the demand that Mahon give up his shares in every company
23 he owns on top of that was also not something that the parties could accomplish in
24 litigation, or any other method unless the shares were purchased for value neither Mahon
25 nor any of the named can be forced to give up tens of thousands of hours of work they
26 produced over 10 years to he avoid the threat of frivolous and unending litigation that
27 would not result in Mahon losing his shares. Such threats are extortion. During this
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1 same time period, also on April 26, 2017, Munger set up a secret meeting where he
2 involved Spin and Bastian and their principles to meet. On information and belief, this
3 meeting was not only to consider the best way to extort concession from Mahon, but was
4 also to discuss Spin's and Bastian's desire to get Spin's ROC 3 server with the Full
5 Color IP integrated on Bastian's RSL / ILG RGS so they could exploit it once they
6 extorted it out of Mahon.

7 405. On April 26, 2017, one hour after Munger's secret meeting, and after
8 receiving the updated **Principles_2017 04 26 v 2.pdf**, Brock Sr. and Brock Jr. sought
9 to have another follow-up conversation with Mahon.

10 406. Brock Sr. and Brock Jr. in their new call, reasserted just how amazing
11 the Full Color IP was in an attempt to "prime" Mahon with who and why he should go
12 along with their (unconscionable and extortion) plans. Brock Jr. went on and on about
13 "just how much money could be made" if Mahon would agree to their new plans (as if
14 Mahon wasn't aware of the value of his own inventions). Brock Sr. then made it
15 unequivocally clear just how bad it would be for Mahon if he didn't and was sued and
16 Mahon he should listen to their plan and consider agreeing to it.

17 407. Brock Sr. goes through a list of conditions that go even beyond the prior
18 conditions set forth in the FCG plan v1.2.docx that are identical to those in the
19 **Principles_2017 04 26 v 2.pdf** plan despite the fact that Brock continued to assert in the
20 phone call that he did not have anything writing.

21 408. Not only does Brock Sr. verbally request Mahon resign from his
22 positions with FCGI and FCGLTD, Brock Sr. tells Mahon to grant FCGI all title, rights
23 and ownership in the Full Color IP and relinquish his shares in FCGI in exchange for a
24 smaller revenue share than he already has.

25 409. Above all else, the proposal demanded that Mahon give up his property
26 rights, including both his intellectual property rights and his ownership rights in the
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1 company, which he held long before any investor put money into FCGI, or endure
2 endless litigation tying up his property rights that they admit Mahon would likely win.

3 410. Brock Sr. was suggesting that Mahon give up valuable property rights at
4 the threat of litigation that would likely not succeed, and could not result in Mahon
5 losing the very property rights that Brock Sr. was asking him to concede.

6 411. On April 27, 2017 at 9:15am PST, Brock Sr. set up another call on
7 Brock's Coca Cola Worldwide Enterprises recorded teleconference line number at 888-
8 296-2049 with Code 5350695319 (that he set up using his john.brock@ccep.com Coca-
9 Cola email address no less) and Mahon called into it in response to their request from
10 the day before. Although they never sent Mahon a copy of the written out
11 **"Principles 2017 04 26 v 2.pdf"** and its amendments by Munger, Brock Sr. clearly read
12 off every demand and condition in a near word for word replica affirming that this were
13 there (wrongful) demands. Mahon knew he was being extorted and was beyond shocked
14 that Brock Sr. stupid enough to not only threaten Mahon with such unlawful demands
15 that, but that he would do it on a recorded teleconference line of Coca-Cola making
16 them an accessory to his crimes using their emails and telephone lines and further, that
17 all of Brock Sr.'s investment docs used the same plus their address as the official
18 address of his investment trust.

19 412. In email to Mahon after the last call, Brock Sr. kept reiterating how
20 litigation was not a good course and that Mahon should "avoid imminent litigation."
21 This endless cycle of what had to be done to avoid litigation was his suave way of
22 indisputably engaging in the extortion. Brock Sr. made it unequivocally clear that the
23 "investor group" wasn't offering Mahon an opportunity to negotiate. His message was
24 these were the terms, or "this is the way it's going to be" if you wish to "avoid the
25 litigation." Mahon ends the call by requesting the proposal in writing.

1 413. On April 28, 2017, Brock Sr. continued to email Mahon and requests
2 another phone call continue the conversations with the hope that “we can find some kind
3 of solution to our issues with FCG.”

4 414. On April 28, 2017, Mahon responds to Brock Sr. that he wanted their
5 plans that they had repeated during their phone call in writing and further explained that
6 the companies are officially beginning to shut down and cancel contracts since there is
7 no funding and FCGLTD cannot pursue the UKGC license.

8 415. On April 29, 2017, Brock Sr. responds in an email and again (falsely)
9 reiterates that there is nothing writing yet and that Mahon’s not agreeing to the requests
10 coming from the investors leads "down a tortuous path that will likely result in FCG
11 shutting down and then imminent litigation” solidifying the threat that if Mahon refuses
12 the terms and conditions already proposed, tortuous and frivolous litigation will ensue.

13 416. The communications engendered by Solso, Brock Sr., Brock Jr., Munger
14 and others were an attempt to coerce Mahon into giving up property rights that they
15 could not succeed in obtaining in litigation with the threat of frivolous and unending
16 litigation that, although it could never achieve what was demanded, would tie up
17 Mahon’s property rights for years to come and potentially destroy his career. Such a
18 threat can only be designed to instill fear in Mahon and coerce his cooperation in
19 wrongfully obtaining Mahon’s property rights, and the rights if FCGI and its other
20 shareholders who were not aligned with Munger. Mahon could not be voted out of
21 office as he had the voting shares and owned a majority interest. Yet Brock Sr., Brock
22 Jr., Solso, Eckles, Castaldo, Brazier, Moores, Munger, and others demands on Mahon
23 were designed to wrongfully obtain property rights that they could not legally obtain via
24 any litigation, with the threat of endless, frivolous, career-ending litigation.

1 **XI. MUNGER & LINHAM CONSPIRE TO DEFRAUD INVESTORS**
2 **FOR \$320,000 IN FALSE “BACK SALARY” EMPLOYMENT**
3 **CLAIMS**

4 417. Munger filed individual claims, verifying four different times in the
5 verified pleadings submitted to the Court in this litigation claims he is owed back pay
6 between 2015 and 2017 for alleged work for FCGI.

7 418. Munger was paid in full from both FCGI and FCGNA, that Munger was
8 loaned \$5,225.00 from FCGNA as an emergency loan to pay his property taxes in
9 December of 2015 that he failed to ever pay back.

10 419. Munger and Linham conspired to claim Munger was an employee
11 accruing \$20,000 a month in “Back Salary” through a fraudulent billing scheme starting
12 on January 1, 2016 as detailed in full below.

13 420. On November 23, 2016, Munger and Linham conspired to defraud FCGI
14 and future investors by claiming that Munger was accruing 80% a month of unpaid
15 salary with the (fraudulent) intent to collect it upon a successful closing of FCGLTD’S
16 Series A funding round as witnessed in a letter that Linham, signed, and sent to Munger,
17 requesting that Munger keep the letter between Linham and Munger.

18 421. The fraudulent letter attached to the email created and signed by the two
19 both Linham and Munger which suggested that Munger’s current remuneration was a
20 reduced rate and was only 20% of his appropriate salary. Since Munger was receiving
21 \$5,000 a month for his services, this letter suggested that Munger should actually be
22 receiving \$25,000 a month.

23 **XII. MARCUS SUPPORTS BASTIAN CASINO GAMING**
24 **RACKETEERING ENTERPRISES & PERJURES HIMSELF IN**
25 **SWORN DECLARATION**

26 422. Marcus is a licensed attorney by the State Bar of California and before
27 the USPTO. Marcus is further a self-certified accredited investor. Marcus is beyond
28 skilled in the relevant art of copyright, trademark and patent law with regards to

1 intellectual property and the licensing of it. Marcus invested into the CNOTES of FCGI,
2 three different times on April 3, 2015, June 12, 2015 and again on November 9, 2015.

3 423. On November 23, 2017, Marcus makes three perjurious statements in a
4 sworn Declaration before this Court in ¶7 and ¶9, specifically, “...*I had no knowledge*
5 *that the company I was investing in merely had a revocable license, and did not own, the*
6 *intellectual property or assets I was investing to develop and market*” furthered with
7 “*The first I learned of the existence of the license agreement, defining the ownership of*
8 *the assets I invested to develop and market, was on June 29, 2017.*”

9 424. Marcus’ sworn declaration has provided a supporting role to the
10 racketeering activities of Munger, Bastian and the rest of the Bastian Casino Gaming
11 Enterprise and continues to tortiously interfere with the Counter-claimants’ rights.

12 425. Between November 23, 2017 and January 10, 2018, the ARCC Report
13 of Brian Marcus dated January 10, 2018 was produced, certified and approved by the
14 Board of Directors of FCGI detailing all of the non-compliance events resulting from
15 Brian Marcus’ as alleged herein and in the ARCC Report.

16 426. On January 12, 2018, Marcus was notified on his wrong doings and sent
17 a Notice of Non-Compliance Events, and thereafter provided with access to the full 305
18 page ARCC Report. Marcus never responded after that.

19 427. Marcus’ sworn Declarations claims in the derivative lawsuit echo all of
20 the other Plaintiff’s false and frivolous claims.

21 **FEDERAL RACKETEERING CLAIMS**
22 **(VIOLATIONS OF FEDERAL RACKETEERING STATUTE)**
23 **(18 U.S.C. § 1961 et seq.)**

24 **Allegations Common to First, Second, Third,**
25 **Fourth, Fifth and Sixth Claims for Relief**

26 428. “Racketeering activity” for purposes of the RICO Act means any act
27 “chargeable” under several generically described state criminal laws, any act
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1 “indictable” under numerous specific federal criminal provisions, including wire fraud
2 and money laundering. The RICO Act specifically states at 18 U.S.C 1961(b):

3 It shall be unlawful for any person through a pattern of racketeering
4 activity or through collection of an unlawful debt to acquire or
5 maintain, directly or indirectly, any interest in or control of any
6 enterprise which is engaged in, or the activities of which affect,
interstate or foreign commerce.

7 429. The RICO Act specifically defines a “pattern of racketeering” at 18
8 U.S.C: 1961(5):

9 “pattern of racketeering activity” for purposes of the RICO Act
10 means requires at least two acts of racketeering activity, one of
11 which occurred after the effective date of this chapter and the last of
12 which occurred within ten years (excluding any period of
imprisonment) after the commission of a prior act of racketeering
13 activity.

14 430. A claim under 18 U.S.C. §1962(b), (c) and (d), re:

- 15 (1) Counter-claimants must prove that Counter-defendants engaged in a
16 “pattern of racketeering activity”.
17 (2) Counter-claimants must prove that through the pattern of racketeering
18 activity, Counter-defendants acquired or maintained, directly or
19 indirectly, an interest in or control of an enterprise.
20 (3) Third, Counter-claimants must prove that the Counter-claimant’s
21 enterprise engaged in, or had some effect on, interstate or foreign
22 commerce.

23 431. To establish a pattern of racketeering activity as defined in 18 U.S.C.
24 §1961(1) and succeed on these claims under 18 U.S.C. §1961(5), the Counter-Claimants
25 must prove each of the following by a preponderance of the evidence:

- 26 (1) at least “two predicate acts” of racketeering were committed;
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- 1 (2) the predicate acts of racketeering had a relationship to each other which
2 posed a threat of continued criminal activity; and
3 (3) the predicate acts of racketeering embraced the same or similar purposes,
4 results, participants, victims, or methods of commission, or were
5 otherwise interrelated by distinguishing characteristics.

6 **A. The Federal RICO Enterprise**

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8 432. Counter-Defendants and Third-Party Defendants are each involved in an
9 “enterprise” as defined in 18 U.S.C. §1961 (4).

10 433. With respect to all allegations common to the First, Second, Third and
11 Fourth Claims of violations of sections 18 U.S.C. §§ 1962(b), (c) and (d), Counter-
12 Defendants’ and Third-Party Defendants’ “enterprise” includes Bastian, Simmons,
13 Munger, Linham, Playtech, Island Luck, DTG, DHL, ILG, M&A, Valcros, Jungels,
14 Horan and Multislot, collectively known as the “Bastian Gaming and Casino
15 Enterprise.”

16 434. With respect to all allegations common to Fifth and Sixth Claims of
17 violations of sections 18 U.S.C. §§ 1962(b), (c) and (d) Counter-Defendants’ and Third-
18 Party Defendants’ “enterprise” includes Munger , M&A, Valcros, Eckles, DHWT,
19 Solso, Millennium Trust, Brazer, Brazer Trust, BLM, T Moore, L Moore, Moore Family
20 Trust, Brock Sr., Brock Jr., Castaldo, and Marcus, known as the “Investor Enterprise.”

21 435. With respect to all allegations common to the Fifth Claim in the
22 violations of sections 18 U.S.C. §§ 1962(b), (c) and (d), Counter-defendant’s
23 “enterprise” includes the Bastian Casino Gaming Enterprise, and the Investor Enterprise.

24 436. With respect to all allegations common to the Sixth Claim in the
25 violations of sections 18 U.S.C. §§ 1962(b), Counter-defendant’s “enterprise” includes
26 H2, Newman, Newman Law, and CBL, collectively hereinafter known as the “Newman
27 Law Group.”

1 437. Counter-Defendants or Third-Party Defendants Bastian, Simmons,
2 Munger, M&A, Valcros, Linham, Playtech, Island Luck, DTG, DHL, Multislot, Eckles,
3 DHWT, Solso, 958 Partners, Millennium Trust, Brazer, Brazer Trust, BLM, T Moore, L
4 Moore, Moore Family Trust, Brock Sr., Brock Jr., Castaldo, Marcus, Newman, Newman
5 Law and CBL are "persons" within the meaning of 18 U.S.C. § 1961(3).

6 438. Counter-Defendants and/or Third-party Defendants Bastian, Simmons,
7 Munger, M&A, Valcros, Linham, Playtech, Island Luck, DTG, DHL, Multislot, Eckles,
8 DHWT, Solso, , Millennium Trust, Brazer, Brazer Trust, BLM, T Moore, L Moore,
9 Moore Family Trust, Brock Sr., Brock Jr., Castaldo Marcus, Newman, Newman Law,
10 CBL, and Bastian Casino Gaming Enterprise are each an "enterprise that affects
11 interstate commerce" pursuant to 18 U.S.C. § 1961(4) and §1962(b), (c) and (d).

12 439. Each of the Counter-Defendants and Third-Party Defendants are
13 associated with or are in fact members of the Bastian Casino Gaming Enterprise that
14 engages in legitimate and illegitimate activities, including the racketeering activities
15 herein alleged and pursuant to 18 U.S.C. § 1961 et. seq.

16 440. Bastian is the head of the Bastian Casino Gaming Enterprise, and adds
17 the following paragraphs and facts in how the Counter-Defendants and Third-Party
18 Complaint have engaged in violating the federal RICO Acts of 18 U.S.C. §§1961 (b), (c)
19 and (d) and have engaged in a continuing and concerted course of conduct involving
20 with the purpose and effect of willfully causing injury to the FCGI and interfering with
21 their interstate and foreign commerce as set forth here above and further here below.

22 441. At all times relevant to this Counter-Claim and Third-Party Complaint,
23 the Bastian Casino Gaming Enterprise and other parties, including Counter-Defendants
24 and/or Third-party Defendants Bastian, Simmons, Munger, M&A, Valcros, Linham,
25 Playtech, Island Luck, DTG, DHL, Multislot, Eckles, DHWT, Solso, Millennium Trust,
26 Brazer, Brazer Trust, T Moore, L Moore, Moore Family Trust, Brock Sr., Brock Jr.,
27 Castaldo, Marcus, Newman, Newman Law, and CBL, with the approval and/or

1 acquiescence of Bastian, exercised authority over the conduct and activities, both
2 legitimate and illegitimate.

3 **B. Federal RICO Predicate Acts**

4
5 442. The predicate acts forming the pattern of racketeering and the specific
6 statutes common to the First, Second, Third Claims, Fourth, Fifth, Sixth and Seventh
7 Claims include:

- 8 a. Definition of “scheme or artifice to defraud (18 U.S. Code § 1346)”

9
10 443. The predicate acts forming the pattern of racketeering and the specific
11 statutes common to the First, Second, Third, Fourth, Fifth, Sixth and Seventh Claims
12 include:

- 13 a. Fraud by wire (18 U.S.C. §1343, §1346);

14 444. The predicate acts forming the pattern of racketeering and the specific
15 statutes common to the First, Second and Third Claims include:

- 16 a. Laundering of Monetary Instruments (money laundering) (18 U.S.C.
17 § 1956, §1346);

18 445. The predicate acts forming the pattern of racketeering and the specific
19 statutes common to the Fourth, Fifth, Sixth and Seventh Claims include:

- 20 a. Interference with commerce by threats or violence (18 U.S.C § 1951)

21
22 446. The predicate acts forming the pattern of racketeering and the specific
23 statutes common to the Fifth Claims include:

- 24 a. Theft of trade secrets (18 U.S.C § 1832)
25 b. Forced labor (18 U.S.C § 1589)
26
27
28

1 447. The predicate acts forming the pattern of racketeering and the specific
2 statutes common to the Sixth Claims include:

3 a. Frauds and Swindles (18 U.S.C § 1341)

4 **C. Scheme or Artifices**

5
6 448. The Counter-defendants have engaged in scheme or artifices that have
7 violated the Federal RICO statute 18 U.S.C. § 1346, which states in pertinent part:

8 For the purposes of this chapter, the term “scheme or artifice to
9 defraud” includes a scheme or artifice to deprive another of the
10 intangible right of honest services.

11 **(1) 18 U.S. Code § 1346 — Frauds by wire**

12 Scheme or Artifice

13 449. The Counter-defendants have violated the Federal RICO statute 18
14 U.S.C. §§ 1341, 1346, which states in pertinent part:

15 Whoever, having devised or intending to devise any scheme or
16 artifice to defraud, or for obtaining money or property by means of
17 false or fraudulent pretenses, representations, or promises, transmits
18 or causes to be transmitted by means of wire, radio, or television
19 communication in interstate or foreign commerce, any writings,
20 signs, signals, pictures, or sounds for the purpose of executing such
21 scheme or artifice, shall be fined under this title or imprisoned not
22 more than 20 years, or both.

23 **(2) 18 U.S. Code § 1956 – Laundering of Monetary Instruments (money**
24 **laundering)**

25 Scheme or Artifice

26 450. The Counter-defendants have violated the Federal RICO statute 18
27 U.S.C. § 1956, which states in pertinent part:

28 (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) 18 U.S. Code § 1951 – Interference with commerce by threats or violence

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—

- 1 (2) The term “extortion” means the obtaining of property from
2 another, with his consent, induced by wrongful use of actual or
3 threatened force, violence, or fear, or under color of official right.
- 4 (3) The term “commerce” means commerce within the District of
5 Columbia, or any Territory or Possession of the United States; all
6 commerce between any point in a State, Territory, Possession, or
7 the District of Columbia and any point outside thereof; all
8 commerce between points within the same State through any
9 place outside such State; and all other commerce over which the
10 United States has jurisdiction.

11 **(4) 18 U.S. Code § 1832 – Theft of trade secrets**

12 452. The Counter-defendants have violated the Federal RICO statute 18
13 U.S.C. § 1832, which states in pertinent part:

- 14 (a) Whoever, with intent to convert a trade secret, that is related to a
15 product or service used in or intended for use in interstate or foreign
16 commerce, to the economic benefit of anyone other than the owner
17 thereof, and intending or knowing that the offense will, injure any
18 owner of that trade secret, knowingly—
- 19 (1) steals, or without authorization appropriates, takes, carries
20 away, or conceals, or by fraud, artifice, or deception obtains
21 such information;
- 22 (2) without authorization copies, duplicates, sketches, draws,
23 photographs, downloads, uploads, alters, destroys, photocopies,
24 replicates, transmits, delivers, sends, mails, communicates, or
25 conveys such information;
- 26 (3) receives, buys, or possesses such information, knowing the
27 same to have been stolen or appropriated, obtained, or converted
28 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.

- 1 (b) Any organization that commits any offense described in subsection
2 (a) shall be fined not more than the greater of \$5,000,000 or 3 times
3 the value of the stolen trade secret to the organization, including
4 expenses for research and design and other costs of reproducing the
5 trade secret that the organization has thereby avoided.

6 **(5) 18 U.S. Code § 1341 – Frauds and swindles**

7 453. The Counter-defendants have violated the Federal RICO statute 18
8 U.S.C. § 1341, which states in pertinent part:

9 Whoever, having devised or intending to devise any scheme or
10 artifice to defraud, or for obtaining money or property by means of
11 false or fraudulent pretenses, representations, or promises, or to sell,
12 dispose of, loan, exchange, alter, give away, distribute, supply, or
13 furnish or procure for unlawful use any counterfeit or spurious coin,
14 obligation, security, or other article, or anything represented to be or
15 intimated or held out to be such counterfeit or spurious article, for
16 the purpose of executing such scheme or artifice or attempting so to
17 do, places in any post office or authorized depository for mail matter,
18 any matter or thing whatever to be sent or delivered by the Postal
19 Service, or deposits or causes to be deposited any matter or thing
20 whatever to be sent or delivered by any private or commercial
21 interstate carrier, or takes or receives therefrom, any such matter or
22 thing, or knowingly causes to be delivered by mail or such carrier
23 according to the direction thereon, or at the place at which it is
24 directed to be delivered by the person to whom it is addressed, any
25 such matter or thing, shall be fined under this title or imprisoned not
26 more than 20 years, or both.

27 **C. Federal Pattern of Racketeering**

28 454. The predicate acts form a pattern of racketeering activity in that:

- 29 (i) they were all done by the members Counter-Defendants and
30 Third-Party Defendants at the direction of Bastian on behalf of the
31 Bastian Casino Gaming Enterprise for their individual and
32 collective benefit;
- 33 (ii) they all included individual Counter-Defendants and Third-Party
34 Defendants as directed by Bastian, with the approval/and or
35 acquiescence of Bastian and/or Simmons

- 1 (iii) they were all performed by each individual Counter-defendants
2 outside of the scope of the legitimate authority of their office or
3 employment and/or for their personal and / or to the benefit of
4 their individual entity or entities;
- 5 (iv) they were all performed by such corporations in a manner that
6 favored their individual, corporate, partnership, trust, enterprising
7 or collective benefit to the disadvantage of the FCGI and its non-
8 party shareholders;
- 9 (v) they were all directed to operate in such a manner that they each
10 knew that their actions, if discovered, would cause the FCGI
11 ultimate harm or injury;
- 12 (vi) they all related to each other as part of a common course of
13 conduct, plan, and objective to engage in a continued and
14 concerted course of conduct with the purpose and effect of
15 defrauding the FCGI;
- 16 (vii) they all included acts of concealment, conversion, and/or
17 coercion, the illegitimate economic effect of which was the act of
18 acquiring, maintaining and controlling security interests and
19 income from Mahon's Full Color IP, as well as from FCGI and
20 FCGLTD upon the successful completion of their criminal
21 racketeering activities
- 22 (viii) they had sufficient continuity, repetition and duration in that they
23 occurred at least since 2015 up to and including 2019, and
- 24 (ix) they each posed a threat of continued repetition against the FCGI
25 and did indeed do so as set forth further here below in the other
26 Claims of racketeering.

27 **D. Federal RICO Injury**

28 455. 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

1 FCGI has sustained losses as direct result of the individual predicate acts and the
2 racketeering activity, in an amount to be determined at trial as:

- 3 (a) intentionally and willfully depriving Mahon, FCGI and other FCGI
4 affiliates from the ability to be found suitable for licensing before
5 any regulated casino gaming control board with the UKGC (and
6 others) by causing them to reluctantly and against their will become
7 a part of Bastian's and the Bastian Casino Gaming Enterprise's
8 criminal activities by aiding and abetting them in billing fraud, wire
9 fraud and money laundering for the purpose of tax evasion through
10 the wrongful purchase of securities;
- 11 (d) Causing the loss of FCGI'S property rights interests in the profits of
12 their investments into the Full Color IP due to the failure of
13 FCGLTD causing its stock value to plummet to \$0.00 and the loss of
14 over \$2 million dollars in investor cash and other incalculable
15 investments made by FCGI;
- 16 (e) Damage to the FCGI and its affiliated entities good name, brand,
17 reputation, stature and likeness;

18 **Conspiracy to Engage in Federal Racketeering**

19 456. The RICO Act specifically states at 18 U.S.C 1961(d): "It shall be
20 unlawful for any person to conspire to violate any of the provisions of subsection (a),
21 (b), or (c) of this section."

22 457. Generally, a RICO "conspiracy" is an agreement by two or more people
23 to commit an unlawful act. Put an-other way, it's a kind of partnership for illegal
24 purposes. Every member of the conspiracy becomes the agent or partner of every other
25 member. Counter-claimants don't have to prove that all the people named in the
26 complaint were members of the conspiracy—or that those who were members made any
27 kind of formal agreement. The heart of the conspiracy is the making of the unlawful plan
28 itself. And the Counter-claimants don't have to prove that the conspirators were
successful in carrying out the plan.

1 458. A conspiracy is a kind of criminal partnership – an agreement of two or
2 more persons to commit one or more crimes. The crime of conspiracy is the agreement
3 to do something unlawful; it does not matter whether the crime agreed upon was
4 committed.

5 459. For a conspiracy to have existed, it is not necessary that the conspirators
6 made a formal agreement or that they agreed on every detail of the conspiracy. It is not
7 enough, however, that the Counter-defendants simply met, discussed matters of common
8 interest, acted in similar ways, or perhaps helped one another. The Counter-claimants
9 must prove that there was a plan to commit at least one of the crimes alleged in the
10 indictment as an object of the conspiracy with all of the Counter-defendants agreeing as
11 to the particular crime which the conspirators agreed to commit.

12 460. One becomes a member of a conspiracy by willfully participating in the
13 unlawful plan with the intent to advance or further some object or purpose of the
14 conspiracy, even though the person does not have full knowledge of all the details of the
15 conspiracy.

16 461. Furthermore, one who willfully joins an existing conspiracy is as
17 responsible for it as the originators.

18
19 **FIRST CLAIM FOR RELIEF (Money**
 Laundering & Securities Fraud)

20 **VIOLATION OF FEDERAL RACKETEERING STATUTE (18 U.S.C.**
21 **1962(d))**

22 **(As to Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech,**
23 **Island Luck, DHL, DTG Multislot, Horan, and Jungels)**

24 462. FCGI repeats and re-alleges and incorporates by reference the
25 allegations set forth in paragraphs herein with specificity and particularity as though set
26 forth fully herein.

1 463. Section 1962(d) of the Racketeer Influenced and Corrupt Organizations
2 Act (“RICO”), 18 U.S.C. § 1961 et seq., in its pertinent part states:

3 “It shall be unlawful for any person to conspire to violate any of the
4 provisions of subsection (a), (b), or (c) of this section”

5 464. The below named Counter-Defendants and Third-Party Defendants have
6 conspired to violate 18 U.S.C. §1962(b) which is a violation of 18 U.S.C. § 1962(d) as
7 set forth fully herein.

8 465. The predicate acts alleged above constituted substantial acts of money
9 laundering in violation of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1356,
10 laundering of monetary instruments (money laundering).

11 466. Bastian, Simmons, Linham, Munger, Playtech, Island Luck, DHL, DTG
12 are “persons” within the meaning of 18 U.S.C. § 1961(3).

13 467. Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros,
14 Playtech, Island Luck, DHL, DTL, Multislot, Horan, and Jungels are an “enterprise”
15 within the meaning of 18 U.S.C. § 1961(4) and §1962(a).

16 **-Conspiracy to violate 18 U.S.C. §1962(b)**

17
18 468. Counter-Defendants and Third-Party Defendants have conspired to
19 violate the 18 U.S.C. §1962(b) and in order to succeed on this claim under 18 U.S.C.
20 §1962(d) the Counter-claimants hereby prove each of the following three facts by a
21 preponderance of the evidence and is hereby detailed with specificity and particularity
22 already fully set forth herein:

23 (1) Counter-Defendants and Third-Party Defendants engaged in a pattern
24 of racketeering activity beginning:

- 25 a. On October 1, 2015 when Munger introduced Bastian to the FCGO
26 and Mahon in complete conflict of his NDACA and his fiduciary
27 duties to FCGI

- 1 b. November 11, 2015 the Counter-defendants racketeering activity
2 began with the signed contract to invest \$1 million into FCGI and
3 then canceling the investment under the guise and scheme of tax
4 evasion;
- 5 c. On November 17, 2015 when Bastian directed Multislot to produce
6 the Full Color IP on their RGS to the benefit of the Bastian Casino
7 Gaming Enterprise at no cost to FCGI or its affiliates as part of his
8 scheme to begin to control and influence FCGI;
- 9 d. On November 18, 2015 when SEBAS demanded that FCGI change its
10 entire corporate structure and move its assets and operations to a
11 foreign country that would ultimately facilitate the Bastian's tax
12 evasion scheme;
- 13 e. On December 8, 2015 when Counter-defendants Bastian, Simmons,
14 Playtech, and Island Luck, first attempted to get Mahon to conspire
15 with them to avoid \$120,000 in BIT in order to conceal the purchase
16 of their securities in FCGI and gain rights to the Full Color IP;
- 17 f. On June 7, 2016 when Bastian, Simmons, and Munger seduced,
18 corrupted and conspired with Linham, CFO of FCGI and FCGLTD,
19 to engage in a scheme of creating a fraudulent billing invoice for the
20 sale of computer equipment that none neither FCGI nor FCGLTD
21 owned, would sell nor ship to the Bastian Casino Gaming Enterprise,
22 nor would they receive so the Bastian Casino Gaming Enterprise
23 could submit the fraudulent commercial invoice to the Bank of
24 Bahamas and get the funds fraudulently wire transferred to
25 FCGLTD'S bank account in the IOM, concealing the purchase of
26 BASTIAN'S casino gaming enterprise purchase of 15% of FCGI'S
27 securities interest in FCGLTD and avoiding the \$120,000 in BIT.
- 28

- 1 g. On June 7, 2016 when Bastian, Simmons, and Munger, the CTO of
2 FCGI and FCGLTD conspired to aid and abet Linham in taking an
3 Island Luck quote in the amount of \$444,770.01 and assist him in
4 creating the false billing invoice;
- 5 h. On June 7, 2016 when Linham did in fact produce the fraudulent
6 invoice in the amount of \$444,770.00 and did in fact email it back to
7 Simmons and the Bastian Casino Gaming Enterprise;
- 8 i. Bastian and his entire Bastian Casino Gaming Enterprise owed FCGI
9 and FCGLTD the duty to lawfully execute the terms and conditions of
10 the DHL SIA he signed on May 31, 2016 and legally and lawfully
11 transferring the \$1 million dollars of cash into DHL in the Isle of Man
12 through Nedbank and cause DHL in the Ilse of man to simply do an
13 interbank transfer into the bank account of FCGLTD.

14 (2) Counter-defendants acquired or maintained, directly or indirectly, an
15 interest in or control of an enterprise.

16 FCGI re-alleges and incorporates ¶468(1) and its sub-references herein
17 and indisputably prove that Bastian and his Bastian Casino Gaming
18 Enterprise attempted to wrongfully conspire to acquire the ownership
19 interests of FCGI's ownership interests in FCGLTD;

20 (3) Counter-claimant's enterprise engaged in, or had some effect on,
21 interstate or foreign commerce.

- 22
- 23 a. FCGI re-alleges and incorporates ¶4768(1) and (2) and their sub-
24 references herein allege that Bastian and his Bastian Casino Gaming
25 Enterprise attempted to wrongfully conspire to acquire the Counter-
26 claimants' ownership interests of FCGI'S ownership interests in
27 FCGLTD;
- 28

1 b. The conspired transactions include using the internet to communicate,
2 send copies of the Island Luck quote, the false FCGLTD invoice, the
3 coordination of the scheme, the cancelation of it and the affirmation
4 of it all that consisted between FCGI a USA entity, the Bahamian
5 Bastian Casino Gaming Enterprise and the Isle of Man FCGLTD
6 proving beyond the shadow of any doubt the engagement of interstate
7 and foreign commerce.

8 469. As a collective result, the Counter-Defendants are guilty of violating the
9 federal RICO Acts of 18 U.S.C. §§1961(b) whereby they conspired to:

10 acquire or maintain, directly or indirectly, any interest in or control
11 of any enterprise which is engaged in, or the activities of which
12 affect, interstate or foreign commerce.

13 470. Counter-Defendants and Third-Party Defendants willfully conspired to
14 and did in fact engage in a continuing and concerted course of conduct involving with
15 the purpose and effect of intentionally, whose actions, had they completed would have
16 caused irreparable and incalculable harm to the FCGI knowingly depriving them from
17 being found suitable for licensing before the UKGC and all the other 450+ jurisdictions
18 around the world that the FCGI and its affiliates could seek, and their investors
19 investments relied upon prior to making their investments to FCGI.

20 471. FCGI's business and property interests have suffered and continue to
21 suffer injury as a direct, proximate, and foreseeable result of the Counter-Defendants'
22 and Third-Party Defendants' individual predicate acts as well as the racketeering activity
23 alleged herein. Accordingly, FCGI seeks an award of treble damages from the
24 racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as
25 provided by 18 U.S.C. 1964(d).

1 **SECOND CLAIM FOR RELIEF (Wells Fargo**
2 **Money Laundering)**

3 **VIOLATION OF FEDERAL RACKETEERING STATUTE (18 U.S.C.**
4 **1962(b))**

5 **(As to Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech,**
6 **Island Luck, DHL, DTG Multislot, Horan, and Jungels)**

7 472. FCGI repeats and re-alleges and incorporates by reference the
8 allegations set forth in paragraphs herein with specificity and particularity as though set
9 forth fully herein.

10 473. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations
11 Act (“RICO”), 18 U.S.C. § 1961 et seq. in its pertinent part states:

12 “It shall be unlawful for any person through a pattern of racketeering
13 activity or through collection of an unlawful debt to acquire or
14 maintain, directly or indirectly, any interest in or control of any
15 enterprise which is engaged in, or the activities of which affect,
16 interstate or foreign commerce.”

17 474. The above named Counter-defendants have conspired to violate 18
18 U.S.C. §1962(b) as set forth fully herein.

19 475. The predicate acts alleged above constituted substantial acts of money
20 laundering in violation of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1356,
21 laundering of monetary instruments (money laundering).

22 476. Defendants Bastian, Simmons, Linham, Munger, Playtech, Island Luck,
23 DHL, and DTG are “persons” within the meaning of 18 U.S.C. § 1961(3).

24 477. Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros,
25 Playtech, Island Luck, DHL, DTG, Multislot, Horan, and Jungels are an “enterprise”
26 within the meaning of 18 U.S.C. § 1961(4) and §1962(a).

27 478. At all times relevant to this Counter-Claim and Third-Party Complaint,
28 Counter-Defendants and Third-Party Defendants Bastian, Simmons, Linham, Munger,
29 Playtech, Island Luck, DHL, and DTG were associated with, and participated in the

1 affairs of the Bastian Casino Gaming Enterprise through a pattern of racketeering
2 activity.

3 479. FCGI does business in interstate and foreign commerce.

4 480. FCGI has already alleged Counter-Defendants and Third-Party Plaintiffs
5 have violated the Federal RICO Act of 18 U.S.C. §1962(b) in order to succeed in proving
6 all elements necessary to succeed on this claim under 18 U.S.C. §1962(d). Here, FCGI,
7 further alleges that Counter-Defendants and Third-Party Defendants continued their
8 scheme to engage in wire fraud and money laundering in an ongoing racketeering
9 pattern except this time the conspiracy actually successfully completed their
10 racketeering acts.

11 481. As such, Counter-claimants, in order to succeed on this claim under 18
12 U.S.C. §1962(b) the Counter-claimants re-alleges and incorporates by reference the
13 allegations set forth in paragraphs herein with specificity and particularity as though set
14 forth fully herein and allege as follows:

15 (1) Counter-Defendants and Third-Party Defendants engaged in a
16 “pattern of racketeering activity” whereby:

- 17 a. On June 22, 2016, Counter-defendant, a Bahamian citizen, who
18 self admittedly refuses to do business in the United States for the
19 purpose of avoiding paying United States taxes, surprisingly not
20 only has a United States bank account, but has over \$500,000
21 United States dollars in the account.
- 22 b. On June 22, 2016, Bastian ordered Wells Fargo Bank, N.A.,
23 through a “Wire Transfer Service – Outgoing Wire Transfer
24 Request,” through bank account number 1010173095067, in the
25 account holder’s name of Sebastian Bastian, made a fraudulent
26 wire transfer to the Beneficiary of FCGLTD in the Isle of Man to
27 their Nedbank account 2260060590 for the fraudulently stated
28

1 “Purpose of Funds” as “INVESTMENT FOR DAVINCI
2 TRADING” in the amount of \$500,000 for the purposes of
3 avoiding paying the \$120,000 in BIT taxes and more importantly
4 the concealment of the DHL’S purchase of 15% FCGI’S
5 securities interest in FCGLTD.

- 6 c. It is indisputable that Davinci Trading, already established as
7 DTG, is Bastian’s Grand Cayman Island entity as detailed here
8 above.
- 9 d. DTG has no contact or dealings with FCGLTD.
- 10 e. The statement of the “purpose of funds” by Bastian is fraudulent.
- 11 f. On June 23, 2016, FCGLTD did in fact receive a \$500,000 USD
12 incoming wire transfer from Bastian’s United States Wells Fargo
13 Account.
- 14 g. It is indisputable that Bastian fraudulently used the US Federal
15 Reserve banking system to perpetuate his wire fraud and engaged
16 in money laundering rather than having DHL make a single \$1
17 million wire transfer from DHL’S Isle of Man bank account to
18 FCGLTD’S Isle of Man bank account as contemplated by the
19 agreement between the parties.

- 20 (2) Through the pattern of racketeering activity, Counter-Defendants and
21 Third-Party Defendants acquired or maintained, directly or indirectly,
22 an interest in or control of an enterprise whereby.

23 FCGI re-alleges and incorporates ¶481(1) and its sub-references
24 herein that Bastian and his Bastian Casino Gaming Enterprise
25 attempted to engaged in Claim One and now, repeating to a full
26 fruition in Claim Two, the Counter-Defendants and Third-Party

1 Defendants have indeed began to acquire FCGI'S ownership interests
2 in FCGLTD;

3 (3) FCGI's enterprise engaged in, or had some effect on, interstate or
4 foreign commerce.

5 Bastian's Wells Fargo Outgoing Wire Transaction includes using the
6 internet and telecommunications systems in order to complete the
7 fraudulent wire transfer, further to communicate with others, to send
8 copies of the wire transfer details, to coordinate the scheme, consisted
9 between the United States entity in Wells Fargo Bank, FCGI a USA
10 entity, the Bahamian Bastian Casino Gaming Enterprise and the Isle
11 of Man FCG LTD demonstrating the engagement of interstate and
12 foreign commerce.

13 482. As a result, Counter-Defendants and Third-Party Defendants set forth
14 herein are guilty of 18 U.S.C. §1962(b) herein this Second Claim.

15 483. FCGI's business and property interests have suffered and continue to
16 suffer injury as a direct, proximate, and foreseeable result of the Counter-Defendants
17 and Third-Party Defendants individual predicate acts as well as the racketeering activity
18 alleged herein. Accordingly, FCGI seeks an award of treble damages from the
19 racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as
20 provided by 18 U.S.C. 1964(d).

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28

**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 (“RICO”), 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

1 following three facts with new and additional specificity and particularity already fully
2 set forth herein:

3 (1) Counter-Defendants and Third-Party Defendants continued to
4 engaged in a continued “pattern of racketeering activity” whereby:

- 5 a. Nearly 9 months after the formation of DHL in the Isle of Man,
6 Bastian still had failed to apparently put his own investment funds
7 into DHL in order to make a direct bank to bank transfer from
8 DHL to FCGLTD in their Nedbank accounts in IOM.
- 9 b. On or about September 20, 2016, Bastian ordered the Bank of
10 Bahamas, through the Shirley Street branch in Nassau, New
11 Providence, Bahamas, to engage in an “External Payment
12 Request” (“EPR”), through bank account number 3310002822, in
13 the Applicant’s name of Sebastian Bastian and made a fraudulent
14 bank wire transfer request to beneficiary of FCGLTD in the Isle
15 of Man to their Nedbank account 2260060590.
- 16 c. On September 22, 2015, the EPR was stamped by BOB as
17 received, whereby the “Signature of the Applicant” line includes
18 one known signature of Bastian, whereby the signatures directed
19 the BOB to make an EPR in the form of a bank wire transfer in
20 the amount of \$500,000 payable to Full Color Games Ltd in the
21 Isle of Man.
- 22 d. The EPR makes clear false declarations to BOB, who is regulated
23 by the Central Bank of Bahamas (“CBB”), in the CBB’S
24 Exchange Control Reporting (“ECR”) section of the EPR as CAT
25 Code 2084 (Commission, Advert. Subscript., Prof Service, Misc.,
26 e.g. visas, pay Bahamians abroad) all of which was indisputably
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1 false and in fact, was truly for the purposes of ECR CAT Code
2 5010 (Share Purchase).

- 3 e. FCGLTD did not charge Bastian or any party in the Bastian
4 Casino Gaming Enterprise any “commission,” did not buy any
5 “advertising subscription, purchase any “professional service”, or
6 any other “miscellaneous items, e.g., visa or pay any Bahamian
7 abroad.”
- 8 f. The false ECR CAT CODE declaration as stated in the BOB EPR
9 is for the purpose for tax evasion of the BIT by Bastian, Simmons,
10 Playtech, and/or Island Luck in order to conceal DHL’S purchase
11 of FCGI’S ownership shares of FCGLTD’S stock and further to
12 avoid reporting it to the Bahamian Government as required by the
13 ECR which in that controls the “Outward Direct Investments” in
14 purchases of securities as further detailed in the Bahamas
15 Exchange Control Reporting Act of 1952.
- 16 g. This purchase of securities is a false statement by Bastian and the
17 second signatory in order to induce BOB to wire the funds as a
18 falsely stated ECR CAT CODE.
- 19 h. On October 3, 2016, Linham confirmed that FCGLTD did in fact
20 receive the \$500,000 into its Nedbank account in Isle of Man
21 validating the act of racketeering of money laundering through
22 fraud by wire violating 18 U.S.C §1962(b) through the two
23 predicate acts of 18 U.S.C.§1956 and §1343.
- 24 i. It is indisputable that Bastian fraudulently used BOB who then
25 used the Central Bank of the Bahamas (“CBOC”) who then used
26 the US Federal Reserve banking system to perpetuate the wire
27 fraud and engaged in money laundering rather than having DHL
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1 make a proper wire transfer from DHL'S Isle of man bank
2 account to FCGLTD'S Isle of Man bank account.

3 j. FCGLTD did not engage in any business with Bastian or the
4 Bastian Casino Gaming enterprise pursuant to their declaration
5 under ECR CAT CODE 2084.

6 k. The statement of the "purpose of funds" by Bastian is fraudulent.

7 l. This BOB EPR in the amount of \$500,000 was for the continued
8 and ongoing pattern of racketeering activities for the purposes of
9 avoiding paying the \$120,000 in BIT taxes and more importantly
10 the concealment of the DHL'S purchase of 15% of FCGI'S
11 securities interest in FCGLTD.

12 (2) Through the pattern of racketeering activity, Counter-Defendants and
13 Third-Party Plaintiffs acquired or maintained, directly or indirectly,
14 an interest in or control of an enterprise whereby.

15 The Counter-claimants re-alleges and incorporates ¶490(1) and its
16 sub-references herein and indisputably prove that Bastian and his
17 Bastian Casino Gaming Enterprise attempted to engaged in Claim
18 One, Claim Two now, repeating to a full fruition in Claim Three, the
19 Counter-Defendants and Third-Party Defendants have indeed
20 continued to wrongfully acquire more of the FCGI'S ownership
21 interests in FCGLTD;

22 (3) FCGI's enterprise engaged in, or had some effect on, interstate or
23 foreign commerce:

24 a. The Counter-claimants re-alleges and incorporates ¶490(1) and
25 (2) and their sub-references herein and indisputably prove that
26 Bastian and his Bastian Casino Gaming Enterprise attempted to
27 engage in Claim One, Claim Two and now, repeating to a full
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1 fruition in Claim Three, the Counter-defendants have indeed
2 continued to wrongfully acquire the Counter-claimants ownership
3 interests of FCGI'S ownership interests in FCGLTD;
4 b. Bastian's Bank of Bahamas Outgoing Wire Transaction includes
5 using the internet and telecommunications systems in order to
6 complete the fraudulent wire transfer, further to communicate
7 with others, to send copies of the wire transfer details, to
8 coordinate the scheme, consisted between the Bahamian bank of
9 BOB, the USA Federal Reserved banking system to facilitate the
10 wire, FCGI a USA entity, the Bahamian BASTIAN casino
11 gaming enterprises and the Isle of Man FCGLTD demonstrating
12 the engagement of interstate and foreign commerce.

13 491. As a result, FCGO has alleged with specificity and particularity that the
14 Counter-Defendants and Third-Party Defendants are guilty of 18 U.S.C. §1962(b) herein
15 this Third Claim.

16 492. FCGI's business and property interests have suffered and continue to
17 suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's
18 individual predicate acts as well as the racketeering activity alleged herein. Accordingly,
19 FCGI seeks an award of treble damages from the racketeering activity, costs of this
20 litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

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- 1 a. On January 31, 2017, as fully detailed in ¶237 Multislot, engaged
2 in extortion when they attempted to wrongfully extort the FCGI
3 and its affiliates out of their HTML5 property rights to the Full
4 Color IP and prevent them from globally releasing FCG21
5 through Videoslots et al. as expected if the FCGI and its affiliates
6 did not comply with Multislot demands, ultimately depriving the
7 FCGI and its affiliates of all income.
- 8 b. By contract, Multislot attempted to acquire or maintain, directly
9 and indirectly, an interest in and control of the Full Color IP,
10 specifically FC21 which is the property of Mahon and licensed to
11 FCGI and its affiliates, all of whom have their own beneficial
12 property rights in the Full Color IP.
- 13 c. The Full Color IP could not be released on its own without the
14 GBB or UKGC license of Multislot while on their RGS that they
15 controlled and in so doing, controlled the FCGI and its affiliates.
- 16 d. The FCGI and its affiliates and their property rights in the Full
17 Color IP, which is engaged in, or the activities of which affect,
18 interstate or foreign commerce would generate revenue that
19 Multislot controlled through their contracts with Videoslots.com,
20 BetConstruct, EveryMatrix, et al., who would then charge a fee
21 for their control and pay the FCGI and its affiliates. Multislot was,
22 therefore,, in every step of the commerce, in control and
23 attempted to wrongfully extort FCGI and its affiliates out of their
24 free rights to give certain revenue streams property rights of the
25 Full Color IP commerce, specifically, the HTML5 rights to the
26 Tier 1 operators, which constitute approximately 80% of all future
27 revenues in which Multislot had no rightful claim to.
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1 (2) Through the pattern of racketeering activity, Counter-defendants and
2 Third-Party Defendants acquired or maintained, directly or indirectly,
3 an interest in or control of an enterprise whereby.

4 a. The Counter-claimants re-alleges and incorporates ¶497(1) and its
5 sub-references herein and indisputably prove that Multislot not
6 only threatened to pull the release of the Full Color IP to
7 Videoslots, BetConstruct, EveryMatrix et al. as a result of failing
8 to comply with the Multislots' demands, but they repeated it by
9 failing to release it on BetConstruct, EveryMatrix et al. and even
10 failed to ever release it on Bastian's IslandLuck.com despite
11 saying they would.

12 b. Despite the fact that FCGI and its affiliates had paid to have the
13 games fully certified for release through BMM and translated into
14 24 languages, over \$110,000, and 15 months of direct
15 development time invested into the build and release, Multislot
16 deliberately never released the product at all, proving that their
17 pattern is going on indefinitely by wrongfully owning and
18 controlling the interests and property rights of FCGI and its
19 affiliates and their lawful enterprises.

20 (3) FCGI's enterprise engaged in, or had some effect on, interstate or
21 foreign commerce:

22 FCGI re-alleges and incorporates ¶497(1) and (2) and their sub-
23 references herein and indisputably prove that the failure to globally
24 release the Full Color IP of FC21 on Videoslots.com, BetConstruct,
25 EveryMatrix, IslandLuck.com or anywhere, ever, even to this day, is
26 proof on its face that the Counter-defendants have interfered with
27 interstate and foreign commerce.
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1 498. FCGI further alleges that Multislot violated 18 U.S.C. §1951 through
2 interference with commerce by threats or violence or better known as the “Hobbs Act
3 extortion by the wrongful use of actual or threatened force, violence, or fear.”

4 499. More, specifically, Multislot wrongfully demanded that Counter-
5 claimants give up all HTML5 property rights they had already assigned to another party.

6 500. Multislot demanded that Counter-claimants in control of the Full Color
7 IP give up the HTML5 Tier 1 rights or they would pull the product releases to all other
8 operators which would cause great economic harm to the Counter-claimants if they
9 refused to do so.

10 501. Multislot not only wrongfully obstructed the release of the Counter-
11 claimants Full Color IP that they spent approximately \$110,000 in corporate funds, over
12 15 months of time developing in good faith, but they permanently delayed the release of
13 all Full Color IP not just through the Island Luck platform, but to all other interstate and
14 foreign commerce through Videoslots, Betconstruct, EveryMatrix and Pinnacle after
15 getting the games fully certified and translated for global release because FCGI and its
16 affiliates would not give in to the extortion demands. Multislot knew that the FCGI and
17 its affiliates would fail to reach revenue as a result, would run out of money and go out
18 of business within months and as a result believed that FCGI and its affiliates would
19 succumb to their wrongful demands as the only alternative to save themselves. FCGI
20 and its affiliates did not give into the wrongful demands and subsequently did in fact go
21 out of business and experience a total loss of all of its investments that exceeded \$3
22 million cash and nearly 10 years of business development as a result.

23 502. Multislot’s actions and threats were wrongful because Multislot had no
24 lawful claim to the property. Multislot had no lawful claim to the property rights of the
25 HTML5 rights in either oral or written contract. In fact Multislot turned down the
26 opportunity when it had it in July, 2016 and knew that others, specifically Spin, had the
27 HTML5 rights to the Tier 1 product. Multislot retained all other distributors and
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1 operators that only wanted FLASH developed Full Color IP product and those that were
2 already integrated into the MULTISLOT RGS. Only Mahon and his licensees owned all
3 all rights to its revenue streams from the Full Color IP pursuant to their respective
4 licensing agreements with Mahon.

5 503. As a result, FCGI alleges with specificity and particularity, alleged the
6 Counter-claimants are guilty of violations of 18 U.S.C. §1962(b) herein this Fourth
7 Claim.

8 504. FCGI's business and property interests have suffered and continue to
9 suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's
10 individual predicate acts as well as the racketeering activity alleged herein. Accordingly,
11 FCGI seeks an award of treble damages from the racketeering activity, costs of this
12 litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

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14 **FIFTH CLAIM FOR RELIEF (Munger,**
15 **Bastian, Brock Sr., Brock Jr., Eckles & Solso.**
16 **Extortion)**

17 **VIOLATION OF FEDERAL RACKETEERING STATUTE**
18 **18 U.S.C. 1962(b))**

19 **(All Counter-Defendants and Third-Party Defendants)**

20 505. FCGI repeats and re-alleges and incorporates by reference the
21 allegations set forth in paragraphs herein with specificity and particularity as though set
22 forth fully herein.

23 506. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations
24 Act ("RICO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

25 "It shall be unlawful for any person through a pattern of racketeering
26 activity or through collection of an unlawful debt to acquire or
27 maintain, directly or indirectly, any interest in or control of any
28 enterprise which is engaged in, or the activities of which affect,
interstate or foreign commerce."

1 507. The above named Counter-Defendants and Third-Party Defendants have
2 conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

3 508. The predicate acts alleged above constituted substantial acts of extortion
4 in violation of the Hobbs Act in violations of 18 U.S.C. § 1346, frauds by wire; 18
5 U.S.C. § 1951, interference with commerce by threats or violence; 18 U.S.C. § 1832,
6 theft of trade secrets; 18 U.S.C. § 1589, forced labor.

7 509. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b), re-
8 alleges and incorporates by reference the allegations set forth in paragraphs herein with
9 specificity and particularity as though set forth fully herein with new and additional
10 specificity and particularity already fully set forth herein:

11 (1) Counter-defendants and Third-Party Defendants continued to engaged
12 in a continued “pattern of racketeering activity” whereby:

- 13 a. Beginning on or about April 19, 2017, in here above, Counter-
14 Defendants and Third-Party Defendants, and each of them,
15 engaged in frauds by wire, attempted extortion with the
16 wrongful taking of FCGI’s and its affiliates property rights
17 and interests in the IPR and Full Color IP in order to acquire
18 and maintain an interest in it in order to wrongfully profit off
19 of it through interstate and foreign commerce as detailed in
20 their racketeering activities in written documents “**FCG**
21 **plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v**
22 **2.pdf**” and furthered by verbal assertion and reaffirmation of
23 it by Brock Jr. and then furthered by the Investor Enterprise
24 by the promise of Munger to engage in the theft of Mahon’s
25 trade secrets furthered by the Investor Enterprise in order for
26 the Counter-Defendants and Third-Party Defendants to
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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

1 plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf and it
2 would affect and or deprive the FCGI and its affiliates of their rights
3 of income through interstate and foreign commerce proof on its face
4 that the Counter-defendants have interfered with interstate and
5 foreign commerce and equally as damaging designed to ensure that
6 their racketeering activities *“will cost him [MAHON] years of*
7 *revenue and ... cost him his career”*.

8 510. FCGI further alleges that Multislot violated 18 U.S.C. §1951 through
9 interference with commerce by threats or violence or better known as the “Hobbs Act
10 extortion by the wrongful use of actual or threatened force, violence, or fear.”

11 511. The Counter-Defendants and Third-Party Defendants as explicitly
12 demanded in their “non-negotiable” demands **FCG plan.docx, FCG plan v1.2.docx,**
13 **Principles_2017 04 26 v 2.pdf** have wrongfully demanded that Mahon give up his
14 property rights and further FCGI’s and its affiliates’ rights to revenues and their licenses
15 related thereto that the Counter-Defendants and Third-Party Defendants did not have any
16 lawful rights to beyond their already explicitly agreed to terms and conditions of their
17 stock ownership rights in any of the named entities but sought to obtain 100% ownership
18 Mahon’s IPR and Mahon’s (majority in interest) stock ownership in FCGI , his 100%
19 voting control in FCGI not only without paying for it but under the threat of extortion if
20 they did not give into the Counter-Defendants’ and Third-Party Defendants’ demands
21 and were threatened with the damage that would ensure in a tortuous lawsuit that would
22 follow if they did not comply with their demands.

23 512. The Counter-claimants re-alleges all paragraphs herein as indisputable
24 proof that the Counter-defendants, through their explicitly detailed plans in **FCG**
25 **plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf**, their threats to cause
26 Mahon harm was designed to and did obstruct, delay and affect interstate and foreign
27 commerce in quantifiable means that caused the FCGI’s business entities to have casino
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1 gaming license applications refused, licenses to be terminated, products fail to launch
2 and businesses to fail in their entirety causing the loss of millions of dollars of real
3 money by the FCGI and its affiliates.

4 513. The Counter-defendants' and Third-Party Defendants' actions of threats
5 were wrongful. The Counter-Defendants and Third-Party Defendants had no lawful
6 claim to the property rights to the demands that they explicitly made in **FCG plan.docx**,
7 **FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf**. Only Mahon owned all Full
8 Color IP property and had owned all this property for years upon years as further
9 evidenced in licensing contracts, on public record, in product manufactured, published
10 and distributed in over 160 countries in over 13 languages and through public recordings
11 of perfected securities interests in UCC-1 filings with the Nevada Secretary of State and
12 all rights to its revenue streams were the property of the FCGI and its affiliates, pursuant
13 to their respective Licensing agreements with Mahon as the master licensor. The
14 Counter-defendants' and Third-Party Defendants' actions therefor had no lawful claim
15 to Mahan's property much more to FCGI's licensing and stock ownership rights to the
16 property rights afforded to them in the relevant licensing agreements.

17 514. As a result, FCGI alleges, with specificity and particularity, that the
18 Counter-Defendants and Third-Party Defendants are guilty of 18 U.S.C. §1962(b) herein
19 this Fifth Claim.

20 515. FCGI's business and property interests have suffered and continue to
21 suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's
22 individual predicate acts as well as the racketeering activity alleged herein. Accordingly,
23 FCGI seeks an award of treble damages from the racketeering activity, costs of this
24 litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

1 **SIXTH CLAIM FOR RELIEF (Newman**
2 **Securities Extortion)**

3 **VIOLATION OF FEDERAL RACKETEERING STATUTE 18 U.S.C.**
4 **1962(b))**

5 **(Counter-defendants Newman, Newman Law, CBL and H2)**

6 516. FCGI repeats and re-alleges and incorporates by reference the
7 allegations set forth in paragraphs herein with specificity and particularity as though set
8 forth fully herein.

9 517. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations
10 Act (“RICO”), 18 U.S.C. § 1961 et seq. in its pertinent part states:

11 “It shall be unlawful for any person through a pattern of racketeering
12 activity or through collection of an unlawful debt to acquire or
13 maintain, directly or indirectly, any interest in or control of any
14 enterprise which is engaged in, or the activities of which affect,
15 interstate or foreign commerce.”

16 518. The above named Counter-Defendants and Third-Party Defendants have
17 conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

18 519. The predicate acts alleged above constituted substantial acts of extortion
19 in violation of the Hobbs Act and through fraud in violations of 18 U.S.C. § 1346, frauds
20 by wire; 18 U.S.C. § 1951, interference with commerce by threats or violence; 18 U.S.C.
21 § 1341, frauds and swindles.

22 520. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b), re-
23 alleges and incorporates by reference the allegations set forth in paragraphs herein with
24 specificity and particularity as though set forth fully herein, hereby allege following
25 three elements with new and additional specificity and particularity already fully set
26 forth herein:

- 27 (1) Third-Party Defendants continued to engaged in a continued “pattern
28 of racketeering activity” whereby:

- 1 a. Beginning on or about March 17, 2010, the Third-Party
2 Defendants and each of them engaged in frauds by swindle, frauds
3 by wire and attempted extortion with the wrongful taking of
4 Mahon's property in the IPR that H2 and Newman were hired to
5 protect and used the AGRI as the means and methods for
6 Newman to obtain FCGI and, purportedly, FCG LTD corporate
7 stock interests. Had Newman truly done the work, he would have
8 been entitled to the shares, but instead he engaged in a patent
9 Ponzi scheme that allowed him to get shareholder rights in FCGI
10 and its affiliates. When his failures were discovered and the
11 Newman Group was terminated, the Newman Group made
12 unlawful and wrongful threats in order to wrongfully exert control
13 over FCGI and its affiliates and wrongfully profit therefrom
14 through interstate and foreign commerce as detailed in the
15 Newman Group's extortionate demands for money on the threat
16 of lying and/or destroying FCGI's and its affiliates' IPR and
17 profits derived therefrom. The extortionate threats include the
18 following communications by Newman as set forth below:
19 (1) On August 27, 2016 at 4:04pm PST, in a document entitled
20 **"Settlement Agreement.pdf"**;
21 (2) On November 17, 2016 at 5:50pm PST after Newman's phone
22 call with Linham and Howard memorialized in the emailed
23 document entitled
24 **"2016 11 17 Rich Newman Settlement Proposal.docx"**;
25 (3) On February 21, 2017, Newman emailed document titled
26 **"Mutual Termination and Release-2-21-2017.docx"**;
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1 (4) On March 8, 2017 at 1:41am PST, in an email from Newman
2 to Mahon changing his terms back to a new demand of \$50K
3 to \$75K.

4 b. The Newman Group, with its extortionate demands, held FCGI
5 and its affiliates property rights and corporate stock ransom in
6 order to prevent the FCGI and its affiliates from being able to
7 obtain a UKGC casino gaming license and prevent them from
8 obtaining revenue streams through interstate and foreign
9 commerce.

10 (2) Through the pattern of racketeering activity, Third-Party Defendants
11 acquired or maintained, directly or indirectly, an interest in or control
12 of an enterprise whereby.

13 FCGI re-alleges and incorporates ¶520(1) and its sub-references
14 herein allege Third-Party Defendants have wrongfully engaged in
15 racketeering activity to acquire and maintain, both directly and
16 indirectly an interest in and control of the FCGI and its affiliates and
17 its property rights and they would not return the fraudulently obtained
18 stock until FCGI paid them a ransom in order to deprive the FCGI
19 and its affiliates the right to obtain a UKGC casino gaming license,
20 release the Full Color IP and obtain revenue in interstate and foreign
21 commerce.

22 (3) FCGI's enterprise engaged in, or had some effect on, interstate or
23 foreign commerce:

24 FCGI re-alleges and incorporates ¶520(1) and (2) and their sub-
25 references herein and alleges that their plans were well known and
26 admitted to in advance as explicitly detailed Newman's repetitive
27 pattern of ever changing extortion demands as witnessed in his
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1 emails, settlement proposals seeking to interfere with and/or destroy
2 FCGI's and its affiliates rights of income through interstate and
3 foreign commerce.

4 521. Third-Party Defendants have a violated of 18 U.S.C. §1951 through
5 interference with commerce by threats or violence or better known as the "Hobbs Act
6 extortion by the wrongful use of actual or threatened force, violence, or fear."

7 522. Third-Party Defendants, as explicitly demanded in their "non-
8 negotiable" demands in the emails and wires communications explicitly detailed in the
9 "Settlement Agreement.pdf", "2016_11_17_Rich_Newman_Settlement_Proposal.docx",
10 and "Mutual Termination and Release-2-21-2017.docx" have wrongfully demanded that
11 FCGI and its affiliates give up their property rights as defined in the related licenses to
12 the IPR and the shares that Newman Group wrongfully obtained and was holding
13 hostage that Third-Party Defendants did not have any lawful right to as he knowingly
14 obtained the shares by fraud and/or failed to meet the conditions for stock ownership,
15 and sought to wrongfully assert influence over FCGI and its affiliates by making
16 extortionate threats against the IPR and FCGI's business if they did not comply with
17 their demands.

18 523. FCGI re-alleges all paragraphs that the Third-Party Defendants not only
19 intended to inflict fear and cause economic harm in perpetuity, but intended to cause the
20 fear of the loss of the protection of his inventions due to Newman Group's fraud and
21 they inflicted economic damages on Mahon and FCGI and its other affiliates, which
22 inhibited FCGI and its affiliates from obtaining the UKGC license and wrongfully
23 deprives Mahon and FCGI of revenue streams.

24 524. FCGI re-alleges all paragraphs herein that the Counter-Defendants, their
25 threats, coercion and attempted extortion did in fact obstruct, delay and affect interstate
26 and foreign commerce in quantifiable means that caused the Counter-claimants business
27 entities to have casino gaming license applications refused, licenses to be terminated,
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1 products fail to launch and businesses to fail in their entirety causing the loss of millions
2 of dollars of real money by the Counter-claimants entities individually and as investing
3 shareholders.

4 525. Third-Party Defendants' actions of threats were wrongful because Third-
5 Party Defendants have no lawful claim to the property rights to the demands because
6 Newman fraudulently obtained the money and shares from the Counter-claimants and as
7 such had no legal right to the shares. It is indisputable that only the Mahon invented all
8 Full Color IP property and had owned all this property for years upon years before even
9 meeting Newman as further evidenced in the original copyright, trademark and patent
10 filings by Mahon that are all on public record. The Counter-defendants' actions therefor
11 had no lawful claim to FCGI's property much more to Third-Party Defendants licensing
12 income and stock ownership rights to the property rights afforded to them in the relevant
13 licensing agreements.

14 526. FCGI's business and property interests have suffered and continue to
15 suffer injury as a direct, proximate, and foreseeable result of Third-Party Defendants
16 individual predicate acts as well as the racketeering activity alleged herein. Accordingly,
17 FCGI seeks an award of treble damages from the racketeering activity, costs of this
18 litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

19 ////

20 ////

21 ////

22 **NEVADA RACKETEERING CLAIMS**

23
24 **(VIOLATIONS OF NEVADA RACKETEERING STATUTE)**
25 **(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-

1 Defendants and Third-Party Defendants have operated as an enterprise as defined in
2 N.R.S. § 207.380 whereby “Enterprise” defined

3 Enterprise” includes:

- 4 (1) Any natural person, sole proprietorship, partnership, corporation,
5 business trust or other legal entity; and
6 (2) Any union, association or other group of persons associated in fact
7 although not a legal entity.

8 —> The term includes illicit as well as licit enterprises and governmental
9 as well as other entities.

10 530. With respect to all allegations common to the Seventh, Eighth, Ninth,
11 Tenth, Eleventh and Twelfth Claims of violations of sections N.R.S. § 207.400. et sq. all
12 Counter-Defendants' and Third-Party Defendants' “enterprise” includes all named
13 Counter-Defendants and Third-Party Defendants, and named or identified in each
14 relevant section here above and here below as appropriate or relevant to each Claim

15 **B. Nevada RICO Predicate Acts**

16 531. To succeed on claims under state racketeering laws, FCGI must allege
17 two or more predicate acts that have the same or similar pattern, intent, results,
18 accomplices, victims and or methods of commission as has clearly been set forth herein.

19 532. Unlike the Federal RICO Act that requires a “pattern of racketeering” at
20 18 U.S.C: 1961(5), there is no pattern/continuity requirement as is required under federal
21 law.

22 533. The predicate acts of racketeering and the specific Nevada statutes
23 involved those crimes are set forth herein pursuant to N.R.S. §207.360 whereby “Crime
24 related to racketeering” means the commission of, attempt to commit or conspiracy to
25 commit any of the following crimes sections:

- 26 (9) Taking property from another under circumstances not amounting
27 to robbery, including theft and larceny (N.R.S. § 205.380);
28 a. Obtaining possession of money or property by means of false
pretenses (N.R.S. § 205.380);
(10) Extortion (N.R.S. § 205.320);

- 1 (25) Embezzlement (N.R.S. § 205.300)
2 a. State securities fraud (N.R.S. § 90.570); and
3 b. Commercial bribery (N.R.S. § 207.295).
4 (34) Involuntary servitude (N.R.S. § 200.463)
5 (35) Multiple transactions involving fraud or deceit in course of
6 enterprise or occupation (N.R.S. § 205.377);

7 **(6) Taking Property from Another under Circumstances Not Amounting to**
8 **Robbery, including Theft and Larceny**

9 534. The Omnibus Theft Crime statute, N.R.S. § 205.0832 et. seq., which
10 states in part:

11 a person commits theft if, without lawful authority, he knowingly

- 12 (a) Controls any property of another person with the intent to deprive
13 that person of the property.
14 (b) Converts, makes an unauthorized transfer of an interest in, or
15 without authorization controls any property of another person, or
16 uses the services or property of another person entrusted to him or
17 placed in his possession for a limited use.
18 (c) Obtains real, personal or intangible property or the services of
19 another person by a material misrepresentation with intent to deprive
20 that person of the property or services.

21 **(7) Extortion**

22 535. The Nevada's extortion statute, N.R.S. § 205.320, which states in
23 pertinent part:

24 A person who, with the intent to extort or gain any money or other
25 property ... , or to do or abet ... any illegal or wrongful act, whether
26 or not the purpose is accomplished, threatens directly or indirectly
27 ...to injure a person or property ...is guilty of a category B felony ...

28 **(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

1 cheat or defraud the other person, is a cheat, and, unless otherwise
2 prescribed by law, shall be punished ...

3 **(9) Grand Larceny**

4 537. The Nevada's grand larceny statute, N.R.S. § 205.220, which states the:
5 following in pertinent part:

6 Except as otherwise provided in NRS 205.226 and 205.228, a person
7 commits grand larceny if the person:

8 1. Intentionally steals, takes and carries away, leads away or drives
9 away:

10 (a) Personal goods or property, with a value of \$650 or more, owned
11 by another person;

12 (c) Real property, with a value of \$650 or more, that the person has
13 converted into personal property by severing it from real
14 property owned by another person.

15 **(10) Embezzlement**

16 538. The Nevada's embezzlement statute, N.R.S. § 205.300, which states the:
17 following in pertinent part:

18 Any bailee of any money, goods or property, who converts it to his
19 or her own use, with the intent to steal it or to defraud the owner or
20 owners thereof and any agent, manager or clerk of any person,
21 corporation, association or partnership, or any person with whom
22 any money, property or effects have been deposited or entrusted,
23 who uses or appropriates the money, property or effects or any part
24 thereof in any manner or for any other purpose than that for which
25 they were deposited or entrusted, is guilty of embezzlement...

26 **(11) State Securities Fraud**

27 539. The foregoing acts of state securities fraud constitute a violation of
28 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:

1 In connection with the offer to sell, sale, offer to purchase or
2 purchase of a security, a person shall not, directly or indirectly:

- 3 1. Employ any device, scheme or artifice to defraud;
- 4 3. Engage in an act, practice or course of business which operates
5 or would operate as a fraud or deceit upon a person.

6 **(12) Statement made in declaration under penalty of perjury.**

7 540. The foregoing acts of perjury constitute a violation of N.R.S. § 199.145
8 and thereby constitute a predicate act under Nevada RICO Statute, N.R.S. § 207.360(19)
9 which states in pertinent part: "Makes a willful and false statement in a matter material
10 to the issue or point in question."

11 **(13) Involuntary servitude; penalties.**

12 541. The Nevada's embezzlement statute, N.R.S. § 200.463, which states the:
13 following in pertinent part:

- 14 (1) A person who knowingly subjects, or attempts to subject, another
15 person to forced labor or services by
 - 16 (a) Causing or threatening to cause physical harm to any person;
 - 17 (b) Physically restraining or threatening to physically restrain any
18 person;
 - 19 (c) Abusing or threatening to abuse the law or legal process;
 - 20 (d) Knowingly destroying, concealing, removing, confiscating or
21 possessing any actual or purported passport or other
22 immigration document, or any other actual or purported
23 government identification document, of the person;
 - 24 (e) Extortion; or
 - 25 (f) Causing or threatening to cause financial harm to any person,

26 **(14) Multiple transactions involving fraud or deceit in course of**
27 **enterprise or occupation; penalty.**

28 542. 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) Theft of trade secrets prohibited; criminal penalties

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,

1 **C. Nevada RICO Injury**

2 544. FCGI has been injured by the Counter-defendants and Third-Party
3 Defendants both as a direct result of the individual predicate acts committed by the
4 racketeering activity in which they engaged. FCGI has sustained substantial monetary
5 losses; as a direct result of the individual predicate acts and the racketeering activities in
6 an amount in excess of \$15,000 be determined at trial.

7
8 **SEVENTH CLAIM FOR RELIEF (Spin**
9 **Racketeering Fraud)**

10 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
11 **207.400(1)(c))**

12 **(As to Counter-Defendants Young, Mishra & Spin)**

13 545. FGGI repeats and re-alleges and incorporates by reference the
14 allegations set forth in paragraphs herein with specificity and particularity as though set
15 forth fully herein.

16 546. Starting in May 2016 and continuing through May, 2017, Spin through
17 their actions and in their conduct engaged in by the Third-Party Defendants Young and
18 Mishra and Spin have conspired to violate N.R.S. § 207.400(1)(b) as set forth in
19 pertinent part herein: "Through racketeering activity to acquire or maintain, directly or
20 indirectly, any interest in or control of any enterprise."

21 547. The predicate acts alleged above constituted substantial acts of fraud,
22 misrepresentation, concealment and embezzlement of funds that include:

- 23 (1) N.R.S. § 205.380 - Taking property from another under
24 circumstances not amounting to robbery, including theft and larceny
25 specifically, "Obtaining possession of money or property by means
26 of false pretenses"
27 (2) N.R.S. § 205.300 - Embezzlement
28 (3) N.R.S. § 205.377 - Multiple transactions involving fraud or deceit in
course of enterprise or occupation ;

1 548. Beginning on October 10, 2016, the Third-Party Defendants sent the
2 FCGI and its affiliates a **Proposal v1.4**.

3 549. Spin lived up to their name and spun a web of lies and defrauded the
4 FCGI and its affiliates in the actual amount of \$74,000 in cash paid to the Spin with the
5 promise to develop the Full Color IP on their ROC RGS for distribution to real money
6 and virtual money gaming operators worldwide that was allegedly integrated into NYX,
7 GVC and NEKTAN (amongst many others) and ready for real money release upon the
8 completion of the software development of FC21.

9 550. Spin represented to FCGI and its affiliates to believe that their RGS was
10 integrated into a total of 15 global distribution interactive gaming systems (IGS) that
11 would allow FCGLTD to immediately monetize thru hundreds of real and virtual money
12 casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

13 551. Spin represented to the FCGI and its affiliates that it would complete all
14 24 language translations that were fully disclosed to them in person on October 10, 2016
15 as part of the price for the **Proposal v1.4**

16 552. Each of these representations made by Spin were false.

17 553. Spine either knew that each of these representations were false or made
18 the representations with reckless disregard for the truth or falsity of the representations.

19 554. Spine made each of the misrepresentations with the intent to induce
20 FCGI and its affiliates to act in reliance of the misrepresentations.

21 555. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set
22 forth herein.

23 556. FCGI and its affiliates incurred damages as a result of relying upon
24 Spin's misrepresentations.

25 557. Between October 2016 and April of 2017, MAHON caused SPIN to be
26 paid \$54,000, \$10,000 and a third time, \$10,000 for a total of \$74,000 based on the
27 misrepresentations of Spin.

1 558. As such, FCGI alleges that Spin, Young, and Mishra in their
2 racketeering activity and the schemes they employed are in violation of N.R.S. §
3 205.377 by engaging in multiple transactions involving fraud or deceit in course of
4 enterprise.

5 559. Third-Party Defendants Young, Mishra, and Spin have conspired to
6 violate N.R.S. § 207.400(1)(c) as set forth fully herein.

7 560. Third-Party Defendants Young and Mishra are employed by Spin have
8 each engaged in racketeering activity for the benefit of their income and revenue sharing
9 interests and controlled the affairs of their enterprise.

10 561. Third-Party Defendants Young, Mishra, and Spin have conspired to
11 violate N.R.S. § 207.400(1)(d) as set forth fully herein.

12 562. Third-Party Defendants Young and Mishra are employed by Spin and
13 have each intentionally organized, managed, directed, supervised each other and other
14 members of their enterprise to engage in racketeering activity for the benefit of their
15 income and revenue sharing interests and controlled the affairs of their enterprise.

16 563. In violation of N.R.S. § 205.0832(c), Young, Mishra, and Spin have
17 obtained money or property from FCGI and its affiliates by making material
18 misrepresentations concerning Spin's services as more fully alleged herein.

19 564. Third-Party Defendants Young, Mishra, and Spin have engaged multiple
20 acts in acts in violation of NRS § 205.380 obtaining money or property by false
21 pretenses, which is a predicate act under the Nevada RICO Statute, N.R.S. §207.360(9).

22 565. FCGI's business and property interests have suffered and continue to
23 suffer injury as a direct, proximate, and foreseeable result of individual predicate acts
24 and racketeering activity conducted through the affairs of the Spin. Accordingly, the
25 FCGI seeks treble damages in such amount as may be determined at trial, recovery of
26 the costs of this litigation, and an award of reasonable attorneys' fees as provided under
27 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;

IN THE SUPREME COURT OF THE STATE OF NEVADA

BRIAN MARCUS, an individual,
Appellant,

Case No. 79512

vs.

FULL COLOR GAMES, INC., A
NEVADA CORPORATION,
Respondent.

APPEAL

from a decision in favor of Respondent
entered by the Eighth Judicial District Court, Clark County, Nevada
The Honorable Mark R. Denton, District Court Judge
District Court Case No. A-17-759862-B

APPELLANT'S APPENDIX VOLUME V

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DATE	DESCRIPTION	VOLUME	PAGES
05/01/2019	Affidavit of Service	V	AA0789 – AA0790
08/30/2017	Amended Verified Shareholder Derivative Complaint and Amended Complaint	I	AA0035 – AA0068
02/04/2019	Defendant Full Color Games, Inc.’s Amended Answer, Counterclaims, and Third-Party Complaint	IV	AA0569 – AA0783
02/01/2019	Defendant Full Color Games, Inc.’s Answer, Counterclaims, and Third- Party Complaint	III	AA0359 – AA0568
06/14/2019	Full Color Games, Inc.’s Opposition to Third-Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0926 – AA0936
08/26/2019	Notice of Appeal	VI	AA0965 – AA1062
07/29/2019	Notice of Entry of Order on Third Party Defendant Brian Marcus’ Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0958 – AA0964
07/29/2019	Order on Third-Party Defendant Brian Marcus’ Special Motion to Dismiss	V	AA0954 – AA0957

	Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
11/27/2017	Plaintiffs' Opposition to Defendants' Motion for Summary Judgment on all Derivative Claims Set Forth in the Amended Verified Shareholder Derivative Complaint and Counter-Motion for Leave to File an Amended Complaint	I/II/III	AA0069 – AA0323
12/06/2019	Recorder's Transcript of Hearing Re: Third-Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	VI	AA1063 – AA1074
01/12/2018	Second Amended Verified Shareholder Derivative Complaint and Second Amended Complaint	III	AA0324 – AA0358
02/11/2019	Summons	V	AA0784 – AA0788
06/21/2019	Third Party Defendant Brian Marcus' Reply in Support of Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp)	V	AA0937 – AA0953
05/15/2019	Third Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party	V	AA0791 – AA0925

	Complaint Pursuant to NRS 41.660 (Anti-Slapp)		
08/11/2017	Verified Shareholder Derivative Complaint and Complaint	I	AA0001 – AA0034

CERTIFICATE OF SERVICE

I certify that on the 14th day of February 2020, this document was electronically filed with the Nevada Supreme Court. Electronic service of the foregoing: APPELLANT’S OPENING BRIEF and VOLUMES I-V of the JOINT APPENDIX shall be made in accordance with the Master Service List as follows:

Mark A. Hutchison
Todd W. Prall
HUTCHISON & STEFFEN, PLLC
10080 West Alta Drive, Suite 200
Las Vegas, Nevada 89200
Attorneys for Respondent Full Color Games, Inc.

DATED this 14th day of February 2020.

/s/ Brandon Lopipero

An Employee of MAIER GUTIERREZ & ASSOCITES

1 569. Beginning on June 7, 2016 until this filing date, Bastian and Simmons
2 organized, managed, directed, supervised and financed Playtech, Island Luck, DHL,
3 DTG and Multislot that recruited Munger and Linham who further organized, managed,
4 directed and recruited Spin, Mishra, Young, Brock Sr., Brock Jr., Solso, and Eckles,
5 who then organized, managed, directed and supervised L Moore and T Moore who then
6 organized, managed, directed, supervised, recruited and financed Castaldo, Brazer (and
7 all of their relevant entities in DHWT, Millennium Trust, Moore Trust and the Brazer
8 Trust) to become a criminal syndicate in order to violate N.R.S. § 207.400(1)(d). Each
9 of them then continued to individually and collectively attempt to recruit, cross-recruit,
10 harass, stalk, badger, intimidate and coerce over 40 other FCGI investors through
11 hundreds of phone calls, emails, text messages and communications over a period of one
12 year between April of 2017 and 2018 creating an incalculable number of violations of
13 this statute upon which only a full discovery process and criminal indictments will ever
14 truly reveal the true magnitude of.

15 570. Each person, entity and or party of the Counter-defendants and Third-
16 Party Defendants acted on their own free will, knowingly and intentionally to organize,
17 meet, manage, direct, concoct, conspire, collude and scheme together to find a way to
18 extort and wrongfully remove Mahon from power as the Director and CEO of FCGI and
19 take over his majority in interest stock ownership FCGI and other affiliated entities, steal
20 his trade secrets and force him into indentured servitude and forced labor in perpetuity in
21 order to carry out their racketeering activities.

22 571. Each person, entity and or party of the Counter-defendants and Third-
23 Party Defendants, acted on their own free will, knowingly and intentionally, to organize,
24 meet, manage, direct, concoct, conspire, collude and scheme together to find a way to
25 wrongfully deprive Mahon of his ownership in the Full Color IP and his majority in
26 interest stock ownership in his entities and FCGI's ownership rights to revenue derived
27 from Mahon's property and then, once acquired, force Mahon into indentured servitude
28

1 in order to exploit Mahon's Full Color IP as they could not do so without Mahon's
2 intellectual prowess and skill sets. Munger made it clear in his emails that he would
3 reveal all of Mahon's trade secrets in the Full Color IP as he had confidential copies of it
4 in the event that Mahon refused.

5 572. As a direct result of the racketeering activity the Counter-defendants
6 Third-Party Defendants intentionally engaged in and acted on, the criminal syndicate
7 became an ongoing and ever growing criminal enterprise at each stage of the new
8 recruitments. Counter-defendants and Third-Party Defendants intentionally concocted a
9 scheme and managed, directed, supervised and financed that scheme while continually
10 acting to further that scheme to intentionally engage in the wrongful taking of Mahon's
11 and FCGI's property through extortion as explicitly detailed in the **FCG plan.docx**,
12 **FCG plan v1.2.docx** and the **Principles 2017 04 26 v 2.pdf** effectuated by the threat of
13 a tortuous litigation, loss of revenue and end of Mahon's career if he and FCGI did not
14 succumb to the Counter-Defendants and Third-Party Defendants wrongful demands.

15 573. Upon information and belief, Bastian, through his Bastian Casino
16 Gaming Enterprise laundered their money to finance the current "Derivative Lawsuit."

17 574. Upon information and belief, Bastian laundered their money through the
18 appearance of a legitimate "employment" of Munger, who would sent fraudulent
19 invoices to Playtech, Island Luck DTC, DHL, and others, who then wired those funds
20 through the MUNGER GROUP'S bank accounts beginning with M&A and Valcros.

21 575. On January 18, 2018, upon information and belief, Munger formed a
22 new and separate entity in Valcros for the Bastian Casino Gaming Enterprise to launder
23 their money in wire transfers into Valcros for the purposes of funding the litigation,
24 making the payment of money appear to be for legitimate purposes.

25 576. FCGI's business and property interests have suffered and continue to
26 suffer injury as a direct, proximate, and foreseeable result of individual predicate acts
27 and racketeering activity conducted through the affairs of the Spin. Accordingly, the
28

1 FCGI seeks treble damages in such amount as may be determined at trial, recovery of
2 the costs of this litigation, and an award of reasonable attorneys' fees as provided under
3 N.R.S. § 207.470.

4
5 **NINTH CAUSE OF ACTION (Embezzlement**
6 **& Grand Larceny)**

7 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
8 **207.400(c)(1))**

9 **(As to Counter-Defendant Munger)**

10 577. FCGI repeats and re-alleges and incorporates by reference the
11 allegations set forth in paragraphs herein with specificity and particularity as though set
12 forth fully herein.

13 578. Starting in January 2017 and continuing through May of 2017, with
14 specificity and explicit particularity herein, Munger through his actions and in his
15 conduct engaged to violate N.R.S. § 207.400(c)(2) in pertinent part:

16 (c) Who is employed by or associated with any enterprise to conduct or
17 participate, directly or indirectly, in:

18 (2) Racketeering activity through the affairs of the enterprise.

19 579. The predicate acts alleged above constituted substantial acts of grand
20 larceny and embezzlement in the racketeering activity through the affairs of their
21 enterprise

22 (7) N.R.S. § 205.220 – Grand Larceny

23 (8) N.R.S. § 205.206 – Burglary

24 (9) N.R.S. § 205.300 – Embezzlement

25 580. Beginning on or about January 1, 2017 through May of 2017 Munger
26 engaged in a racketeering scheme that led to the embezzlement of \$1,350 of funds,
27 burglary of the Counter-claimant's office space at 3773 Howard Hughes Parkway, Las
28 Vegas, NV 89169 and the grand larceny of three (3) Macbook Pro computers whose

1 serial number and information and event details are on file in the Las Vegas
2 Metropolitan Police Report Case #LLV180119003003.

3 581. As a result of the racketeering activity by Munger, he either directly or
4 indirectly induced, through information, directives and organization two other
5 individuals that were deprived of funds they were rightfully due by FCGI or its affiliates
6 for work as independent contractors, to wrongfully file "labor board" claims against
7 FCGI and claim they were employees in order to create more progressive complications
8 and injury to FCGI and its affiliates..

9 582. The racketeering activity by Munger was part of the grander scheme of
10 Munger through his continued recruitment of others to induce them to knowingly engage
11 in unlawful acts as they continued to organize, manage, direct, supervise and finance
12 their criminal syndicate with FCGI and its affiliates funds and property as fully detailed
13 in the detailed in the 156 page FCGI ARCC Reported entitled "Embezzlement, Grand
14 Larceny and Attempted Fraud report dated December 30, 2017."

15 583. This racketeering activity violates Nevada RICO Statute, N.R.S. §
16 207.400(c)(2), which makes it unlawful for a person, through racketeering activity to
17 knowingly incite or induce others to engage in intimidation to promote or further the
18 criminal objectives of the criminal syndicate.

19 584. FCGI have suffered and continue to suffer injury to their business or
20 property as a direct, proximate, and foreseeable result of the foregoing acts.
21 Accordingly, Counter-claimants seek an award of treble damages, costs of this litigation,
22 and reasonable attorneys' fees as provided by N.R.S. § 207.470.

23
24 **TENTH CLAIM FOR RELIEF**
(Embezzlement & Wire Fraud)

25 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
26 **207.400(b)**

27 **(As to Counter-defendants Newman, Newman Law and CBL)**

1 585. FCGI re re-alleges and incorporates by reference the allegations set forth
2 in paragraphs herein with specificity and particularity as though set forth fully herein.

3 586. Counter-defendants through their actions and in their conduct engaged to
4 violate N.R.S. § 207.400(a)(1) in pertinent part:

5 (b) Through racketeering activity to acquire or maintain, directly or
6 indirectly, any interest in or control of any enterprise.

7 587. The predicate acts alleged herein detail the Counter-defendants
8 substantial acts of acquiring, maintaining and directly obtaining an interest in and
9 control of the Counter-claimants lawful enterprises through racketeering activity
10 whereby Newman fraudulently acquired and maintained possession of FCGI corporate
11 shares, positions of power and title of authority in order to exploit them for his own
12 personal and corporate benefit in the Newman Group by engaging in multiple
13 transactions involving fraud throughout the course of Newman's and the Newman
14 Group's racketeering activity.

15 588. Once discovered, Newman and Newman Law's positions of power and
16 title of authority, along with his FCGI corporate shares were canceled, terminated and
17 repurchased but not before Newman Group engaged in an ongoing scheme of extortion
18 for nearly 9 months after the discovery and confrontation to the point it caused
19 FCGLTD, IPHTLD and FCGI to go out of business as a result of his racketeering when
20 Mahon, FCGI, and its affiliates would not give in to the Newman Group's ransom
21 demands to receive their FCGI shares back with free and clear title all of which
22 constitutes the racketeering activity through the affairs of their enterprise based on the
23 following predicate acts:

- 24 (1) N.R.S. § 205.380 - Taking property from another under
25 circumstances not amounting to robbery, including theft and larceny
26 specifically, "Obtaining possession of money or property by means
27 of false pretenses"
28 (2) N.R.S. § 205.300 - Embezzlement

1 (3) N.R.S. § 205.377 - Multiple transactions involving fraud or deceit in
2 course of enterprise or occupation;

3 (4) N.R.S. § 205.320 – Extortion

4 589. Starting in March 2010 and continuing through May of 2017, as alleged
5 with specificity and explicit particularity herein Newman, Newman Law and CBL,
6 engaged in a racketeering scheme that led to the embezzlement of \$3,000 in FCGI'S
7 corporate funds that were set aside for the purposes of expediting Full Color IP patent
8 filings with the USPTO. Newman failed to ever file this expedited patent and absconded
9 with the funds. Newman obtained his shares issuance under the false pretenses he would
10 apply for, prosecute, obtain and maintain intellectual property protections on behalf of
11 Mahon, FCGI, and their rights to the IPR but instead, obtained in a patent Ponzi scheme
12 along with a plethora of other wrongdoings explicitly detailed in the Nevada District
13 Court Case #A-18-779686-C.

14 590. This racketeering activity violates Nevada RICO Statute, N.R.S. §
15 207.400(b) which makes it unlawful for a person, through racketeering activity to
16 acquire or maintain, directly or indirectly, any interest in or control of any enterprise.

17 591. FCGI has suffered and continue to suffer injury to their business or
18 property as a direct, proximate, and foreseeable result of the foregoing acts.
19 Accordingly, Counter-claimants seek an award of treble damages, costs of this litigation,
20 and reasonable attorneys' fees as provided by N.R.S. § 207.470.

21 **ELEVENTH CLAIM FOR RELIEF**
22 **(Securities Fraud & Perjury)**

23 **VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. §**
24 **90.570)**

25 **(As to Counter-defendants Sebas, Simmons, Munger, Linham,**
26 **Playtech, Island Luck, DTG, DHL, ILG, M&A, Valcros, and**
27 **Marcus)**

1 592. FCGI re-alleges and incorporates by reference the allegations set forth in
2 paragraphs herein with specificity and particularity as though set forth fully herein.

3 593. Starting in October 2015 and continuing through to this date in time,
4 with specificity and explicit particularity herein, the Counter-Defendants and Third-
5 Party Defendants through their actions knowingly, willingly and fraudulently engaged in
6 billing fraud, wire fraud for the purposes of tax evasion in order to conceal the purchase
7 of FCGI securities in four different acts of money laundering, then destroyed the
8 evidence of it and engaged in making false statements made in sworn declarations under
9 the penalty of perjury and in their conduct engaged in violation of N.R.S. §
10 207.400(1)(b) as set forth in pertinent part herein:

11 “Through racketeering activity to acquire or maintain, directly or
12 indirectly, any interest in or control of any enterprise.”

13 594. The predicate acts alleged above constituted substantial acts of fraud,
14 misrepresentation, concealment and embezzlement of funds that include:

- 15 (1) N.R.S. § 90.570 -- Offer, sale and purchase (State Securities Fraud)
16 (2) N.R.S. § 205.377 - Multiple transactions involving fraud or deceit in
17 course of enterprise or occupation;
18 (3) N.R.S. § 197.030 –Asking or receiving bribe by public officer or
19 employee
20 (4) N.R.S. § 199.145 –Statement made in declaration under penalty of
21 perjury

22 595. As alleged herein, in violation of N.R.S. § 90.570, Bastian and Simmons
23 employed devices, schemes, and artifices to defraud FCGI four different times beginning
24 on June 7, 2016 that it was the intention of Bastian and Simmons at all times to carry out
25 the money laundering scheme for the purchase of FCGI’S securities four different times.

- 26 (1) First in person directly to Mahon who believed it was an integrity
27 test to determine Mahon’s “suitability” for licensing in their first
28 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;

1 (2) Second with Munger and Linham who did carry out the scheme
2 to produce the false billing invoice and wire fraud scheme to
3 effectuate the transfer, but it was withdrawn before it was fully
4 carried out after Mahon learned of the attempt;

5 (3) Third with Munger who assisted in facilitating the Wells Fargo
6 fraudulently stated purpose of the \$500,000 wire fraud that
7 resulted in money laundering;

8 (4) Fourth with Bastian and an unidentified second signatory who
9 engaged in the Bank of Bahamas fraudulently stated purpose of a
10 \$500,000 wire fraud that resulted in money laundering.

11 596. On April 4, 2017, right before Linham abruptly resigned from FCGI he
12 permanently destroyed over 3,000 of his corporate emails which made up his entire
13 account, along with the destruction of 100% of his digital Google Drive cloud account --
14 - files that were subsequently restored by Google G-Suite Superadmins on June 5, 2017
15 when Munger was terminated from FCGI --- in order to cover up the entire history of his
16 money laundering and racketeering activities.

17 597. On November 24, 2017, Linham in the sworn Declarations made under
18 the penalty of perjury before the court, ¶¶61-63 LINHAM admitted to the money
19 laundering followed by the preposterous and false claims that Mahon made him do it,
20 despite the clear evidence in the email and Skype messages to Simmons, and other
21 documents refuting the assertion.

22 598. The Counter-defendants' and Third-Party Defendants' violations of the
23 four predicate acts listed here above in N.R.S. § 90.570, N.R.S. § 205.377, N.R.S. §
24 197.030 and N.R.S. § 199.145, have caused the Counter-claimants immediate and
25 quantifiable injury, including, but not limited to loss of commercial revenue, loss of a
26 casino gaming license application, injury to their reputation, name, brand, likeness,
27 career, millions of dollars in shareholder investments and years of development work in
28 the loss of relationships, market timing, position and business opportunities.

599. This racketeering activity violates Nevada RICO Statute, N.R.S. §

1 207.400(b) which makes it unlawful for a person, through racketeering activity to
2 acquire or maintain, directly or indirectly, any interest in or control of any enterprise.

3 600. FCGI has suffered and continues to suffer injury to its business or
4 property as a direct, proximate, and foreseeable result of the foregoing acts.
5 Accordingly, FCGI seeks an award of treble damages, costs of this litigation, and
6 reasonable attorneys' fees as provided by N.R.S. § 207.470.

7
8 **Other General Claims**

9 **TWELFTH CLAIM FOR RELIEF**

10 **(Inducing lawsuit pursuant to N.R.S. § 199.320)**

11 **(As to Counter-Defendants and Third-Party Defendants Munger, Linham, Brock**
12 **Sr., Brock Jr., Solso, Eckles, Sebas, L-Moore, T-Moore, Castaldo, Brazer, and**
13 **Marcus)**

14 601. FCGI repeats, re-alleges and incorporates by reference the allegations set
15 forth in paragraphs herein with specificity and particularity as though set forth fully
16 herein.

17 602. Starting around April 19, 2017 and continuing through to this date, with
18 specificity and explicit particularity herein, Counter-defendants through their actions and
19 in their conduct engaged to violate N.R.S. § 199.320 in pertinent part:

20 “Every person who shall on his or her behalf bring or instigate, incite
21 or encourage another to bring, any false suit at law or in equity, in
22 any court of this State, with intent thereby to distress or harass a
defendant therein, shall be guilty of a misdemeanor.”

23 603. The Counter-defendants, and each of them, beginning with the evidence
24 seen in **FCG plan.docx, FCG plan v1.2.docx** and the **Principles 2017 04 26 v 2.pdf,**
25 on their own behalf, have instigated, incited and encouraged each other to bring a false
26 lawsuit and further, an inequitable one, as tool, means and method carry out their
27

1 extortion in an wrongful taking of the Mahon's and FCGI's property admittedly by the
2 documents alone, have indisputably acted with the willful intent to cause distress and
3 harass Mahon and FCGI and other affiliates to a point that was beyond just causing the
4 fear, intimidation and loss of revenue and profits for years and the intent to kill Mahon's
5 career. Further, the non-party to the derivative suit, who upon information and belief
6 has made clear to others throughout the casino gaming industry that they are
7 (wrongfully) funding the derivative lawsuit for mere "blood sport."

8 604. The Counter-defendants and Third-Party Defendants have succeeded in
9 preventing the Mahon's and FCGI's property rights from the Full Color IP from being
10 released and reaching revenue as threatened and promised with the filing of this
11 derivative lawsuit the intent of destroying Mahon's character by falsely accusing him of
12 fraud, misrepresentation and concealment as the Fourth, Fifth and Sixth Claims state.

13 605. The Counter-defendants have all violated Nevada RICO Statute, N.R.S.
14 §199.320 which makes it unlawful for a person to engage in wrongfully inducing a
15 lawsuit.

16 606. FCGI has suffered and continues to suffer injury to their business or
17 property as a direct, proximate, and foreseeable result of the foregoing acts.
18 Accordingly, FCGI seeks an award of treble damages, costs of this litigation, and
19 reasonable attorneys' fees as provided by N.R.S. 18.005 and § NRS 18.020.

20 **THIRTEENTH CLAIM FOR RELIEF**

21 **(Abuse of Process)**

22
23 **(As to Counter-defendants Munger, Linham, Brock Sr., Brock Jr., Solso, Eckles,
24 Sebas, L-Moore, T-Moore, Castaldo, Brazer, and Marcus)**

25 607. The Counter-claimants repeats and re-alleges and incorporates by
26 reference the allegations set forth in paragraphs herein with specificity and particularity
27 as though set forth fully herein.

1 608. Starting around April 19, 2017 and continuing through to this date, with
2 specificity and explicit particularity herein, Counter-defendants through their actions and
3 in their conduct engaged to engage in an abuse of process.

4 609. The Counter-Defendants and Third-Party Defendants, and each of them,
5 beginning with the evidence seen in **FCG plan.docx, FCG plan v1.2.docx** and the
6 **Principles 2017 04 26 v 2.pdf,** on their own behalf, have made it unequivocally clear
7 that their purpose was to extort MAHON and the Counter-claimants out of their property
8 rights in forcing him to step down as the CEO and sole Director of FCGI, give 100% of
9 his stock to the Counter-Defendants, turn over all of his trade secrets and be forced into
10 indentured servitude or face a tortuous litigation if Mahon did not comply.

11 610. Several of the claims in the Derivative Lawsuit have already been
12 dismissed as basically frivolous. The Thirteenth and Fourteenth Claims in to get the
13 Court to award ownership to Mahon's Full Color IP, but are frivolous as they provide no
14 legal or factual basis for recovering the Full Color IP.

15 611. Counter-Defendants have, however, succeeded in preventing the FCGI
16 and its affiliates from utilizing its property rights and preventing the Full Color IP from
17 being released and reaching revenue as threatened and promised with the filing of this
18 derivative lawsuit with the intent of destroying Mahon's character by falsely accusing
19 him of fraud, misrepresentation and concealment as the Fourth, Fifth and Sixth Claims,
20 which have already been dismissed.

21 612. The Counter-Defendants have all engaged in an abuse of process.

22 613. FCGI has suffered and continue to suffer injury to their business or
23 property as a direct, proximate, and foreseeable result of the foregoing acts.
24 Accordingly, FCGI seeks an award of treble damages, costs of this litigation, and
25 reasonable attorneys' fees as provided by N.R.S. 18.005 and § NRS 18.020.

1 **FOURTEENTH CLAIM FOR RELIEF**

2 **(Civil Conspiracy)**

3 **(As to Counter-defendants Munger, M&A, Valcros, and Linham)**

4 614. FCGI repeats and re-alleges and incorporates by reference the
5 allegations set forth in paragraphs herein with specificity and particularity as though set
6 forth fully herein.

7 615. On November 23, 2016 at 1:09pm PST, Munger and Linham conspired
8 to defraud the Counter-claimants and future investors by falsely claiming salary accruals
9 whereby Munger was accruing 80% a month of unpaid salary with the fraudulent intent
10 to collect it upon the successful closing of a Series A funding round as witnessed in the
11 false memorandum that Linham and Munger fraudulently drafted and Linham signed as
12 the Director of FCGLTD.

13 616. LINHAM and MUNGER'S "Back Salary" letter makes it clear that
14 MUNGER is claiming himself to be an employee getting paid by FCGLTD.

15 617. On November 24, 2017, a solid year later, it is indisputable, that
16 LINHAM in his ¶2 of his sworn Declarations made it clear the LINHAM was the only
17 employee of FCGLTD.

18 618. As a result, of Munger's and Linham's civil conspiracy, FCGI has been
19 damaged in an amount in excess \$15,000.00 to be proven at trial.

20 619. The actions of Munger and Linham as alleged herein were malicious,
21 oppressive or fraudulent warranting an award of punitive damages.

22 620. As a direct result of all of the foregoing, Counter-defendant's actions
23 have required Counter-claimants to retain the services of an attorney to prosecute this
24 action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable
25 attorneys' fees and costs incurred in this action.

1 **FIFTEENTH CLAIM FOR RELIEF**

2 **(Breach of Contract)**

3 **(As to Counter-Defendants and Third-Party Defendants Munger,**
4 **Bastian, and Spin)**

5 621. FCGI re re-alleges and incorporates by reference the allegations set forth
6 in paragraphs herein with specificity and particularity as though set forth fully herein.

7 622. On October 15, 2015, FCGI and Bastian entered into the MNDA.

8 623. On April 29, 2016, FCGI and Spin entered into the MNDA.

9 624. July 19, 2011, Munger entered into the NDACA with FCGI's
10 predecessor.

11 625. Each of the agreements, the MNDAs and the NDADA are binding and
12 enforceable agreements.

13 626. On October 20, 2016, the Counter-claimants and Spin entered into a
14 contract to provide game development and a mutual bi-directional RGS server game
15 distribution agreement that explicitly laid out the terms of a "Monthly Net Gaming
16 Revenue in Section 2.2.

17 627. On January 23, 2017, Spin was paid the first half of the bi-directional
18 RGS integration fees.

19 628. On February 7, 2017, Mahon personally introduced Young of Spin to
20 Bastian to discuss the SPIN ROC RGS integration into the FULL COLOR
21 KINGFISHER RGS integration into the ILG / RSL RGS to deliver the full suite of Full
22 Color IP on Bastian's platform

23 629. Spin would pay FCGI and its affiliates a distribution fee for Spin's
24 games to be delivered through the FULL COLOR KINGFISHER RGS into ILG / RSL
25 throughout Bastian's gaming network in the Bahamas and elsewhere on the exact same
26 basis as the FCGI and its affiliates would pay Spin a distribution fee for the Full Color
27
28

1 IP to be distributed through Spin's integrations to others like NYX, RSI, NEKTAN and
2 others

3 630. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian
4 conspired with each other to circumvent the contracts and distribution revenues in direct
5 violation of the individual MNDA's between FCGI and SPIN and further FCGI and
6 SEBAS specifically including but not limited to Section 2.5 "Non-circumvention, non-
7 interference and secrecy" terms as quoted in full.

8 **¶2.5Non-Circumvention, Non-Interference and Secrecy.**

9 *During the term of this Agreement and for a period of five years from the date*
10 *first above written, the Receiving Party covenants not to (a) directly or*
11 *indirectly circumvent FCGI with respect to its business relationships to compete*
12 *or facilitate competition with the Disclosing Party, or (b) communicate, transact*
13 *business or interfere with any of FCGI's business relationships or its*
14 *enterprises, or with its confidential information used or included in FCGI's*
15 *business, licenses or copyrights, trademarks, patents pending or any of its*
16 *derivatives, its software code, statistics or methodologies that it and its affiliates*
17 *own, license or control or have rights to do so.*

18 631. The circumvention as also a violation of the NDACA with Munger.

19 632. FCGI was damaged by Spin's, Munger's, and Bastian's breach of their
20 respective contracts in an amount in excess of \$15,000 to be determined at trial.

21 633. As a direct result of all of the foregoing, Munger's actions have required
22 FCGI to retain the services of an attorney to prosecute this action and has thereby been
23 damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs
24 incurred in this action.

25 **SIXTEENTH CLAIM FOR RELIEF**

26 **(Breach of Covenant of Good Faith and Fair Dealing)**

27 **(As to Counter-Defendants and Third-Party Defendants Munger,
28 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.

1 635. On October 15, 2015, FCGI and Bastian entered into the MNDA.

2 636. On April 29, 2016, FCGI and Spin entered into the MNDA.

3 637. July 19, 2011, Munger entered into the NDACA with FCGI's
4 predecessor.

5 638. Each of the agreements, the MNDAs and the NDADA are binding and
6 enforceable agreements.

7 639. On October 20, 2016, the Counter-claimants and Spin entered into a
8 contract to provide game development and a mutual bi-directional RGS server game
9 distribution agreement that explicitly laid out the terms of a "Monthly Net Gaming
10 Revenue in Section 2.2.

11 640. On January 23, 2017, Spin was paid the first half of the bi-directional
12 RGS integration fees.

13 641. On February 7, 2017, Mahon personally introduced Young of Spin to
14 Bastian to discuss the SPIN ROC RGS integration into the FULL COLOR
15 KINGFISHER RGS integration into the ILG / RSL RGS to deliver the full suite of Full
16 Color IP on Bastian's platform

17 642. Spin would pay FCGI and its affiliates a distribution fee for Spin's
18 games to be delivered through the FULL COLOR KINGFISHER RGS into ILG / RSL
19 throughout Bastian's gaming network in the Bahamas and elsewhere on the exact same
20 basis as the FCGI and its affiliates would pay Spin a distribution fee for the Full Color
21 IP to be distributed through Spin's integrations to others like NYX, RSI, BWIN,
22 NEKTAN and others.

23 643. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian
24 conspired with each other to circumvent the contracts and distribution revenues in direct
25 violation of the individual MNDA's between FCGI and SPIN and further FCGI and
26 SEBAS specifically including but not limited to Section 2.5 "Non-circumvention, non-
27 interference and secrecy" terms as quoted in full.

28

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 MNDAs 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

1 distribution agreement that explicitly laid out the terms of a “Monthly Net Gaming
2 Revenue in Section 2.2.

3 653. On January 23, 2017, Spin was paid the first half of the bi-directional
4 RGS integration fees.

5 654. On February 7, 2017, Mahon personally introduced Young of Spin to
6 Bastian to discuss the SPIN ROC RGS integration into the FULL COLOR
7 KINGFISHER RGS integration into the ILG / RSL RGS to deliver the full suite of Full
8 Color IP on Bastian’s platform

9 655. Spin would pay FCGI and its affiliates a distribution fee for Spin’s
10 games to be delivered through the FULL COLOR KINGFISHER RGS into ILG / RSL
11 throughout Bastian’s gaming network in the Bahamas and elsewhere on the exact same
12 basis as the FCGI and its affiliates would pay Spin a distribution fee for the Full Color
13 IP to be distributed through Spin’s integrations to others like NYX, RSI, BWIN,
14 NEKTAN and others.

15 656. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian
16 conspired with each other to circumvent the contracts and distribution revenues in direct
17 violation of the individual MNDA’s between FCGI and SPIN and further FCGI and
18 SEBAS specifically including but not limited to Section 2.5 “Non-circumvention, non-
19 interference and secrecy” terms as quoted in full.

20 **2.5 Non-Circumvention, Non-Interference and Secrecy.**

21 *During the term of this Agreement and for a period of five years from the date*
22 *first above written, the Receiving Party covenants not to (a) directly or*
23 *indirectly circumvent FCGI with respect to its business relationships to compete*
24 *or facilitate competition with the Disclosing Party, or (b) communicate, transact*
25 *business or interfere with any of FCGI’s business relationships or its*
26 *enterprises, or with its confidential information used or included in FCGI’s*
27 *business, licenses or copyrights, trademarks, patents pending or any of its*
28 *derivatives, its software code, statistics or methodologies that it and its affiliates*
own, license or control or have rights to do so..

1 657. The Spin Group, Munger, and Bastian through his Bastian Casino
2 Gaming Enterprises knowingly, willingly and deliberately, through their agents and
3 through conspired

4 658. This direct circumvention stood to prevent the Counter-claimants from
5 generating approximately \$150,000 a month in revenue or \$1.8 million in revenue per
6 year in the Bahamas and the same amount in Jamaica.

7 659. As a result of the civil conspiracy between Spin, Young, Mishra,
8 Bastian, the Bastian Casino Gaming Enterprise, and Munger, FCGI has incurred
9 damages in excess of \$15,000 to be determined at trial.

10 660. The actions of Spin, Young, Mishra, Bastian, the Bastian Casino
11 Gaming Enterprise, and Munger as alleged herein were malicious, fraudulent, or
12 oppressive and warrant an award of punitive damages.

13 661. As a direct result of all of the foregoing, Counter-defendant's actions
14 have required Counter-claimants to retain the services of an attorney to prosecute this
15 action and has thereby been damaged. Accordingly, Counter-claimants seek an award of
16 reasonable attorneys' fees and costs incurred in this action.

17
18 **EIGHTEENTH CLAIM FOR RELIEF**

19 **(Intentional Interference with Prospective Economic Advantage)**

20 **(As to Counter-defendants Munger, M&A, Valcros, Sebas, Simmons,**
21 **Playtech, DTG, DHL, ILG, Island Luck, Spin, Young, and Mishra)**

22 662. All Counter-claimants re re-alleges and incorporates by reference the
23 allegations set forth in paragraphs herein with specificity and particularity as though set
24 forth fully herein.

25 663. As alleged herein, the Counter-Defendants and Third-Party Defendants
26 the Munger Group, Bastian, and the Bastian Casino Gaming Enterprise, and the Spin
27 Group were all separately in multiple contracts with FCGI and its affiliated entities.

1 664. As alleged herein, Munger Group and the Bastian Casino Gaming
2 Enterprise had knowledge of the separate contractual relationship between each Spin,
3 Bastian, and Munger.

4 665. The Munger Group, Bastian, the Bastian Casino Gaming Enterprise
5 engaged in wrongful conduct as alleged in herein with the purpose and effect of
6 preventing the integration of the bi-directional RGS to RGS integration between the
7 SPIN ROC RGS and the FULL COLOR KINGFISHER RGS in order to specifically
8 avoid the Spin Group from paying FCGS and its affiliates their revenue streams and
9 relationship interfere with the business relationships and investments between the
10 Bastian Casino Gaming Enterprise and the FCGI.

11 666. The Spin Group was without any privilege or legal justification for
12 interfering with the contractual relationship between Bastian Casino Gaming Enterprise
13 and the Counter-claimants, but acted upon the unlawful, improper, unfair, and
14 unreasonable motivation of usurping the FCGI's business relationships and revenue
15 streams.

16 667. In interfering with the Counter-claimant's prospective economic
17 advantage, the SPIN GROUP, along with their co-conspiring enabler of the Munger
18 Group, Bastian, and Bastian Casino Gaming Enterprise employed means that were
19 unlawful, improper, unfair, and unreasonable; namely interfered with

20 668. The Counter-defendants, and each of them in their commission of these
21 wrongful acts directly and immediately the Full Color IP and the Counter-claimants
22 investments and assets of the FULL COLOR KINGFISHER GRS from being launched
23 and generating and put them out of business as a result. Consequently, The Counter-
24 claimants have all sustained substantial monetary damages in excess of \$15,000 as a
25 result of its inability to perform and profit under their contracts in an amount to be
26 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.

NINETEENTH CLAIM FOR RELIEF

(Unjust Enrichment)

(As to Counter-defendants Munger, M&A, Valcros, Bastian, Simmons, Playtech, DTG, DHL, ILG, Island Luck, Spin, Young, and 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.

1 678. Based on information provided through this lawsuit and other
2 allegations, FCGI is informed and believe that Munger is actively utilizing confidential
3 information in order to compete with and/or interfere with Mahon and his affiliated
4 companies including, but not limited to IPH, FCG LLC, FCGNA, FCGI, and other
5 companies.

6 679. Based on the facts alleged herein, Munger, Spin and Bastian are also in
7 breach of their respective NDAS and the NDACA because Munger, Spin and Bastian
8 have circumvented FCGI and its affiliates opportunities for revenues streams by
9 integrating Spin into Bastian's RSL platform on the Bahamas without integrating the
10 Full Color RGS and thereby usurping the corporate opportunities of FCGI and its
11 affiliates.

12 680. As a result of Munger's past breaches of the NDACA, FCGI as an
13 affiliate with Mahon and FCG LLC, and others have been damaged in an amount in
14 excess of \$15,000.00.

15 681. As a result of Spin's and Bastian's past breaches of their respective
16 NDA's, FCGI has been damaged in an amount in excess of \$15,000 to be proven at trial.

17 682. Munger's continued breaches of the NDACA have and will continue to
18 cause irreparable harm to Mahon, FCGI, and other affiliated companies including IPH
19 and FCG LLC.

20 683. Bastian's and Spin's continued breaches of the NDA have and will
21 continue to cause irreparable harm to Mahon, FCGI, and other affiliated companies
22 including IPH and FCG LLC.

23 684. FCGI is entitled to temporary, preliminary, and permanent injunctive
24 relief enjoining Munger, Bastian and Spin from continuing to possess and utilize
25 confidential information disclosed to him under the NDACA and from competing or
26 interfering with Mahon, FCG LLC, FCGI, IPH, or any other affiliated entities business
27 interests in the use and commercialization of the Full Color IP.

1 685. FCGI is entitled to temporary, preliminary, and permanent injunctive
2 relief enjoining Munger, Bastian, and Spin for continuing to utilize Spin's integration
3 onto Bastian's RSL platform without including the Full Color content and from
4 interfering with Mahon, FCGI, and other affiliated entities business interests in the use
5 and commercialization of the Full Color IP.

6 686. As a direct result of all of the foregoing, Counter-claimants have been
7 caused to retain the services of an attorney to prosecute this claim breach of the NDA
8 and injunctive relief and therefore are entitled to reasonable attorney's fees and costs.

9
10 **TWENTY-FIRST CLAIM FOR RELIEF**

11 **(Declaratory Relief re: Counter-Defendant status as shareholders)**

12 687. FCGI repeats, re-alleges, and incorporates by this reference, the
13 allegations contained in each and every preceding paragraph as though set forth fully
14 herein.

15 688. An actual existing controversy has arisen and now exists between FCGI
16 and Counter-Defendants concerning each of their ongoing ownership of shares in FCGI.
17 FCGI therefore seek an order from the Court declaring that, based on the facts set forth
18 herein, Counter-Defendants either never were or are no longer a shareholder(s) of FCGI,
19 or that Counter-Defendants' shares should be rescinded because he obtained the shares
20 via fraud.

21 689. As a direct result of all of the foregoing, Counter-claimants have been
22 caused to retain the services of an attorney to prosecute this claim for declaratory relief
23 and therefore are entitled to reasonable attorney's fees and costs.

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TWENTY-SECOND CLAIM FOR RELIEF

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(Breach Of the Of The Covenant Of Good Faith And Fair Dealing)

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(As to Mutlislol)

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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.

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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 Multislol's existing integrations that included but were not limited to Videoslots.com, BetConstruct, EveryMatrix.com, Pinnacle.com.

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692. Multislol, 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.

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693. FCGI and its affiliates succeeded in getting the games fully developed, translated and approved for real money release by BMM.

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694. Multislol 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 Multislol 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 Multislol's actions, FCGI's and its affiliates' justified expectations under the agreements with Multislol were denied.

1 697. As a result of Multislot's, Bastian's, and the Bastian Casino Gaming
2 Enterprise's breaches of the implied covenant of good faith and fair dealing, FCGI and
3 its affiliates have been damaged in an amount in excess \$15,000.00 to be proven at trial.

4 698. As a direct result of all of the foregoing, Counter-defendant's actions
5 have required Counter-claimants to retain the services of an attorney to prosecute this
6 action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable
7 attorneys' fees and costs incurred in this action.

8
9 **TWENTY-THIRD CLAIM FOR RELIEF**

10 **(Negligent Misrepresentation)**

11 **(As to Spin, Young and Mishra)**

12 699. FCGI realleges and incorporates by reference the allegations set forth in
13 paragraphs herein with specificity and particularity as though set forth fully herein.

14 700. Spin represented to FCGI and its affiliates to believe that their RGS was
15 integrated into a total of 15 global distribution interactive gaming systems (IGS) that
16 would allow FCGLTD to immediately monetize thru hundreds of real and virtual money
17 casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

18 701. Spin represented to the FCGI and its affiliates that it would complete all
19 24 language translations that were fully disclosed to them in person on October 10, 2016
20 as part of the price for the **Proposal v1.4**

21 702. Each of these representations made by Spin were false.

22 703. Spine either knew that each of these representations were false or made
23 the representations with reckless disregard for the truth or falsity of the representations.

24 704. Spine made each of the misrepresentations with the intent to induce
25 FCGI and its affiliates to act in reliance of the misrepresentations.

26 705. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set
27 forth herein.

1 706. FCGI and its affiliates incurred damages as a result of relying upon
2 Spin's misrepresentations.

3 707. Between October 2016 and April of 2017, MAHON caused SPIN to be
4 paid \$54,000, \$10,000 and a third time, \$10,000 for a total of \$74,000 based on the
5 misrepresentations of Spin.

6 708. In fact, the subject representations were negligently made and were
7 untrue. Based on information and belief, inter alia, the true material facts, if known to
8 the Counter-claimants, would not have entered into the contract with the Counter-
9 claimants, much more paid them \$74,000 on top of that.

10 709. As a result of the materially false and misleading information, the
11 Counter-claimants entered into the Proposal v1.4 contract, caused them to be paid
12 \$74,000 in cash and introduced them to their confidential relationships Bastian and the
13 Bastian Casino Gaming Enterprise.

14 710. As a result of Counter-defendants' negligent misrepresentations,
15 Counter-claimants have been damaged in an amount in excess \$15,000.00 to be proven
16 at trial.

17 711. The actions of Spin, Young, and Mishra as alleged herein were
18 malicious, fraudulent, or oppressive and warrant the award of punitive damages.

19 712. As a direct result of all of the foregoing, Counter-defendant's actions
20 have required Counter-claimants to retain the services of an attorney to prosecute this
21 action and has thereby been damaged. Accordingly, Counter-claimants seek an award of
22 reasonable attorneys' fees and costs incurred in this action.

23 **TWENTY-FOURTH CLAIM FOR RELIEF**

24 **(Intentional Misrepresentation)**

25 **(As to Spin, Young, and Mishra)**

1 713. All Counter-claimants realleges and incorporates by reference the
2 allegations set forth in paragraphs herein with specificity and particularity as though set
3 forth fully herein.

4 714. Spin represented to FCGI and its affiliates to believe that their RGS was
5 integrated into a total of 15 global distribution interactive gaming systems (IGS) that
6 would allow FCGLTD to immediately monetize thru hundreds of real and virtual money
7 casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

8 715. Spin represented to the FCGI and its affiliates that it would complete all
9 24 language translations that were fully disclosed to them in person on October 10, 2016
10 as part of the price for the **Proposal v1.4**

11 716. Each of these representations made by Spin was false.

12 717. Spine either knew that each of these representations were false or made
13 the representations with reckless disregard for the truth or falsity of the representations.

14 718. Spine made each of the misrepresentations with the intent to induce
15 FCGI and its affiliates to act in reliance of the misrepresentations.

16 719. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set
17 forth herein.

18 720. FCGI and its affiliates incurred damages as a result of relying upon
19 Spin's misrepresentations.

20 721. Between October 2016 and April of 2017, MAHON caused SPIN to be
21 paid \$54,000, \$10,000 and a third time, \$10,000 for a total of \$74,000 based on the
22 misrepresentations of Spin.

23 722. In fact, the subject representations were fraudulently concealed so they
24 would not be discovered in order to induce Mahon, FCGI, and its affiliates entering into
25 a licensing contract with the FCGI or its affiliates in order to have his Full Color IP on
26 their ROC RGS in order to further aid and abet them in gaining integrations elsewhere
27 that they could not get on their own. Based on information and belief, inter alia, the true
28

1 material facts, if known and not misrepresented to the FCGI and its affiliates, would not
2 have entered into the contract with the Counter-claimants, much more paid them
3 \$74,000 on top of that.

4 723. As a result of material misrepresentations, the FCGI or its affiliates
5 entered into the Proposal v1.4 contract, caused them to be paid \$74,000 in cash and
6 introduced them to their confidential relationships with Bastian and the Bastian Casino
7 Gaming Enterprise.

8 724. As a result of Counter-defendants' intentional misrepresentations, FCGI
9 has been damaged in an amount in excess \$15,000.00 to be proven at trial.

10 725. Spin's, Young's, and Mishra's actions were malicious, fraudulent, or
11 oppressive warranting an award of punitive damages.

12 726. As a direct result of all of the foregoing, Counter-defendant's actions
13 have required Counter-claimants to retain the services of an attorney to prosecute this
14 action and has thereby been damaged. Accordingly, Counter-claimants seek an award of
15 reasonable attorneys' fees and costs incurred in this action.

16 **TWENTY-FIFTH CLAIM FOR RELIEF**

17 **(Fraudulent Concealment)**

18 **(As to Spin, Young, and Mishra)**

19
20 727. FCGI repeats, re-alleges and incorporates by reference the allegations set
21 forth in paragraphs herein with specificity and particularity as though set forth fully
22 herein

23 728. As alleged in more detail herein, Spin, Young, and Mishra fraudulently
24 concealed facts from FCGI and its affiliates concerning Spin's inability to release the
25 Full Color IP for real money gaming in Europe and the rest of the world outside of the
26 USA through NYX, Nektan, Amaya, BWIN as agreed and defined in Section 1.0 in
27 Spin's Proposal v1.4.

1 729. As alleged in more detail herein, Spin, Young, and Mishra fraudulently
2 concealed the fact that they knew that their ROC RGS was not capable of language
3 translations and they would have to build a separate module for it in order to provide it.

4 730. As alleged in more detail herein, Spin, Young, and Mishra fraudulently
5 concealed the fact that they knew that their ROC RGS was not capable of providing
6 multiple currencies and they would have to build a separate module for it in order to
7 provide it.

8 731. As alleged in more detail herein, Spin, Young, and Mishra fraudulently
9 concealed the fact that they knew that their ROC RGS was not capable of providing for
10 a common wallet system in a bi-directional format and they would have to build it for
11 the integration into the FULL COLOR KINGFISHER RGS, and, because of this, their
12 ROC RGS was not capable of completing the ROC RGS bi-directional integration to the
13 FULL COLOR KINGFISHER RGS by March 31, 2017 per as they represented in the
14 schedule they published to the Counter-claimants on January 27, 2017.

15 732. At all relevant times, the Counter-defendants and each of them
16 fraudulently concealed their intent circumvent the FULL COLOR KINGFISHER RGS
17 integration and wrongfully exploit the FCGI's relationship with the Bastian Casino
18 Gaming Enterprise in order to exploit and monetize their own and third party games
19 without completing the integration for FCGI and its affiliates.

20 733. Had Mahon, FCGI, and its affiliates known of Spin's true intent as set
21 forth above, they not have entered into the contract or maintained their contract and
22 would not have any moneys to Spin for the work Spin had fraudulently represented it
23 would complete.

24 734. As a result of concealing the materially false and misleading
25 information, the Counter-claimants entered into the Proposal v1.4 contract, caused them
26 to be paid cash payments at different times, and introduced them to their confidential
27 relationships with Bastian and the Bastian Casino Gaming Enterprise.

1 735. As a result of Spin's, Young's, and Mishra's fraudulent concealment,
2 FCGI has been damaged in an amount in excess \$15,000.00 to be proven at trial.

3 736. The actions of Spin, Young, and Mishra alleged herein were malicious,
4 oppressive or fraudulent and warrant an aware of punitive damages.

5 737. As a direct result of all of the foregoing, FCGI has been required to
6 retain the services of an attorney to prosecute this action and has thereby been damaged.
7 Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in
8 this action.

9
10 **TWENTY-SIXTH CLAIM FOR RELIEF**

11 **(Breach of Fiduciary Duty)**

12 **(As to Munger, Linham, and Newman)**

13 738. FCGI repeats, re-alleges and incorporates by reference the allegations set
14 forth in paragraphs herein with specificity and particularity as though set forth fully
15 herein.

16 739. At all times relevant herein, Munger, Linham, and Newman served as
17 officers of FCGI and some other related affiliated companies until they resigned and/or
18 were removed in or about April or May, 2017, and owe fiduciary duties to FCGI in their
19 capacity as officers.

20 740. By committing the acts alleged herein, including usurping corporate or
21 business opportunities, putting their own work and business interests ahead of the
22 interests of FCGI, interfering with FCGI's contractual relationships, money laundering,
23 wire and mail fraud, and other activities, Munger and Linham have breached their
24 fiduciary duties to FCGI.

25 741. As a result of Munger's and Linham's breach of their fiduciary duties,
26 FCGI has been damaged in an amount in excess \$15,000.00 to be proven at trial.
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742. The actions of Munger and Linham as alleged herein were malicious, oppressive or fraudulent and warrant the award 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

1 or interfering with Mahon, FCG LLC, FCGI, IPH, or any other affiliated
2 entities business interests in the use and commercialization of the Full
3 Color IP.

4 8. Disgorgement of profits against Munger, Bastian, and Spin for violations
5 of their respective agreements.

6 9. For reasonable attorneys' fees; and

7 10. For such other and further relief as the Court may deem just and proper.

8 DATED this 4th day of February, 2019.

9 HUTCHISON & STEFFEN, PLLC

10 /s/ Todd W. Prall

11 Mark A. Hutchison (4639)

12 Todd W. Prall (9154)

13 *Attorneys for Defendant/Counterclaimant*
14 *Full Color Games, Inc.*

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SUMM

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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*

**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;

Case No. A-17-759862-B
Dept. No. 13

SUMMONS

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.

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.

1 FULL COLOR GAMES, INC., a Nevada
2 corporation,

3 Third-Party Claimant

4 v.

5 SEBASTIAN J. BASTIAN, an individual; DIRK
6 SIMMONS, an individual; MARTIN LINHAM,
an individual; PLAYTECH SYSTEMS LTD, a
Bahamian limited company;
7 ISLANDLUCK.COM, a Bahamian subsidiary of
PLAYTECH; DAVINCI TRADING GROUP, a
8 Cayman Islands limited liability company;
DAVINCI HOLDINGS LTD, an Isle of Man
9 limited liability company; G. BRADFORD
SOLSO, an individual; DAVID ECKLES, an
10 individual; MARA H. BRAZER, an individual;
TERESA MOORE, an individual; LARRY
11 MOORE, an individual; BRIAN MARCUS, and
individual; JOHN BROCK III, an individual;;
12 JOHN BROCK IV an individual; MULTISLOT,
LTD, an Isle of Man Company; ERIC J.
13 JUNGELS, an individual; JEFF HORAN, an
individual; SPIN GAMES, LLC, a Nevada
14 limited liability company; KENT YOUNG, an
individual; KUNAL MISHRA, an individual; ;
15 DOES I through X; and ROE CORPORATIONS
16 I through X.

17 Third-Party Defendants

18
19 **NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST**
20 **YOU WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20**
21 **DAYS. READ THE INFORMATION BELOW.**

22 **TO THE DEFENDANT:** A civil Third Party Complaint has been filed by the Third-
23 Party Claimant Full Color Games, Inc. against you for the relief set forth in the Third-
24 Party Complaint.
25

26 **BRIAN MARCUS**
27
28

1 1. If you intend to defend this lawsuit, within 20 days after this Summons is
2 served on you exclusive of the day of service, you must do the following:

3 2. File with the Clerk of this court, whose address is shown below, a formal
4 written response to the Third-Party Complaint in accordance with the rules of the Court.

5 a. Serve a copy of your response upon the attorney whose name and
6 address is shown below.

7
8 3. Unless you respond, your default will be entered upon application for the
9 plaintiff and this Court may enter a judgment against you for the relief demanded in the
10 Third-Party Complaint, which could result in the taking of money or property or other
11 relief requested in the Third-Party Complaint.

12
13 4. If you intend to seek the advice of an attorney in this matter, you should
14 do so promptly so that your response may be filed on time.

15 Issued at the direction of:

16 HUTCHISON & STEFFEN, PLLC

STEVEN D. GRIERSON
CLERK OF COURT

17
18
19 /s/ Todd W. Prall

20 Mark A. Hutchison (4639)
21 Todd W. Prall (9154)
22 Peccole Professional Park
23 10080 West Alta Drive, Suite 200
24 Las Vegas, NV 89145

25 *Attorneys for Defendants & Counter-*
26 *claimants*
27 *David Mahon; Glen Howard; Intellectual*
28 *Properties Holding, LLC; Full Color*
Games, LLC; Full Color Games, N.A., Inc.;
Full Color Games Group, Inc.; Jackpot
Productions, LLC

A circular seal of the United States District Court for the District of Nevada is visible in the background. It features the words "UNITED STATES OF AMERICA" and "DISTRICT COURT" around the perimeter, with "DISTRICT OF NEVADA" in the center. A signature is written over the seal.
Josefina San Juan

DEPUTY CLERK

County Courthouse
200 Lewis Avenue
Las Vegas, NV 89155

2/12/2019

1 **STATE OF NEVADA)**
2 **COUNTY OF CLARK)**

ss

AFFIDAVIT OF SERVICE

3 _____, being duly sworn says: That at all times herein affiant was
4 and is a citizen of the United States, over 18 years of age, not a party to nor interested in the proceeding in
5 which this affidavit is made. That affiant received _____ copy(ies) of the Summons and Third-Party
6 Complaint, _____ on the
7 _____ day of _____, 20____ and served the same on the _____ day of _____,
8 20____ by:

(Affiant must complete the appropriate paragraph)

9 1. delivering and leaving a copy with the defendant _____
10 at (state
11 address) _____.

12 2. serving the defendant _____ by personally delivering and leaving
13 a copy with _____, a person of suitable age and discretion residing at the
14 defendant's usual place of abode located at: (state address) _____.

(Use paragraph 3 for service upon agent, completing A or B)

15 3. serving the defendant _____ by personally delivering and
16 leaving a copy at (state address) _____.

17 a. with _____ as _____, an agent lawfully designated by
18 statute to accept service of process;

19 b. with _____, pursuant to NRS 14.020 as a person of suitable age and
20 discretion at the above address, which address is the address of the resident agent as
21 shown on the current certificate of designation filed with the Secretary of State.

22 4. personally depositing a copy in a mail box of the United States Post Office, enclosed in
23 a sealed envelope postage prepaid (check appropriate method):

_____ ordinary mail
_____ certified mail, return receipt requested
_____ registered mail, return receipt requested

24 addressed to the defendant _____ at the defendant's last known address which is
25 (state address) _____.

26 **SUBSCRIBED AND SWORN** to before me this _____
27 _____ day of _____, 20____.

Signature of person making service

28 **NOTARY PUBLIC** in and for said County and State

My Commission Expires: _____
(SEAL)

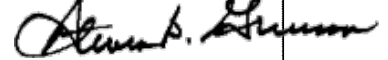
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Steven D. Grierson

CLERK OF THE COURT

Steven D. Grierson

Attorney or Party without Attorney: Hutchison & Steffen, PLLC Mark A. Hutchison (SBN 4639) 10080 West Alta Drive, Suite 200 Las Vegas, NV 89145 Telephone No: (702) 385-2500						
Attorney For: Defendant, Counter-Claimant, and Third-Party Plaintiff					Ref. No. or File No.: MUNGER V MAHON	
Insert name of Court, and Judicial District and Branch Court: District Court Clark County Nevada						
Plaintiff: MARK MUNGER, an individual, et al., Defendant: DAVID MAHON, an individual, et al.						
AFFIDAVIT OF SERVICE		Hearing Date:	Time:	Dept/Div:	Case Number: A-17-759862-B	

1. At the time of service I was at least 18 years of age and not a party to this action.
2. I served copies of the Summons, Defendant Full Color Games, Inc.'s Amended Answer, Counterclaims, and Third-Party Complaint
3. a. Party served: Brian Marcus, an individual
b. Person served: Maria Hermanussen, Co-occupant
4. Address where the party was served: 131 Underhill Road, Mill Valley, CA 94941
5. I served the party:
a. by substituted service. On: Thu, Apr 04 2019 at: 07:05 PM by leaving the copies with or in the presence of:
Maria Hermanussen, Co-occupant
Description: Caucasian , Female , Age: 55 , Hair: Brown , Height: 5'7" , Weight: 135

(2) (Home) A person of suitable age and discretion residing at the Defendant's usual place of abode located at the address listed in item 4.
Informed him or her of the general nature of the papers.

Fee for Service: \$0.00

I Declare under penalty of perjury under the laws of the State of NEVADA that the foregoing is true and correct.

6. Person Who Served Papers:

- a. Matt Anderson (97 Marin County)
- b. FIRST LEGAL
NEVADA PI/PS LICENSE 1452
2920 N. GREEN VALLEY PARKWAY, SUITE 514
HENDERSON, NV 89014
- c. (702) 671-4002

4-8-19

(Date)

(Signature)

7. STATE OF CALIFORNIA, COUNTY OF _____
Subscribed and sworn to (or affirmed) before on this _____ day of _____, 2019 by Matt Anderson (97 Marin County)
proved to me on the basis of satisfactory evidence to be the person who appeared before me.

CALIFORNIA JURAT
ATTACHED

(Notary Signature)



AFFIDAVIT OF SERVICE

3234377
(55113067)

Case Number: A-17-759862-B

AA0789

GOVERNMENT CODE § 8202

☐ See Statement Below (Lines 1–6 to be completed only by document signer[s], *not* Notary)

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

County of Marin

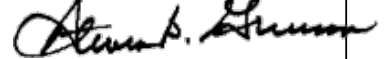
on this 8 day of April, 2019,
by Date Month Year

Name(s) of Signer(s)

Signature of Notary Public



Number of Pages: _____ Signer(s) Other Than Named Above: _____



MDSM

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Nevada Bar No. 9046

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Attorneys for Third Party Defendant Brian Marcus

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; MILLENNIUM 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
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

Case No.: A-17-759862-B

Dept. No.: XIII

**THIRD PARTY DEFENDANT BRIAN
MARCUS' SPECIAL MOTION TO
DISMISS THIRD-PARTY COMPLAINT
PURSUANT TO NRS 41.660 (ANTI-
SLAPP)**

HEARING REQUESTED

1 corporation; FULL COLOR GAMES GROUP,
2 INC., a Nevada corporation; JACKPOT
3 PRODUCTIONS, LLC, a Nevada limited liability
company; DOES I through X; and ROE
CORPORATIONS I through X, inclusive,

4 Defendants.

5 DAVID MAHON, an individual; GLEN
6 HOWARD, an individual; INTELLECTUAL
PROPERTY HOLDINGS, LLC, a Nevada
7 limited liability company; FULL COLOR
GAMES, N.A., LLC; a Nevada limited liability
8 company; FULL COLOR GAMES GROUP,
INC., a Nevada corporation; JACKPOT
9 PRODUCTIONS, LLC, a Nevada limited
liability company; FULL COLOR GAMES,
INC., a Nevada corporation,

10 Counter-claimants,

11 vs.

12 MARK MUNGER, an individual; DOES I
13 through V; and ROE CORPORATIONS I
through V,

14 Counter-defendants.

15 FULL COLOR GAMES, INC., a Nevada
16 corporation,

17 Counter-claimant,

18 MARK MUNGER, an individual; DAVID'S
HARD WORK TRUST LTD. 3/26/2012, a
19 California Trust; MOORE FAMILY TRUST, a
California Trust; MILLENNIUM TRUST
20 COMPANY, LLC, CUSTODIAN FBO GARY
SOLSO, IRA, a California Trust; MARA H.
21 BRAZER, as Trustee for the MARA H.
BRAZER TRUST UTA 2/12/2004, a California
22 Trust; JEFFREY CASTALDO, an individual;

23 Counter-defendants.

24 FULL COLOR GAMES, INC., a Nevada
25 corporation,

26 Third-Party Plaintiff,

27 vs.

28 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.

Third Party Defendant Brian Marcus (referred to as “Third Party Defendant” or “Marcus”), by and through his counsel of record, MAIER GUTIERREZ AND ASSOCIATES, hereby submits this special motion to dismiss the third-party complaint filed against him and seeks sanctions pursuant to Nev. Rev. Stat. § 41.660 (anti-SLAPP).

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This motion is based upon the Points and Authorities set forth herein, the attached exhibits, the papers and pleadings on file, and any argument permitted by the court at the time of hearing.

DATED this 15th day of May, 2019.

Respectfully submitted,

MAIER GUTIERREZ & ASSOCIATES

/s/ Joseph A. Gutierrez

JOSEPH A. GUTIERREZ, ESQ.

Nevada Bar No. 9046

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8816 Spanish Ridge Avenue

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Attorneys for Third Party Defendant Brian Marcus

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 David Mahon, through his now defunct company Full Color Games, Inc. (“FCGI”) has brought
4 this third party lawsuit against Brian Marcus, an investor in FCGI who simply submitted a declaration
5 in support of the shareholder derivative lawsuit, while litigation was ongoing. *See* FCGI’s third party
6 complaint, *on file*.

7 Marcus was never a party to the shareholder derivative litigation in this case and he did nothing
8 more than submit truthful testimony through a three page declaration based on his own personal
9 knowledge. Marcus’ declaration was used, along with other witnesses, in support of the plaintiff
10 shareholder’s opposition to Mahon’s motion for summary judgment. *See* November 23, 2017
11 declaration of Brian Marcus attached as **Exhibit “A”** (the “November 2017 Marcus Declaration”).

12 In an act of pure retaliation, Mahon has initiated a barrage of third party claims against
13 innocent bystanders in an effort to censor their involvement as witnesses to this lawsuit. Mahon has
14 used the threat of criminal actions against these witnesses, including Marcus, and endless civil
15 litigation against them in an attempt to coerce their silence and intimidate anyone who dares to defy
16 his position in the derivative litigation. Specifically, Mahon’s claims against Marcus include: 1)
17 intentional recruitment of racketeering; 2) securities fraud and perjury; 3) inducing a lawsuit; and 4)
18 abuse of process. All of these claims are based on the allegedly “perjurious” statements Marcus made
19 in the Marcus Declaration that was submitted in the shareholder derivative litigation.

20 Tellingly, Mahon has sent emails to Marcus threatening criminal prosecution and insisting that
21 he will tie Marcus up in litigation “until the end of time” and cost him “a million dollars” in legal fees.
22 Mahon has also taken the malicious step of contacting each attorney in Marcus’ law firm, stating that
23 racketeering charges have been brought against Marcus, and informing the attorneys of Marcus’ firm
24 that actions will be taken to have Marcus disbarred.

25 Mahon’s actions and how he has used his frivolous third party complaint to stifle the free
26 speech of Marcus, who has made truthful statements in the public forum of litigation, is exactly the
27 type of bullying conduct that Nevada’s Anti-SLAPP statute was designed to protect against. Nevada’s
28 anti-SLAPP statute creates a substantive immunity from civil liability for persons engaging in “good

1 faith communication in furtherance of the right to petition or the right to free speech in direct
2 connection with an issue of public concern.” NRS 41.650. Such good faith communications expressly
3 include “[w]ritten or oral statement[s] made in direct connection with an issue under consideration by
4 a . . . judicial body . . . which is truthful or is made without knowledge of its falsehood.” NRS 41.637.

5 When amending Nevada’s anti-SLAPP statute in 1997, the Legislature explained that SLAPP
6 lawsuits abuse the judicial process by chilling, intimidating, and punishing individuals for their
7 involvement in public affairs. 1997 Nev. Stat., ch. 387, preamble at 1364. The legislature stated
8 further that the anti-SLAPP statute was essential to protect citizens’ constitutional rights. *Id.* Since
9 then, Nevada courts have routinely dismissed baseless lawsuits on fact patterns far less clear-cut and
10 egregious than here.

11 NRS 41.650 also provides for mandatory attorney’s fees/costs for dismissal of an action under
12 anti-SLAPP, as well as a sanction of \$10,000 on parties to deter them from filing suits like this simply
13 because they do not like what witnesses have to say during the course of litigation. *See* NRS 41.670.
14 Enough is enough. Mahon cannot use this Court, and the threat of endless and costly civil litigation,
15 to run roughshod over Marcus or other non-parties who rightfully come before this court to present
16 truthful evidence.

17 The Court should dismiss Mahon’s claims against Marcus with prejudice and award Marcus
18 all his costs and reasonable attorneys’ fees incurred in defending himself from this meritless suit.
19 Further, the Court should impose a sanction of \$10,000 on Mahon.

20 **II. RELEVANT FACTS AND PROCEDURAL HISTORY**

21 Third party Defendant Brian Marcus has been a practicing patent attorney for 30 years. In that
22 time, he has never been disciplined by any State Bar or the U.S. Patent Office. *See* May 15, 2019
23 declaration of Brian Marcus attached as **Exhibit “B”** (the “May 2019 Marcus Declaration”). Marcus
24 has worked extensively in patent, copyright and trademark acquisition and licensing. Marcus has
25 authored published papers on intellectual property, and has had several speaking engagements, most
26 recently being invited to speak in Nanjing China on avenues of mutual cooperation in the enforcement
27 of U.S. and Chinese intellectual property. *Id.*

28 In March of 2015, Mahon sought investors in his company, Full Color Games, Inc. (“FCGI”),

1 to fund his development of assets, intellectual property and online gaming platform relating to a new
2 card deck and casino games using that deck.

3 On March 21, 2015, Glen Howard came to Marcus' home to present the investment in FCGI
4 and to see if Marcus was interested. During the March 21, 2015 meeting, Howard stated he and
5 Mahon were raising capital to fund the development of assets and IP related to a new card deck which
6 could be used in various casino games. *Id.* Howard failed to mention that the company Marcus would
7 be investing in would not own those assets or IP. *Id.* After that meeting, Howard sent an email
8 confirming his presentation. *See* 2015 email from Glen Howard attached as **Exhibit "C."** The May
9 2019 Marcus Declaration details how the FCG Pitch Deck document, which was attached to the 2015
10 email from Glen Howard, further supports Marcus' original understanding that FCGI actually owned
11 IP around products that Marcus was being asked to invest in. *See* **Exhibit "D"** FCG Pitch Deck.

12 Marcus met Mahon on only one occasion, on November 30, 2015, when Mahon came to San
13 Francisco to meet with some investors and explain the progress of the company. At no time prior to
14 FCGI going defunct in June, 2017 did Howard or Mahon tell Marcus that the company Marcus would
15 be investing in would not own assets or IP he was investing to develop. Ex. B.

16 In June of 2017, in an email from Howard, FCGI investors were informed that FCGI was out
17 of money and was defunct. *See* 2017 email from Glen Howard attached as **Exhibit "E."** Mahon then
18 took the assets and IP the FCGI investors paid to develop, opened a new company with those assets
19 and IP, and left the FCGI investors with nothing.

20 These actions are the basis for the underlying shareholder derivative lawsuit against Mahon
21 and Howard. When asked, Marcus declined to join the underlying shareholder lawsuit. Marcus runs
22 an intellectual property law firm in the San Francisco Bay area, and has three young children at home
23 (his daughter having severe disabilities). *See* Ex. B. While feeling strongly that Mahon's deception
24 was illegal and the shareholder plaintiffs would ultimately prevail, Marcus decided his time and
25 emotional energy were much better spent at home and at work. *Id.*

26 In November 2017, at shareholder plaintiff Mark Munger's request, Marcus provided a
27 declaration in the underlying shareholder lawsuit (Ex. A, the November 2017 Marcus Declaration).
28 The 3-page declaration sets forth how Marcus came to be involved with FGCI, and details how at the

1 time Mahon was seeking his investment, Marcus did not know the company he was investing in did
2 not own the assets or IP. *See* Ex. A. The November 2017 Marcus Declaration was filed with the
3 Court along with several other declarations in support of Plaintiffs' opposition to Defendants' motion
4 for summary judgment. *See* 4/23/2018 Plaintiffs' Opposition to Defendants' Motion to Dismiss, or
5 Alternatively, Motion for Summary Judgment at Ex. 7, *on file*.

6 As stated in the November 2017 Marcus Declaration, it was not until June of 2017 that Marcus
7 first learned that the definition of investors' rights in and to the assets and IP of FCGI was allegedly
8 set forth in a license agreement between Intellectual Properties Holdings, Ltd. and FCGI (the "License
9 Agreement"). Neither Mahon nor Howard ever disclosed to Marcus that the investors' rights in and
10 to the assets and IP of FCGI was controlled by the License Agreement. A license agreement is
11 vaguely referenced in an exhibit to the FCGI Note Purchase Agreement (*See* **Exhibit "G"** at Sections
12 1.1, 1.2 and 4.1 of Ex. C). However, at no point was Marcus provided with an actual copy of the
13 License Agreement allegedly defining investors' rights in and to the assets and IP of FCGI.

14 Instead, Mahon claims the existence of the License Agreement was disclosed to Marcus and
15 the other investors in the corporate documents, and that Marcus *could have* discovered the true nature
16 of the investors' rights if they had asked Mahon for the License Agreement.

17 To be clear, there is *nothing* in the corporate documents or other materials provided to Marcus
18 which states, or would lead one to believe, that the license agreement cited in the corporate documents
19 does anything more than define certain collateral that the investors would get in the event of default.
20 Certainly, there is no reference of any kind that the license agreement cited in the corporate documents
21 in fact defines and controls ownership of the future assets and IP that Marcus and the other investors
22 were paying to develop. Ex. B. This position is further supported in the corporate documents by
23 Section 6.10 of the FCGI Note Purchase Agreement which states in part, "no party shall be ... bound
24 to any other party in any manner by any representations, warranties, covenants and agreements except
25 as specifically set forth herein."

26 In any event, the main issue in this litigation is not whether Marcus *could have, or should*
27 *have*, noticed mention of a License Agreement and asked to see it. The determinative issue here is
28 whether Marcus *did ask for and receive* the License Agreement. On that point, Marcus did not know

1 about or see the License Agreement at the time of his three investments and was unaware that the
2 investors did not own the assets/IP they were investing in to develop. Marcus' statements to this effect
3 in his November 2017 Declaration are *completely truthful*.

4 Based solely and entirely on the Marcus Declaration, Mahon has filed suit against Marcus,
5 adding him as a third party defendant in the underlying lawsuit. While the Answer, Counterclaims,
6 and Third-Party Complaint is 215 pages, Mahon devotes a *mere 6 paragraphs (barely spanning a*
7 *page)* to general allegations concerning Marcus, set forth in full below:

8 **XXI. MARCUS SUPPORTS BASTIAN CASINO GAMING RACKETEERING**

9 **ENTERPRISES & PERJURES HIMSELF IN SWORN DECLARATION**

- 10 422. Marcus is a licensed attorney by the State Bar of California and before the
11 USPTO. Marcus is further a self-certified accredited investor. Marcus is
12 beyond skilled in the relevant art of copyright, trademark and patent law with
13 regards to intellectual property and the licensing of it. Marcus invested into the
14 CNOTES of FCGI, three different times on April 3, 2015, June 12, 2015 and
15 again on November 9, 2015.
- 16 423. On November 23, 2017, Marcus makes three perjurious statements in a sworn
17 Declaration before this Court in ¶7 and ¶9, specifically, "...I had no knowledge
18 that the company I was investing in merely had a revocable license and did not
19 own, the intellectual property or assets I was investing to develop and market"
20 furthered with "The first I learned of the existence of the license agreement,
21 defining the ownership of the assets I invested to develop and market, was on
22 June 29, 2017.
- 23 424. Marcus' sworn declaration has provided a supporting role to the racketeering
24 activities of Munger, Bastian and the rest of the Bastian Casino Gaming
25 Enterprise and continues to tortiously interfere with the Counter-claimants'
26 rights.
- 27 425. Between November 23, 2017 and January 10, 2018, the ARCC Report of Brian
28 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.

1 See Defendant Full Color Games' Amended Answer, Counterclaims, Third Party Complaint, *on file*.
2 For the Court's convenience, attached as **Exhibit "H"** is all six paragraphs of the general allegations
3 in the Third Party Complaint that specifically mention Marcus' alleged actions.

4 Mahon sets forth unsupported and far-fetched allegations of racketeering against the plaintiffs
5 in the derivative lawsuit. However, even accepting Mahon's ludicrous racketeering claims on their
6 face, Mahon's racketeering claims against Marcus must fail because **Marcus is not a plaintiff in the**
7 ***underlying lawsuit***. Marcus has never sought to take anything from Mahon and has never sought to
8 remove Mahon from his position at FCGI. Marcus' sole transgression was agreeing to invest in
9 Mahon's ill-fated venture at the beginning.

10 Mahon's third party complaint against Marcus is instead based entirely on Marcus' truthful
11 statements made through his testimony in an ongoing civil litigation before this Court. All statements
12 in the November 2017 Marcus Declaration are completely true and Marcus will attest to them again
13 under oath before this Court. See Ex. "B". However, despite having not a shred of evidence, Mahon
14 claims, as best understood, that Marcus perjured himself in the declaration, and as a result, Marcus
15 has committed RICO violations.

16 Mahon's claim against Marcus is nothing more than an attempt to intimidate him into quashing
17 his truthful speech before this Court. There is absolutely no legal basis for Mahon's claims against
18 Marcus, as Marcus' testimony is protected by the litigation privilege. Even accepting everything
19 Mahon says as being true, Mahon still does not make out an actionable claim against Marcus. Under
20 the litigation privilege, it is axiomatic that a party ***is protected and immune*** from lawsuit based on
21 their litigation testimony, ***even if that testimony is untrue***.

22 However, not only is Marcus' testimony completely true, but it is clear that Mahon has brought
23 the present lawsuit against Marcus in an attempt to intimidate and punish Marcus for speaking out.
24 Since June, 2017, Marcus has received several overtures to release Mahon from liability, which
25 overtures grew increasingly threatening since the filing of the Marcus Declaration in November of
26 2017. After filing of the Marcus Declaration, Mahon through FCGI sent Marcus three threatening
27 emails. See emails from Mahon to Marcus attached as **Exhibits "I," "J," and "K."**

1 The first of these emails, on January 11, 2018, indicates that the Marcus Declaration created
2 “strict liability” which could result in action against Marcus unless Marcus agreed to a full release of
3 Mahon. The second of these emails, on January 18, 2018, indicated that Marcus would be brought
4 for disciplinary proceedings and/or disbarment from the State Bar of California and the United States
5 Patent Office unless Marcus agreed to a full release of Mahon.

6 The last email, sent last month on April 23, 2019, states in part:

7 you are a licensed USPTO attorney and as a result, are of a much higher
8 target value because we can use your credentials to destroy your
9 credibility and wipe you out in the end... we are willing to spend
10 another million dollars to prove it and the lawsuit ensures you will too...
11 Make no mistake about it now, absent a full and final settlement, relief
12 against you will be pursued until the END OF TIME in order to hold
13 you accountable for your perjury, racketeering activities and your
14 breaches of contracts... Make no mistake about it, this is HIGHLY
15 COMPLEX LITIGATION and you WILL spend the next 10-12 years
16 of your life in Court fighting the charges if you wish to pursue your
17 losses in one Court of Appeals after another until there are none left and
18 then, years upon years paying off the debts you are left as a result of it.

19 See Ex. K.

20 Subsequently, on May 1, 2019, Mahon through FCGI sent an email to all of the attorneys in
21 Marcus’ law firm. The email subject was “Notice of Racketeering Charges et al. against Brian
22 Marcus.” The body of the email stated:

23 Due to the egregious and unethical nature of Mr. Marcus' actions, a
24 formal grievance and complaint will further be filed against Mr. Marcus
25 with the California State Bar and the United States Patent and
26 Trademark Office OED seeking to have disciplinary action taken
27 against Mr. Marcus including but not limited to the request of being
28 disbarred based on the ARCC Report.”

29 See **Exhibit “L.”** This email has *no legitimate* value of any kind to Mahon’s law suit against Marcus.
30 It was instead sent *solely to punish* Marcus for his truthful testimony.

31 These actions by Mahon, and the bringing of suit against Marcus, are precisely the conduct
32 addressed by Nevada’s Anti-SLAPP statutes. The Nevada legislature enacted the anti-SLAPP laws
33 because SLAPP lawsuits abuse the judicial process by chilling, intimidating, and punishing
34 individuals for their involvement in public affairs. 1997 Nev. Stat., ch. 387, preamble at 1364.

1 Mahon's fear of the truth of his actions being revealed has caused him to resort to desperate tactics
2 including raising frivolous claims to harass, intimidate and punish Marcus.

3 This type of conduct is expressly covered by the Nevada anti-SLAPP statutes and it is
4 requested that this Court dismiss the third party claim against Marcus with the award of attorney's
5 fees and costs (NRS 41.670(1)(a)) as well as an award of \$10,000.00 (NRS 41.670(1)(b)). Marcus as
6 an innocent non-party shareholder is entitled to these protections, and this motion should be granted
7 in its entirety.

8 **III. LEGAL ARGUMENT**

9 **A. LEGAL STANDARD FOR NEVADA'S ANTI-SLAPP STATUTE**

10 Nevada's anti-SLAPP statute, NRS 41.635 *et seq.*, protects free speech and the public
11 discussion of important public issues. It provides: if "an action is brought against a person based upon
12 a good faith communication in furtherance of . . . the right to free speech in direct connection with an
13 issue of public concern, [t]he person against whom the action is brought may file a special motion to
14 dismiss." NRS. §41.660(1)-(l)(a).

15 The statute requires the Court to evaluate a special anti-SLAPP motion to dismiss using a two-
16 step process. To prevail, first, the defendant seeking dismissal must show, by a preponderance of the
17 evidence, that the plaintiff's claim "is based upon a good faith communication in furtherance of the
18 right to petition or the right to free speech in direct connection with an issue of public concern." Nev.
19 Rev. Stat. § 41.660(3)(a), *see also John v. Douglas County Sch. Dist.*, 125 Nev. 746, 754, 219 P.3d
20 1276, 1282 (2009). This is construed broadly. *See Mindys Cosmetics, Inc. v. Dakar*, 611 F.3d 590,
21 597 (9th Cir. 2010). Second, once the defendant satisfies the aforementioned showing, the burden
22 shifts to the plaintiff, who must make a sufficient evidentiary showing that he has a probability of
23 prevailing on his claim(s). NRS § 41.660(3)(b); *see also John*, 125 Nev. at 754.

24 Because a suit pursuant to NRS. § 41.670(c) cannot commence until after the court denies the
25 special motion to dismiss, a special motion to dismiss "functions as a motion for summary judgment
26 and allows the district court to evaluate the merits of the alleged SLAPP claim." *Stubbs v. Strickland*,
27 129 Nev. Adv. Op. 15,297 P.3d 326, 329 (Nev. 2013). *See also* NRS § 41.660(5) ("[i]f the court
28 dismisses the action pursuant to a special motion to dismiss filed pursuant to subsection 2, the

1 dismissal operates as an adjudication upon the merits”).

2 Both the Nevada Legislature and Nevada courts have recognized that it is instructive to look
3 to case law on California's anti-SLAPP statute. *See John*, 125 Nev. 746 at 756 (“we consider
4 California caselaw because California's anti-SLAPP statute is similar in purpose and language to
5 Nevada's anti-SLAPP statute”); *see also* Nev. Rev. Stat. § 41.665(2) (“the Legislature intends that in
6 determining whether the plaintiff ‘has demonstrated with prima facie evidence a probability of
7 prevailing on the claim,’ the plaintiff must meet the same burden of proof that a plaintiff has been
8 required to meet pursuant to California’s anti-Strategic Lawsuits Against Public Participation law as
9 of June 8, 2015”).

10 Whether under state anti-SLAPP statutes or NRCP 56, courts should dispose of meritless cases
11 implicating protected speech early. “[B]ecause unnecessarily protracted litigation would have a
12 chilling effect upon the exercise of First Amendment rights, speedy resolution of cases involving free
13 speech is desirable.” *Good Government Group, Inc. v. Superior Court of Los Angeles County*, 22
14 Cal.3d 672, 685, 586 P.2d 572, 578 (Cal. 1978) *citing Dombrowski v. Pfister*, 380 U.S. 479, 486-487
15 (1965).

16 If this Court grants this anti-SLAPP motion to dismiss, as it should, then Marcus is entitled to
17 an award of reasonable costs and attorneys’ fees, as well as an award of up to \$10,000.00. NRS §
18 41.670(1)(a)-(b).

19 **B. DISMISSAL IS WARRANTED BECAUSE MARCUS’ COMMUNICATIONS INVOLVED GOOD**
20 **FAITH WRITTEN STATEMENTS MADE IN CONNECTION WITH AN ISSUE UNDER**
21 **CONSIDERATION BY A JUDICIAL BODY**

22 NRS 41.637 provides four categories of protected conduct which allow this special dismissal
23 process. As relevant here, the statute protects any “[w]ritten or oral statement made in direct
24 connection with an issue under consideration by a legislative, executive or judicial body, or any other
25 official proceeding authorized by law,” as long as the statement is “truthful or is made without
26 knowledge of its falsehood.” NRS 41.637(3). For a statement to be considered in “direct connection”
27 with an issue under consideration by a judicial body, the statement must 1) relate to the substantive
28

1 issues in the litigation; and 2) be directed to persons having some interest in the litigation. *Patin v.*
2 *Ton Vinh Lee*, 134 Nev. Adv. Op. 87, 429 P.3d 1248, 1251 (2018).

3 Marcus' burden under this step is easily satisfied, as there is no disputing that the November
4 2017 Marcus Declaration at issue in the Third-Party Complaint is a written statement made in direct
5 connection with the derivative action that has long been under consideration by this Nevada court.
6 The November 2017 Marcus Declaration obviously relates to the substantive issues in the derivative
7 litigation, as it involves Marcus' knowledge and experience as an investor and shareholder in Full
8 Color Games, Inc. Ex. A. *See, e.g. LHF Prods., Inc. v. Kabala*, No. 216CV02028JADNJK, 2018 WL
9 4053324, at *3 (D. Nev. Aug. 24, 2018), in which the Court held that "demand letters, settlement
10 negotiations **and declarations** are clearly made in direct connection with a complaint, which is 'under
11 consideration by a judicial body' so as to carry defendant's burden under the first step of the Anti-
12 SLAPP analysis (emphasis added).

13 Further, the Marcus Declaration was submitted as an exhibit in support of the plaintiff
14 shareholder's opposition to Mahon's motion for summary judgment in the underlying derivative
15 action. Thus, because the opposition brief was in response to Mahon's brief, the Marcus Declaration
16 attached to the opposition brief was directed at persons having interest in the litigation. *Id.*

17 Moreover, as set forth in the May 2019 Marcus Declaration, all of the statements made in the
18 Marcus Declaration are true, and if not true, Marcus was not aware of any falsehoods within any of
19 the statements, and Marcus will attest to them again under oath before this Court. Ex. B.

20 Finally, in addition to the Marcus 2019 Declaration in Support of Motion to Dismiss, other
21 objective evidence exists indicating that Marcus did not know the investors merely had a revocable
22 interest to the assets and IP of FCGI.

23 First, Marcus asserts as fact that neither Mahon, Howard nor other individual ever disclosed
24 to Marcus that he would not own the assets or IP they were paying to develop. Ex. B.

25 Mahon instead asserts that this information was contained in the License Agreement. Marcus
26 asserts as fact that neither Mahon, Howard nor other individual ever disclosed that the License
27 Agreement spelled out the investors' ownership rights in the assets and IP to be developed. Ex. B. If
28 Marcus knew that there was a License Agreement which fundamentally affected his ownership

1 interest in the assets and IP he was considering investing in to develop, it stands to reason that Marcus,
2 experienced in IP license agreements, would have asked to see the License Agreement.

3 Next, Marcus submits herewith as **Exhibit “N”** the declarations of five other investors:

- 4 • G. Bradford Solso;
- 5 • David Eckels;
- 6 • Teresa Moore;
- 7 • Larry Moore;
- 8 • Eric Kagan

9 Each of these investors also submitted declarations shown in the derivative lawsuit indicating that
10 they also did not know that the company they were investing in would not own the assets they were
11 investing in to develop. *See* 4/23/2018 Plaintiffs’ Opposition to Defendants’ Motion to Dismiss, or
12 Alternatively, Motion for Summary Judgment at Ex. 3, 5, 6, 9, and 10, *on file*. Mahon knew (or should
13 have known), that the clear impression he created was that the investors owned the assets they were
14 investing to develop. And Mahon was successful in his ruse. That is what people in fact believed.
15 Marcus reasonably believes there are a great many other investors who similarly had no idea that
16 Mahon had set it up so that the investors would not own the assets they were investing in to develop.

17 Mahon wants this Court to blindly believe that Marcus would knowingly commit perjury and
18 open himself up to imprisonment, large fines, disbarment, loss of his livelihood, disgrace and ruination
19 of a reputation built in the law field over 30 years. Simply put, with so much at stake, Marcus would
20 never knowingly lie in his November 2017 Marcus Declaration.

21 Accordingly, Marcus has met his burden under the first step of the anti-SLAPP statute of
22 showing that the statements in the Marcus Declaration were made in direct connection with an issue
23 under consideration by a judicial body, and that the statements were truthful or made without
24 knowledge of their falsehood. *See, e.g., Delucchi v. Songer*, 396 P.3d 826 (Nev. 2017) (“Songer also
25 made an initial showing that the Songer Report was true or made without knowledge of its falsehood.
26 In a declaration before the District Court, Songer stated: ‘[t]he information contained in [his] reports
27 was truthful to the best of [his] knowledge, and [he] made no statements [he] knew to be false.’”);
28 *LHF Prods., Inc.* at *3 (D. Nev. Aug. 24, 2018) (because defendants provided declarations “that

1 declare that the communications were truthful or made without knowledge of their falsehood, I find
2 that [defendant] has made the requisite showing that its communications are protected” under the first
3 step of the anti-SLAPP analysis).

4 **C. MAHON CANNOT SHOW A PROBABILITY OF PREVAILING ON HIS CLAIMS AGAINST**
5 **MARCUS**

6 As the third-party plaintiff in this matter now opposing this special motion to dismiss, Mahon
7 bears the evidentiary burden of showing a probability of prevailing on his claims. NRS 41.660 defines
8 this burden of proof as “the same burden of proof that a plaintiff has been required to meet pursuant
9 to California’s anti-Strategic Lawsuit Against Public Participation law as of the effective date of this
10 act.” NRS 41.665(2).

11 Thus, based on legal authority from Nevada and California, Mahon is not permitted to make
12 vague accusations or provide a mere scintilla of evidence to defeat Marcus’ motion. Rather, to satisfy
13 his evidentiary burden under the second step of the anti-SLAPP statute, Mahon must present
14 “substantial evidence that would support a judgment of relief made in the plaintiff’s favor.” *S. Sutter,*
15 *LLC v. LJ Sutter Partners, L.P.*, 193 Cal. App. 4th 634, 670 (2011); *see also Bailey v. City Attorney’s*
16 *Office of N. Las Vegas*, No. 2:13-CV-343-JAD-CWH, 2015 WL 4506179, at *2 (D. Nev. July 23,
17 2015) (“when the movant carries its burden, the nonmoving party ‘must do more than simply show
18 that there is some metaphysical doubt as to the material facts,’ he ‘must produce specific evidence,
19 through affidavits or admissible discovery material, to show that’ there is a sufficient evidentiary basis
20 on which a reasonable fact finder could find in his favor.”) (citations omitted); *Robinson v. Smith*, 381
21 P.3d 657 (Nev. 2012) (court dismissed lawsuit under SLAPP statutes, stating “appellant relied on
22 conclusory allegations to deny the truthfulness of respondents communications, and did not furnish
23 specific facts to demonstrate a genuine issue of material fact as to whether respondent made
24 communications with knowledge of their falsehood. Thus, she failed to meet her burden of
25 production.”); *Mendoza v. Wichmann*, 194 Cal. App. 4th 1430, 1449 (2011) (holding that “substantial
26 evidence” of lack of probable cause was required to withstand Anti-SLAPP motion on malicious
27 prosecution claim). Mahon cannot make this showing as to his any of the causes of action against
28 Marcus.

1 **1. Mahon Cannot Show that Marcus Made Knowingly False Statements**

2 First, with respect to the truth of the statements in the Marcus Declaration, Mahon will not be
3 able to show, though specific evidence, that Marcus' statements were knowingly false, because no
4 such evidence exists.

5 The May 2019 Marcus Declaration unambiguously states that the License Agreement itself
6 was not provided in the corporate documents, and there is no description of any kind in the corporate
7 documents of what is contained in the License Agreement, other than to say the collateral for the
8 security agreement is defined by the License Agreement. Ex. B; G. At no point did Mahon simply,
9 clearly and expressly disclose to investors that they only had a revocable license to the assets and IP
10 they were investing in to develop, and if the funds of FCGI ran out (as they did), Mahon would then
11 take those assets, open a new venture, and leave the original investors with nothing (as he did). Ex. B.

12 More importantly, rather than play hide-and-seek with disclosure of fundamental investor
13 ownership rights, why didn't Mahon simply, clearly and expressly disclose to investors that there was
14 a license agreement out there with important information that would fundamentally affect their
15 investment? Or better still, why didn't Mahon simply, clearly and expressly disclose to investors that
16 they only had a revocable license to the assets and IP they were investing in to develop, and if the
17 funds of FCGI ran out (as they did), Mahon would then take those assets, open a new venture, and
18 leave the original investors with nothing (as he did).

19 Mahon would have the Court believe that he (Mahon) was straightforward and honest with
20 Marcus and his other investors; that he informed his investors he was asking them to invest in a venture
21 where they had no ownership rights in the assets or IP they were paying to develop. Mahon is alleging
22 that Marcus and the other investors knew that, under certain conditions, Mahon could simply convert
23 ownership of all of the assets and IP the investors paid to develop completely to himself, leaving the
24 investors with nothing. This screams in the face of common sense. No one would knowingly invest
25 under these circumstances.

26 Mahon knew this. The simple truth is that Mahon understood that his difficult job of raising
27 capital would become all but impossible under his contrived business plan. So he instead chose to
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1 conceal these facts and not tell investors that they did not own the assets or IP of FCGI. All statements
2 in the Marcus Declaration in this regard are completely truthful.

3 More important still, even if Mahon is granted his claims that Marcus could have, or should
4 have, asked for and reviewed the License Agreement, this is still not evidence that Marcus lied in the
5 November 2017 Marcus Declaration. Mahon needs to show, by specific admissible evidence that
6 Marcus knew he lied when he stated in the Marcus Declaration that he did not know he would not
7 own the assets he was investing in to develop.

8 Merely presenting conjecture that Marcus could have or should have asked to see some license
9 agreement does not come close to showing Marcus lied. In fact, Mahon's allegation that Marcus
10 should have gotten the License Agreement, but in fact did not, is evidence supporting the truthfulness
11 of the Marcus Declaration, not its falsity.

12 **2. Mahon Cannot Submit Prima Facie Evidence Supporting Any of His Claims Against**
13 **Marcus**

14 Being unable to prove that Marcus' statements were knowingly false, Mahon must now prove
15 that he is likely to succeed in his claims under the second step of the Nevada Anti-SLAPP statutes.
16 Mahon's claims against Marcus include: 1) a claim for "intentional recruitment of racketeering,"
17 ostensibly in violation of the Nevada Racketeering Statute; 2) a claim for "securities fraud and
18 perjury," also ostensibly in violation of the Nevada Racketeering Statute; 3) "inducing a lawsuit"
19 pursuant to NRS 199.320 (which is a misdemeanor crime, not an action that can be brought in a civil
20 litigation); and 4) abuse of process.

21 ***a. Mahon Cannot Substantively Prove Any of His Claims Against Marcus***

22 Mahon will be unable to show a likelihood of success on the substantive merits of his
23 racketeering and other claims.

24 To plead a civil Racketeer Influenced and Corrupt Organizations Act (RICO) claim, under
25 Nevada law, a plaintiff must demonstrate (1) conduct (2) of an enterprise (3) through a pattern (4) of
26 racketeering activity (known as predicate acts) (5) causing injury to plaintiff's business or property.
27 See *Century Sur. Co. v. Prince*, 265 F. Supp. 3d 1182, 1190 (D. Nev. 2017). Typical examples of
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1 unlawful businesses that engage in racketeering include illegal gambling rings, the mafia and any
2 other organized crime syndicate.

3 Further, because RICO claims involve underlying fraudulent acts, a heightened pleading
4 standard applies, meaning the plaintiff must specify the time, place, and content of the alleged
5 underlying fraudulent acts and statements, as well as the parties involved and their individual
6 participation. *Id.* at 1190.

7 Here, Mahon has pled a contrived theory of racketeering against Marcus, based presumably
8 on the Marcus Declaration, as there are literally no mentions of “Marcus” anywhere in the Eighth
9 Claim for Relief aside from naming Marcus as a defendant to the action. But Marcus’ actions in
10 executing the Marcus Declaration is conduct that concerns only an isolated court case – the underlying
11 derivative lawsuit. This does not come anywhere close to showing the “ongoing behavior” needed to
12 satisfy a RICO claim. *See Century Sur. Co. v. Prince*, 265 F. Supp. 3d 1182, 1191 (D. Nev. 2017)
13 (“Century’s allegations concern only an isolated court case wherein Prince, Ranalli, and Esparza
14 interacted with one another regarding Pretner's claims against Vasquez and Blue Streak.”).

15 Thus, even accepting Mahon’s allegations as true, he has not made out a claim for racketeering.
16 Mahon failed to properly plead any RICO claim, as there are no details as to anything Marcus has
17 allegedly done outside of executing a declaration in an isolated court case. *See Century Sur. Co.* at
18 1191 (citing to *Odom v. Microsoft Corp.*, 486 F.3d 541, 553 (9th Cir. 2007) (“Century’s complaint
19 also fails the ‘continuity requirement’ which ‘focuses on whether the associates’ behavior was
20 ‘ongoing’ rather than isolated activity.”).

21 Accordingly, there are no facts alleged indicating exactly how Marcus purportedly “recruited
22 racketeering.”

23 As for the “securities fraud and perjury” cause of action, Mahon cannot show, by prima facie
24 evidence or otherwise, that Marcus committed perjury. At the outset, Mahon’s eleventh claim for
25 relief is based on a purported violation of NRS 90.570¹, which is completely inapplicable because that
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27 ¹ NRS 90.570 specifically states that “In connection with the offer to sell, sale, offer to purchase or
28 purchase of a security, a person shall not, directly or indirectly: 1) employ any device, scheme or
artifice to defraud; 2) make an untrue statement of a material fact or omit to state a material fact

1 statute deals with statements made “in connection with the offer to sell, sale, offer to purchase or
2 purchase of a security,” -- none of which Mahon has alleged Marcus engaged in with respect to his
3 execution of the Marcus Declaration, which was executed well after the underlying derivative action
4 commenced.

5 Further, perjury is not a civil cause of action. It is a criminal action, brought upon credible
6 evidence and good cause by a prosecutor, and shown beyond a reasonable doubt. *Jordan v. State*
7 *Dept. of Motor Vehicles*, 110 P.3d 30 (2005), *abrogated on other grounds*, (“Jordan’s independent
8 claims for... perjury damages must fail,” fn 51: “... [no civil cause of action exists for perjury]);
9 *Droppleman v. Horsley*, 372 F.2d 249 (10th Cir.1967) (recognizing that no independent civil
10 conspiracy to commit perjury cause of action exists); *Hokanson v. Lichtor*, 5 Kan.App.2d 802, 626
11 P.2d 214, 218 (1981) (recognizing that “the majority of authority from other jurisdictions holds that
12 no civil cause of action for damages exists for ... perjury”). Mahon would do away with all of these
13 procedural safeguards and simply have this Court find perjury in a civil litigation.

14 In criminal proceedings, the prosecution has the burden to prove a defendant’s guilt beyond a
15 reasonable doubt in order to obtain a conviction. If the defense attorney can raise this reasonable
16 doubt by showing that the evidence suggests the defendant didn't deliberately lie under oath, then the
17 case may be thrown out. A person who makes a false statement under oath is not guilty of perjury in
18 Nevada if he believed the statement to be true, as there is a required element of willfulness which
19 needs to be established. *Licata v. State*, 99 Nev. 331, 333, 661 P.2d 1306, 1307 (1983).

20 Even if perjury allegations were allowed to continue, all statements in Marcus Declaration are
21 true, or are believed to be true, as set forth above. *See* Ex. B. Mahon can provide no objective
22 evidence otherwise.

23 In fact, the objective evidence only indicates that Marcus had no involvement in the alleged
24 “racketeering” actions because he was not a plaintiff in the underlying derivative action, and further,

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27 necessary in order to make the statements made not misleading in the light of the circumstances under
28 which they are made; or 3) engage in an act, practice or course of business which operates or would
operate as a fraud or deceit upon a person.

1 that Marcus reasonably believed that FCGI owned the assets and IP that the investors were paying to
2 develop and market. Ex. B.

3 As for whether Marcus “induced a lawsuit” pursuant to NRS 199.320, that again is a criminal
4 issue, not a civil claim that Mahon can bring in front of this Court, and Mahon has presented no
5 evidence indicating that the legislature intended to impose civil liability for this crime, even if
6 evidence could be submitted indicating Marcus’ liability, which does not exist. *See Hinegardner v.*
7 *Marcor Resorts, L.P.V.*, 108 Nev. 1091, 844 P.2d 800 (1992) (holding that the Legislature’s failure to
8 add a civil liability component to a penal statute dealing with selling alcohol to minors indicates that
9 the legislature did not intend to impose civil liability for violations of statute.).

10 Mahon also cannot establish evidence to support any abuse of process claim. Abuse of process
11 requires “(1) an ulterior purpose by the [party abusing the process] other than resolving a legal dispute,
12 and (2) a willful act in the use of the legal process not proper in the regular conduct of the proceeding.”
13 *Land Baron Inv. v. Bonnie Springs Family LP*, 131 Nev. Adv. Op. 69, 356 P.3d 511, 519 (2015).
14 Thus, the claimant must provide facts, rather than conjecture, showing that the party intended to use
15 the legal process to further an ulterior purpose. *LaMantia v. Redisi*, 118 Nev. 27, 31, 38 P.3d 877,
16 880 (1993) (holding that where the party presented only conjecture and no evidence that the opposing
17 party actually intended to improperly use the legal process for a purpose other than to resolve the legal
18 dispute, there was no abuse of process).

19 Marcus’ mere act of providing a truthful declaration in the underlying derivative litigation
20 does not constitute a “willful act” that would “not be proper in the regular conduct of the proceeding.”
21 Normal acts like submitting a declaration have nothing to do with an abuse of process. *See Land*
22 *Baron Inv.*, 356 P.3d at 520 (2015) (“We agree with the majority rule that filing a complaint does not
23 constitute abuse of process. The tort requires a “willful act” that would not be ‘proper in the regular
24 conduct of the proceeding.’”). Even if the ulterior purpose could be established – which it cannot – it
25 is perfectly normal for parties to include signed declarations from witnesses in dispositive briefings,
26 so there is no improper use of the legal process to complain about.

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28 ///

1 ***b. The Litigation Privilege Bars all of Mahon’s Claims Against Marcus***

2 Mahon will not be able to show a likelihood of success in proving any of his causes of action
3 under the second step of the anti-SLAPP analysis, at least because ***Marcus is immune from suit based***
4 ***on any and all of these charges under the litigation privilege.***

5 It is important to note that the litigation privilege, when applicable as here, is broadly construed
6 as an absolute bar to lawsuits based on statements made during litigation. Where litigation statements
7 are in fact truthful (or not knowingly false) as here, the litigation privilege is used as part of the SLAPP
8 analysis, specifically under the second step to show a party will not prevail on his claims based on the
9 underlying protected speech. In this instance, dismissal is required under the Anti-SLAPP statute,
10 together with the award of fees, costs and sanctions.

11 Nevada courts have recognized “the long-standing common law rule that communications
12 uttered or published in the course of judicial proceedings are absolutely privileged so long as they are
13 in some way pertinent to the subject of the controversy.” *Fink v. Oshins*, 49 P.3d 640, 643-44 (Nev.
14 2002) (quoting *Circus Hotels, Inc. v. Witherspoon*, 657 P.2d 101, 104 (Nev. 1983). The litigation
15 privilege doctrine in Nevada was succinctly explained in *Bullivant Houser Bailey PC v. Eight Judicial*
16 *Dist. Court of State*, 128 Nev. 885, 381 P.3d 597 (2012):

17 Nevada follows the “‘long-standing common law rule that
18 communications [made] in the course of judicial proceedings [***even if***
19 ***known to be false***] are absolutely privileged.” [W]hen “determining
whether the privilege applies [we] resolve any doubt in favor of a broad
application.”

20 When applicable, “[a]n absolute privilege bars *any* civil litigation based
21 on the underlying communication.”

22 All of these communications are protected by the absolute litigation
23 privilege even if they were known to be false or made with malicious
24 intent. Because the absolute litigation privilege applies to these
communications, all claims based on them are barred.

25 (internal citations omitted) (emphasis added). *See also, Greenberg Traurig v. Frias Holding Co.*, 331
26 P.3d 901, 902 (Nev. 2014) (“The litigation privilege immunizes from civil liability communicative
27 acts occurring in the course of judicial proceedings, even if those acts would otherwise be tortious.”).

1 The litigation privilege “is based on the long-standing common law rule that communications
2 uttered or published in the course of judicial proceedings are absolutely privileged so long as they are
3 in some way pertinent to the subject of controversy. The absolute privilege precludes liability even
4 where the defamatory statements are published with knowledge of their falsity and personal ill will
5 toward the plaintiff... The policy underlying the privilege is that in certain situations the public interest
6 in having people speak freely outweighs the risk that individuals will occasionally abuse the privilege
7 for making false and malicious statements.” *Circus Hotels v. Witherspoon*, 99 Nev. 56, 60 (Nev.
8 1983). *See also, Edwards v. Centex Real Estate Corp.*, 53 Cal. App. 4th 15 (Cal.App. 4th 1997) (the
9 reason behind the litigation privilege is to give “litigants and witnesses ‘the utmost freedom of access
10 to the courts without fear of being harassed subsequently by derivative tort actions.’ In other words,
11 the litigation privilege is intended to encourage parties to feel free to exercise their fundamental right
12 of resort to the courts for assistance in the resolution of their disputes, without being chilled from
13 exercising this right by the fear that they may subsequently be sued in a derivative tort action arising
14 out of something said or done in the context of the litigation.”)

15 In order for the absolute privilege to apply to defamatory statements made in the context of a
16 judicial or quasi-judicial proceeding, “(1) a judicial proceeding must be contemplated in good faith
17 and under serious consideration, and (2) the communication must be related to the litigation.” *Jacobs*
18 *v. Adelson*, 130 Nev. 408, 413, 325 P.3d 1282, 1285 (2014).

19 “Therefore, the privilege applies to communications made by either an attorney or a
20 nonattorney that are related to ongoing litigation or future litigation contemplated in good faith.” *Id.*

21 It is undeniable that the November 2017 Marcus Declaration submitted in support of a
22 summary judgment opposition is covered by the litigation privilege. The November 2017 Marcus
23 Declaration was filed in the underlying shareholder lawsuit and relates directly to the subject matter
24 of the underlying controversy, i.e., whether Mahon fraudulently concealed ownership of the assets
25 and IP the investors paid to develop. *See Ex. A.* Moreover, as the statements in the November 2017
26 Marcus Declaration are truthful, the litigation privilege is applicable under the second step of the anti-
27 SLAPP analysis to show that Mahon cannot prevail on any of his claims against Marcus.

1 Nevada and California courts have expressly held that the litigation privilege specifically
2 applies to bar claims based on racketeering. *See Bailey v. City Attorney's Office of N. Las Vegas*, Case
3 No.: 2:13-cv-343-JAD-CWH, at *6 (D. Nev. Jul. 23, 2015) (fn. 35). *See also, Trice v. JP Morgan*
4 *Chase Bank*, No. 215CV01614APGNJK, 2015 WL 10743195, at *1 (D. Nev. Nov. 18, 2015), *aff'd*
5 *sub nom. Trice v. JP Morgan Chase Bank, N.A.*, 672 F. App'x 679 (9th Cir. 2016); *Viriyapanthu v.*
6 *Suriel*, No. G048981, 2014 WL 3510171, at *2 (Cal. Ct. App. July 16, 2014) (unpublished).

7 The litigation privilege necessarily bars all of Mahon's claims against Marcus, and because all
8 of Marcus' statements in the November 2017 Marcus Declaration are truthful or made without
9 falsehoods, the litigation privilege works in conjunction with the anti-SLAPP statute to warrant
10 attorneys' fees and sanctions against Mahon.

11 **3. Case Law Supports Dismissal Under Anti-SLAPP Statute**

12 Nevada courts have routinely dismissed actions under its anti-SLAPP statute on fact patterns
13 that are less clear-cut and less egregious than here. *See, e.g., Banerjee v. Cont'l Inc., Inc.*, No.
14 217CV00466APGGWF, 2018 WL 700822, at *7 (D. Nev. Feb. 1, 2018); *LHF Prods., Inc. v. Kabala*,
15 No. 216CV02028JADNJK, 2018 WL 4053324, at *3 (D. Nev. Aug. 24, 2018); *Crabb v. Greenspun*
16 *Media Grp., LLC*, No. 71443, 2018 WL 3458265, at *3 (Nev. App. July 10, 2018) (unpublished).

17 *Trice v. JP Morgan Chase Bank*, No. 215CV01614APGNJK, 2015 WL 10743195, at *1 (D.
18 Nev. Nov. 18, 2015), *aff'd sub nom. Trice v. JP Morgan Chase Bank, N.A.*, 672 F. App'x 679 (9th Cir.
19 2016) presents a fact pattern closely aligned with the present case. In that case, the court dismissed
20 racketeering charges brought by plaintiff Trice against a defendant law firm which argued the case
21 against the plaintiff in an underlying lawsuit (the "second lawsuit"). In dismissing the case under the
22 Nevada anti-SLAPP statute, the court stated:

23 Trice asserts a RICO claim against the defendants ... based solely on
24 their "participation" in the second lawsuit as the bank's lawyers. Trice
25 fails to explain how this constitutes acts forming a pattern of
26 racketeering. ***Nor could she.*** The lawyers were representing their client
27 in litigation filed by Trice; ***that can hardly be considered racketeering***
28 ***activity.*** Trice seems to base her claims on communications the lawyers
had with her and the court in connection with that lawsuit. Trice is
simply retaliating against lawyers representing their client, in violation
of Nevada's anti-SLAPP statute. Nev. Rev. Stat. §41.635 *et seq.* The
lawyers are immune from civil liability for claims based upon the

1 communications in connection with that lawsuit. *Id.* at §§41.637(3),
2 41.650. (Emphasis added).

3 The present case differs only in that Marcus is not a lawyer in the derivative lawsuit. However,
4 the rationale applies in that Marcus is being sued for racketeering based solely on communications he
5 had with the court in the derivative lawsuit. *See also, Viriyapanthu v. Suriel*, [No. G048981, 2014
6 WL 3510171, at *2 (Cal. Ct. App. July 16, 2014) (unpublished) (directly analogous fact pattern where
7 defendant in underlying suit countersued 20 cross-defendants for claims including racketeering. The
8 countersuit was dismissed under anti-SLAPP statute as to cross-defendant who did nothing more than
9 participate in underlying lawsuit).

10 Accordingly, Mahon cannot even meet the pleading standard for any of his claims against
11 Marcus, let alone actually submit prima facie evidence demonstrating a probability of prevailing on
12 the claims.

13 **D. MARCUS REQUESTS MANDATORY SANCTIONS UNDER NEVADA’S ANTI-SLAPP**
14 **DOCTRINE**

15 Mahon’s suit was brought to harass and intimidate Marcus. This is confirmed through
16 Mahon’s emails to Marcus in 2018 and 2019, which became more and more threatening over time.
17 *See* Exs. I, J, K. One of Mahon’s emails specifically states the following (in part):

18 [W]e will give you one last chance to humble yourself, admit the error of your ways
19 and move on and let us continue to believe you are an innocent victim of the
20 racketeers... Life as you know it is gone caused by the stroke of a single pen when
21 you signed a false, frivolous sworn declaration and let your racketeering partners
22 use it to further their extortion attempts against the Defendants and now you will
23 face the consequences of your willful decision... you are a licensed USPTO attorney
24 and as a result, are of a much higher target value because we can use your
25 credentials to destroy your credibility and wipe you out in the end... we are willing
26 to spend another million dollars to prove it and the lawsuit ensures you will too...
27 Make no mistake about it now, absent a full and final settlement, relief against you
28 will be pursued until the END OF TIME in order to hold you accountable for your
perjury, racketeering activities and your breaches of contracts... Make no mistake
about it now, absent a full and final settlement, relief against you will be pursued
until the END OF TIME in order to hold you accountable for your perjury,
racketeering activities and your breaches of contracts... Make no mistake about it,
this is HIGHLY COMPLEX LITIGATION and you WILL spend the next 10-12
years of your life in Court fighting the charges if you wish to pursue your losses in
one Court of Appeals after another until there are none left and then, years upon
years paying off the debts you are left as a result of it.

1
2 Ex. K. It cannot be more obvious that the claims were only brought against Marcus to intimidate him
3 into retracting his truthful November 2017 Marcus Declaration, which is exactly what the anti-SLAPP
4 legislation was meant to prevent.

5 On May 1, 2019, Mahon through FCGI sent an email to all of the attorneys in Marcus' law
6 firm. The email subject was "Notice of Racketeering Charges et al. against Brian Marcus." The body
7 of the email stated:

8 Due to the egregious and unethical nature of Mr. Marcus' actions, a
9 formal grievance and complaint will further be filed against Mr. Marcus
10 with the California State Bar and the United States Patent and
11 Trademark Office OED seeking to have disciplinary action taken
against Mr. Marcus including but not limited to the request of being
disbarred based on the ARCC Report."

12 Ex. L. This email has *no legitimate* value to Mahon's law suit against Marcus. It was instead sent *to*
13 *punish* Marcus for his truthful testimony, and to put Marcus in further fear of being brought before
14 the State Bar of California and/or the U.S.P.T.O Office of Enrollment and Discipline.

15 These actions by Mahon, and the bringing of suit against Marcus, are precisely the conduct
16 addressed by Nevada's Anti-SLAPP statutes. As such, Marcus is entitled to the full amount of
17 attorney's fees and costs he has expended on this matter, along with sanctions in the amount of
18 \$10,000. NRS 41.670(1)(a)-(b).

19 Undersigned counsel for Marcus will submit a verified application for fees and costs in the
20 event this Court so orders.

21 **IV. CONCLUSION**

22 Based on the foregoing, Marcus respectfully requests that the Court grant this anti-SLAPP
23 motion to dismiss, grant Marcus all of his attorneys' fees and costs for having to litigate this matter,
24 and sanction Mahon in the amount of \$10,000. Marcus is entitled to a full dismissal because Mahon
25 cannot meet his burden of demonstrating a probability of success on the merits through *prima facie*
26 evidence. In fact, the claims would not even survive a basic NRCP 12(b)(5) motion, as they were not
27 pled with proper particularity, the abuse of process claim does not even apply to this matter, and
28 perjury and intent to induce a lawsuit are criminal, not civil issues.

1 Further, the litigation privilege completely bars all of Mahon's claims, regardless of their
2 merit.

3 DATED this 15th day of May, 2019.

4 Respectfully submitted,

5 **MAIER GUTIERREZ & ASSOCIATES**

6 /s/ Joseph A. Gutierrez

7 JOSEPH A. GUTIERREZ, ESQ.

8 Nevada Bar No. 9046

9 STEPHEN G. CLOUGH, ESQ.

10 Nevada Bar No. 10549

11 8816 Spanish Ridge Avenue

12 Las Vegas, Nevada 89148

13 *Attorneys for Third Party Defendant Brian*
14 *Marcus*

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CERTIFICATE OF SERVICE

Pursuant to Administrative Order 14-2, a copy of the **THIRD PARTY DEFENDANT BRIAN MARCUS' SPECIAL MOTION TO DISMISS THIRD-PARTY COMPLAINT PURSUANT TO NRS 41.660 (ANTI-SLAPP)** was electronically filed on the 15th day of May, 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 and by depositing a true and correct copy of the same, enclosed in a sealed envelope upon which first class postage was fully prepaid, in the U.S. Mail at Las Vegas, Nevada, addressed as follows (*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 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

Pat Lundvall, Esq.
Rory T. Kay, Esq.
Jason B. Sifers, Esq.
MCDONALD CARANO LLP
2300 West Sahara Avenue, Suite 120
Las Vegas, Nevada 89102
Attorneys for Third-Party Defendants Spin Games, LLC and Kent Young

/s/ Brandon Lopipero
An Employee of MAIER GUTIERREZ & ASSOCIATES

EXHIBIT “A”

DECLARATION OF BRIAN MARCUS

I, Brian Marcus, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I am an investor and shareholder in Full Color Games, Inc.

3. On March 17, 2015, a friend of mind, Crosby Hyde, told me he was thinking of making an investment in Full Color Games, Inc. (hereinafter, "FCG Inc."), and that if I was interested, he would put me in touch with Glen Howard who would tell me more about the investment.

4. Crosby Hyde introduced me to Glen Howard via email on March 20, 2015, and on March 21, 2015, Glen Howard came to my home to explain what FCG Inc. was about and to see if I was interested in investing in FCG Inc.

5. During that visit on March 21, Glen Howard explained that David Mahon had created a new proprietary card deck which could be used in various casino games, and that David Mahon was in the process of developing different casino games using this new card deck. Glen Howard explained that the casino games had been introduced to wide acclaim, and that David Mahon was working to develop games such as "21 or Nothing" (analogous to 21) for broad release in brick and mortar casinos and online casinos. Glen Howard explained some forecasted anticipated revenues from the launch (on the order of 100x the investment) and that he and David Mahon were looking for investors to fund the endeavor. See attached email of Sunday, March 21, 2015.

6. Glen Howard was the primary person presenting the investment to me. He communicated what is disclosed in the attached email. On November 30, 2015, I met David Mahon, who came to the Olympic Club in San Francisco to meet with some investors and explain the progress of the company.

7. Neither Glen Howard nor David Mahon mentioned anything about the license

1 agreement at the time I made my initial or subsequent investments in FCG Inc. David Mahon did not
2 mention anything about a license agreement during our November 30, 2015 meeting at the Olympic
3 Club in San Francisco. The first I learned of the existence of the license agreement, defining the
4 ownership of the assets I invested to develop and market, was on June 29, 2017. On that date, I
5 received an email from Glen Howard (copy attached) explaining that FGC Inc. had "no monetizable
6 assets." I didn't understand this. While I of course knew there was a possibility that FGC Inc. would
7 not be successful, at the very least, if the company became insolvent, it would have the assets
8 (including source code and intellectual property) that David Mahon had been developing over the past
9 two years at least in part with the funds that I and the other investors had provided.

10 8. I then read a follow-up email from Glen Howard (copy attached) on June 29, 2017, in
11 which Glen Howard explained that there was in fact a license agreement under which all rights to the
12 Full Color Games intellectual was owned by a company called Intellectual Properties Holdings LTD,
13 and that the company I invested in, FCG Inc., merely had a revocable license to that intellectual
14 property. This was the first time I learned of the license agreement.

15 9. At the time I made my initial and subsequent investments in FCG Inc., I had no
16 knowledge that the company I was investing in merely had a revocable license, and did not own, the
17 intellectual property or assets I was investing to develop and market. While I have not made too many
18 investments, I am a registered and practicing patent attorney with over 30 years of experience in
19 intellectual property and licensing agreements. Had I known the company I was being asked to invest
20 in merely had a revocable license, and did not own, the intellectual property or assets that were being
21 developed and marketed, I would not have invested in such a company.

22 10. I still have not reviewed the actual license agreement between Intellectual Properties
23 Holdings Ltd and FCG Inc.

24 11. In my meeting with Glen Howard on March 21, 2015, and in my meeting with David
25 Mahon on November 30, 2015, both gentlemen indicated that the Full Color Games card deck and
26 casino games were proprietary and covered by one or more patents and applications. I do not recall
27 the specific statements that were made. However, I do know that no statements were made alluding
28

1 or referring to the fact that the company I was investing in did not own the intellectual property that
2 Glen Howard and David Mahon discussed.

3 12. When I was contemplating making my initial investment in FCG Inc., I requested
4 information about FCG Inc., including the planned rollout of the casino games, David Mahon's
5 background, and the current and forecasted financials of the company. This information was given to
6 me by Glen Howard, for example as shown in the attached email of March 21, 2015.

7 13. In discussions with Glen Howard in the latter half of 2015, he had mentioned that the
8 assets of FCG Inc. were being moved to the Isle of Man, but I do not recall the reason he gave for this
9 move nor what FCG Inc. was receiving in return for moving the assets.

10 I declare under penalty of perjury under the laws of the United States of America that the
11 foregoing is true and correct to the best of knowledge, information and belief.

12 DATED this 23 day of November, 2017.

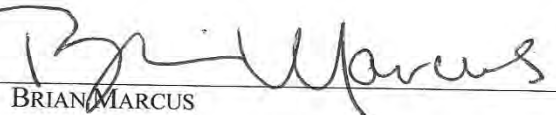
13 
14 BRIAN MARCUS

EXHIBIT “B”

DECLARATION OF BRIAN MARCUS

I, Brian Marcus, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I am an investor in Full Color Games, Inc. ("FCGI").

3. I have been a practicing patent attorney for 30 years. During this timeframe, I have never been disciplined by any State Bar or the U.S. Patent Office.

4. I have worked extensively in patent and trademark acquisition and licensing. I have authored published papers on intellectual property, and have had several speaking engagements, most recently being invited to speak in China on avenues of mutual cooperation in the enforcement of U.S. and Chinese intellectual property.

5. I was introduced to Full Color Games, Inc. in March of 2015 by a friend of mine, Crosby Hyde.

6. On March 21, 2015, Glen Howard came to my home with Crosby Hyde to present the investment in to Full Color Games, Inc. and to see if I was interested.

7. During the March 21, 2015 meeting, Howard stated he and Mahon were raising capital to fund the development of assets and IP related to a new card deck which could be used in various casino games.

8. I believed the company I was investing in would own the assets and intellectual property ("IP") I was paying to develop. I believe the normal conclusion, when someone is asking you to invest in a company to develop a product, that the company is going to own that product absent being told otherwise. Nothing in my meeting with Howard on March 21, 2015 led me to believe the company would not own the assets or IP. Howard never mentioned that the company he was touting would not own the assets or IP I would be paying to develop.

9. After that meeting, on March 22, 2015, Howard sent an email confirming his

1 presentation (“the March 22, 2015 Howard Email”). A true and correct copy of the March 22, 2015
2 Howard Email is attached to the motion as **Exhibit “C”**.

3 10. In the body of the March 22, 2015 Howard Email, Howard does mention IP, but states
4 only that, “We have the Intellectual property already developed and now we simply need more funding
5 to begin execution on commercialization of the products.” When he said “we” have the Intellectual
6 property, I assumed he was speaking as an officer of FCGI.

7 11. An attachment to the March 22, 2015 Howard Email is titled,
8 Full_Color_Games_Pitch_Deck.pdf (“the FCG Pitch Deck”). A true copy of the FCG Pitch Deck is
9 attached to the motion as **Exhibit “D”**. I believe the FCG Pitch Deck was sent to me as further
10 inducement to invest in FCGI.

11 12. The cover page of the FCG Pitch Deck states “Welcome to Full Color® Games,”
12 “Proprietary IP for Virtual & Real Money Casino Gaming.” The eighth page of the FCG Pitch Deck
13 discusses proprietary IP. It states “ANYONE CAN MAKE & MARKET A TRADITIONAL CARD
14 CASINO GAME BUT ONLY WE CAN MANUFACTURE, DISTRIBUTE, LICENSE, PUBLISH
15 OR BROADCAST ANY FULL COLOR® GAME PRODUCT.” I do not specifically recall my
16 impression upon reading this document. However, I believe it would have further confirmed my belief
17 that FCGI owned IP around the products I was being asked to invest in to further develop and market.

18 13. As a 30 year patent practitioner, I understand the phrase “only we can manufacture,
19 distribute, license, publish or broadcast any Full Color® Game product” to mean that the “we” in that
20 statement owned the Full Color Game product. I assumed the “we” in that statement was FCGI.

21 14. There is also mention of the card deck being copyrighted and owned by David Mahon.

22 15. I only met David Mahon on one occasion, which was on November 30, 2015, when
23 Mahon came to San Francisco to meet with some investors and explain the progress of the company.

24 16. To the best of my knowledge, Messrs. Mahon and Howard never disclosed to investors
25 that the company they were investing in, FCGI, did not own the assets or IP the investors were paying
26 to develop and market. Certainly, Messrs. Mahon and Howard never disclosed to me that the company
27 I was investing in, FCGI, did not own the assets or IP I was paying to develop and market.

28 17. On June 29, 2017, at 7:30pm, through an email from Howard, I was informed that

1 FCGI had no money and that FCGI was going to be dissolved. A true and correct copy of the June
2 29, 2017, 7:30pm Howard Email is attached to the motion as **Exhibit “E”**.

3 18. On June 29, 2017, at 7:31pm, through an email from Howard, I was informed that all
4 rights in the developed assets and IP were being transferred to a new company, leaving me and the
5 other investors in FCGI with nothing. A true and correct copy of the June 29, 2017, 7:31pm Howard
6 Email is attached to the motion as **Exhibit “F”**.

7 19. I did not understand how this was possible. Until that point in time, I believed that
8 FCGI owned the assets and IP we paid to develop. It was at that time I was told of a license agreement
9 which set forth that FCGI merely had a revocable license to the assets and IP, and that Mahon had
10 revoked that license when FCGI went defunct.

11 20. I felt that Mahon had been dishonest about the nature of the ownership of the assets
12 and IP in FCGI.

13 21. At the time Mahon was raising money to invest in FCGI, I believe that Mahon knew,
14 or at the very least should have known, that he had created the clear impression that FCGI would own
15 the assets its investors were paying to develop and market.

16 22. At some point prior to initiation of the shareholder derivative lawsuit against Mahon
17 and Howard, I was asked to join the lawsuit as a plaintiff.

18 23. While I feel strongly that Mahon’s deception was illegal and the shareholder plaintiffs
19 would ultimately prevail, I decided my time and emotional energy were much better spent at home
20 and at work. I run an intellectual property law firm in the San Francisco Bay area, and have three
21 young children at home (my daughter having severe disabilities).

22 24. In November of 2017, at shareholder plaintiff Mark Munger’s request, I provided a
23 declaration in the underlying shareholder lawsuit. **Exhibit “A”** to the motion is a true and correct
24 copy of the November 2017 declaration I executed.

25 25. My three page declaration sets forth how I came to be involved with FCGI, and that at
26 the time Mahon was seeking my investment, I did not know that the company I was investing in did
27 not own the assets or IP.

28 26. All statements in my November 2017 declaration are completely true and I will attest

1 to them again under oath before this Court. In the event a statement is not true, I have never had any
2 knowledge of it being false.

3 27. I made three separate investments in FCGI in 2015, believed to be on April 3, June 12
4 and November 9 of 2015. At each of those times, I believed that FCGI would still be a successful
5 venture.

6 28. To my knowledge, Mahon does not allege that he disclosed to investors that the
7 company we invested in, FCGI, did not own the assets. To my knowledge, Mahon instead is alleging
8 that there was a reference to a license agreement in the corporate documents we were provided (the
9 "License Agreement"). To my knowledge, Mahon alleges further that the investors should have
10 noticed the mention of the License Agreement and asked to see it, upon which, the investors would
11 have learned that FCGI did not own the assets.

12 29. Prior to June 29, 2017, it was never disclosed to me that the investors would not own
13 the assets and IP that they were paying to develop.

14 30. Prior to June 29, 2017, it was never disclosed to me that the investors' rights in and to
15 the assets and IP of FCGI was set forth in the License Agreement.

16 31. To date, I have not seen a copy of the License Agreement.

17 32. The corporate documents I was provided included a main agreement - the
18 "AMENDED & RESTATED CONVERTIBLE NOTE PURCHASE AGREEMENT." That Note
19 Purchase Agreement includes the main terms of the relationship between the investors and FCGI,
20 including the duties and obligations of FCGI. That Note Purchase Agreement has no mention of the
21 License Agreement.

22 33. The Note Purchase Agreement does include section 6.10, which states:

23
24 **Entire Agreement.** This Agreement and the Exhibits hereto constitute
25 the full and entire understanding and agreement between the parties
26 with regard to the subjects hereof and no party shall be liable or bound
27 to any other party in any manner by any representations, warranties,
28 covenants and agreements except as specifically set forth herein.

34. The Note Purchase Agreement includes an Exhibit C – "Form of Amended & Restated
Security Agreement." That Exhibit C Security Agreement states:

1 **1.1 Grant of Security Interest.** Subject to Section 1.4 below, as
2 security for payment and performance of all Indebtedness (as defined
3 below) of the Company to the Secured Parties when and as due, the
4 Company hereby grants to the Secured Parties a security interest in the
5 Collateral (as defined below)...

6 **1.2 Collateral Defined.** As used in this Agreement, the term
7 “*Collateral*” means, all right, title, interest, claims and demands of the
8 Company to: that certain License Agreement by and between the
9 Company and Intellectual Properties Holdings, LLC dated April 18,
10 2012 (the “License Agreement”); and all Proceeds and product of the
11 foregoing...

12 **3.1 Condition of Collateral.** The Company will maintain the Collateral
13 and keep the License Agreement in good standing...

14 **4.1 General Remedies.** In the event of an occurrence of any Event of
15 Default (as that term is defined in the Notes), in addition to exercising
16 any other rights or remedies the Secured Parties may have under the
17 Notes, at law or in equity, the Secured Parties may, at their option, and
18 without demand first made, exercise any one or all of the following
19 rights and remedies: (i) collect the Collateral and its proceeds; (ii) take
20 possession of the Collateral wherever it may be found, using all
21 reasonable means to do so...; (iii) proceed with the foreclosure of the
22 security interest in the Collateral granted herein and the sale or
23 endorsement and collection of the proceeds of the Collateral in any
24 manner permitted by law or provided for herein; (iv) sell, lease or
25 otherwise dispose of the Collateral at public or private sale...; (v)
26 institute a suit or other action against the Company for recovery on the
27 Notes or to obtain possession or effect a sale of the Collateral...

28 I believe this is the only mention of the License Agreement in all of the corporate documents I was
provided. Relevant portions of the Note Purchase Agreement and Form of Amended & Restated
Security Agreement in Exhibit C to the Note Purchase Agreement are attached to the motion as
Exhibit “G.”

35. I do not specifically recall seeing these sections of the Form of Amended & Restated
Security Agreement in Exhibit C to the Note Purchase Agreement. This may have been because it
was unremarkable in that it was not uncommon to have existing assets/IP that are licensed and used
as collateral.

36. The materials provided to me by Howard mentions that Mahon did have certain assets
and IP that existed at the time Howard and Mahon were raising money for FCGI. Though I do not
recall, if I did notice the mention of a License Agreement, I believe I would have understood that to

1 mean that certain existing assets/IP of Mahon were being licensed by the License Agreement to FCGI
2 and used as collateral for the investment, which collateral I and the other investors would get in the
3 event of a default.

4 37. I believe that the reference to the License Agreement in the Exhibit C of the Note
5 Purchase Agreement was vague and misleading.

6 38. To my knowledge, there is nothing in the corporate documents or other materials
7 provided to me which states, or would lead one to believe, that the License Agreement does not merely
8 relate to existing assets/IP that investors have as collateral for the investment, but, quite to the contrary,
9 instead spells out that I and the other investors would not own the future assets and IP that I and the
10 other investors were paying to develop.

11 39. If I knew there was a license agreement which fundamentally effected my ownership
12 interest in the assets and IP I was investing to develop, I would have asked to see the License
13 Agreement.

14 40. Regarding the racketeering allegations against me in the Third Party Complaint, I have
15 never attempted to remove Mahon from his position as an officer of FCGI, or change his role as an
16 officer of FCGI.

17 41. Since June, 2017, I have received several overtures to release Mahon from liability,
18 which overtures have grown increasingly threatening since the filing of my declaration in November
19 of 2017.

20 42. Shortly after my 3 page declaration was filed in the derivative lawsuit, on January 11,
21 2018, I received an email from Full Color. A true copy of the January 11, 2018 email is attached to
22 the motion as **Exhibit "I"**.

23 43. I believe Mahon to be the author of the email.

24 44. The January 11, 2018 email included a link and reference to a 300 page report (the
25 "ARCC Report") alleging I had committed perjury and breaches of fiduciary duty as a result of my
26 declaration in the derivative lawsuit.

27 45. The January 11, 2018 email states that "FCGI believes and hereby avers that the
28 damage that your perjurious statements and breaches of fiduciary duties, pursuant to the ARCC

1 REPORT, creates a strict liability upon you and has recommended to the BOD that FCGI must pursue
2 any and all remedies available to it... If your voice of reason decides to return, and you wish to
3 mitigate the damage you have done to yourself at this point, may voluntarily sell the shares back to
4 FCGI. FCGI is willing to repurchase all of your ownership in common stock shares in FCGI, which
5 currently has no value, for \$1.00 and FCGI will enter into a full and final mutual release with you in
6 a Stock Sale & Purchase Agreement (“SSPA”).”

7 46. On January 18, 2018, I received a follow-up email from Full Color. A true copy of the
8 January 18, 2018 email is attached to the motion as **Exhibit “J”**.

9 47. I believe Mahon to be the author of the email.

10 48. The January 18, 2018 email indicates that the “injured parties” would be seeking to
11 have me brought for disciplinary proceedings and/or disbarred from the State Bar of California and
12 the United States Patent Office. The January 18, 2018 email states however that: “[t]he most obvious
13 way to mitigate these matters is through a full and final mutual release whereby the injured parties in
14 the LAWSUIT would be prevented from ever being able to file the ARCC Report with the agencies,
15 much more, seek any and all other available relief they may need to pursue. Absent a full, final and
16 friendly mutual release, FCGI cannot prevent the injured parties from taking the ARCC report and
17 filing it with governmental agencies and or the courts.”

18 49. On April 23, 2019, after filing of the Third Party Complaint against Marcus, Marcus
19 received an email from Full Color. A true copy of the April 23, 2019 email is attached to the motion
20 as **Exhibit “K”**.

21 50. I believe Mahon to be the author of that email.

22 51. The April 23, 2019 appears to admit that the sole reason I have been sued by Mahon is
23 because of my declaration in the derivative suit. The April 23, 2019 email states: “[y]ou were not a
24 cause of the failure of FCGI and as such, it appears that you were duped into joining a racketeering
25 enterprise. You were not an original target in the racketeering case, **but your sworn declaration**
26 **changed all that** and by statute, your actions make you a supporting member of the racketeering
27 enterprise giving the Defendants and all authorities having jurisdiction the legal standing necessary to
28 prosecute you.” (Emphasis added).

1 52. The April 23, 2019 email makes several threats, to be carried out unless I agreed to
2 withdraw my declaration and agree to make an offer of settlement to the Third Party plaintiffs.

3 53. For example, the April 23, 2019 email states: “we will give you one last chance to
4 humble yourself, admit the error of your ways and move on and let us continue to believe you are an
5 innocent victim of the racketeers... Life as you know it is gone caused by the stroke of a single pen
6 when you signed a false, frivolous sworn declaration and let your racketeering partners use it to further
7 their extortion attempts against the Defendants and now you will face the consequences of your willful
8 decision... you are a licensed USPTO attorney and as a result, are of a much higher target value
9 because we can use your credentials to destroy your credibility and wipe you out in the end... we are
10 willing to spend another million dollars to prove it and the lawsuit ensures you will too... Make no
11 mistake about it now, absent a full and final settlement, relief against you will be pursued until the
12 END OF TIME in order to hold you accountable for your perjury, racketeering activities and your
13 breaches of contracts... We will accept absolutely NOTHING LESS than a full retraction of your
14 declaration and the recovery of your pro-rate [sic] share of the damages as a result of it or you will
15 forever be faced with the consequences that come with whatever delusions you suffer from that caused
16 you to sign and submit it in the first place and worse, your continued ongoing defense of it.... Make
17 no mistake about it, this is HIGHLY COMPLEX LITIGATION and you WILL spend the next 10-12
18 years of your life in Court fighting the charges if you wish to pursue your losses in one Court of
19 Appeals after another until there are none left and then, years upon years paying off the debts you are
20 left as a result of it. Two years have passed and it still hasn't even left the first phase of Motion
21 practice and your days of sitting on the sidelines are over... You have until close of business Friday
22 to attempt to mitigate these matters by making the Defendants a bonafide settlement offer so you can
23 return back to your life as it was before you made your ill-fated decisions, or you can spend the rest
24 of your life dealing with what will inevitably come as a result of it.”

25 54. On May 1, 2019, Full Color sent an email to attorneys at my law firm, Vierra Magen
26 Marcus, LLP with the subject: “Notice of Racketeering Charges et al. against Brian Marcus. A true
27 copy of the May, 1, 2019 email is attached to the motion as **Exhibit “L”**.”

28 55. I believe Mahon to be the author of the May 1, 2019 email.

56. The May 1, 2019 email was sent to all attorneys at my law firm (except me) and was received by all attorneys at my law firm. See email receipt confirmation attached to this motion as **Exhibit “M”**.

57. The May, 1, 2019 email states: “Due to the egregious and unethical nature of Mr. Marcus' actions, a formal grievance and complaint will further be filed against Mr. Marcus with the California State Bar and the United States Patent and Trademark Office OED seeking to have disciplinary action taken against Mr. Marcus including but not limited to the request of being disbarred based on the ARCC Report.”

58. I believe this is an example of Mahon showing me he will follow through with his threats and punishing me for my participation in the derivative shareholder lawsuit. I believe it was sent to my firm with the primary purpose of damaging my reputation and credibility with my partners and attorneys at the firm and to have them take action such as firing me from the firm.

59. I do not know the extent to which my partners and attorneys at the firm believe the allegations in the May 1, 2019 email.

60. I do not know if my partners are considering action against me to protect the reputation of the firm as a result of the May 1, 2019 email.

61. The May 1, 2019 email has caused me significant stress and anxiety.

I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct.

DATED this 15 day of May, 2019.



BRIAN MARCUS

EXHIBIT “C”

From: Glen Howard <gchoward@gmail.com>
Sent: Sunday, March 22, 2015 11:34 PM
To: Brian Marcus
Cc: Hyde Crosby; Howard Glen
Subject: Re: thanks for our Full Color Games discussion
Attachments: PastedGraphic-1.tiff; ATT00001.htm; Full_Color_Games_Quick_Summary.png; ATT00002.htm; FCG 21 Playmat.png; ATT00003.htm; FCG Baccarat Playmat.png; ATT00004.htm; FCG Glen.jpeg; ATT00005.htm; Full_Color_Games_Pitch_Deck.pdf; ATT00006.htm; Investor Information FCG.docx; ATT00007.htm

Brian,

It was a pleasure to meet you and your family and friends at your home on Saturday afternoon. I am excited that you got to see a sampling of our new games from Full Color Games and talk about our plans to launch in Social Casino and then Real Money Gaming before focusing on the Casino floor and the home gaming market.

What is most exciting about the Casino Gaming market we are pursuing is the tremendous leverage that we have to build a HUGE revenue stream with a modest size team AND without ever having to own a casino. Furthermore, we are not in the business of making trendy games like King Digital's - Candy Crush Saga or SuperCell's - Clash of Clans. Our games are widely popular and they have already been played in an alternate format for decades (if not centuries). We are simply taking the 10 most popular (non-proprietary) games in the Casino industry and mapping them onto our new proprietary deck of cards to make them more fun to play. We have the Intellectual property already developed and now we simply need more funding to begin execution on commercialization of the products.

I am delighted that you have interest in investing \$10k in the Full Color Games Seed Note. In order to get your paperwork prepared, I would greatly appreciate it if you would complete the Investor Questionnaire that is attached. I have also attached an Investment Deck, a quick summary and a few pictures to give more background. Please also review <http://bit.ly/FCGg2e>

Please let me know if you have any questions or need any additional information. Thank you for your interest!

Best Regards,

Glen

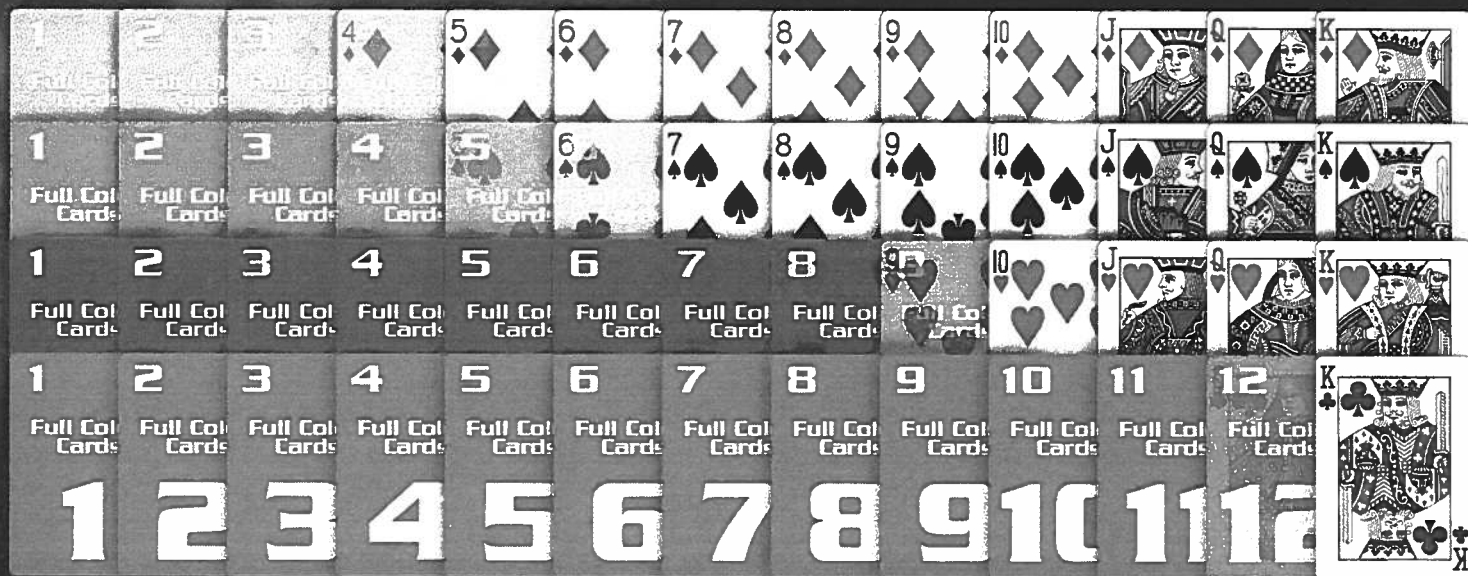
EXHIBIT “D”

Welcome to



Proprietary IP for Virtual & Real Money Casino Gaming

INTRODUCING FULL COLOR® CARDS & THE FULL COLOR® GAMING SYSTEM



**A NEW CLASS OF CARD & CASINO GAMING
WITH DISRUPTIVE & PROPRIETARY IP**

13 Card Set

16 Card Set

19 Card Set

22 Card Set

25 Card Set

AA0838

THIS ALLOWS US TO MAKE UNIQUE & PROPRIETARY CARD & CASINO GAMES THAT CREATE NEW WAYS



New Player Gaming Features

*Easy to Learn
More Fun to Play
Easier to See the Cards
New Way to Play Same Games*

*Multi-Dimensional Paylines
Multi-Level Bonuses
Quadrillions of More Combinations
Millions more ways to Win*

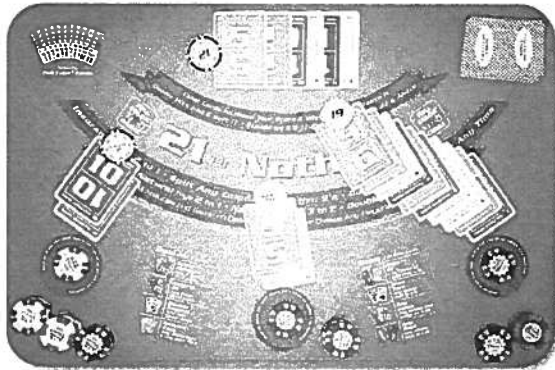
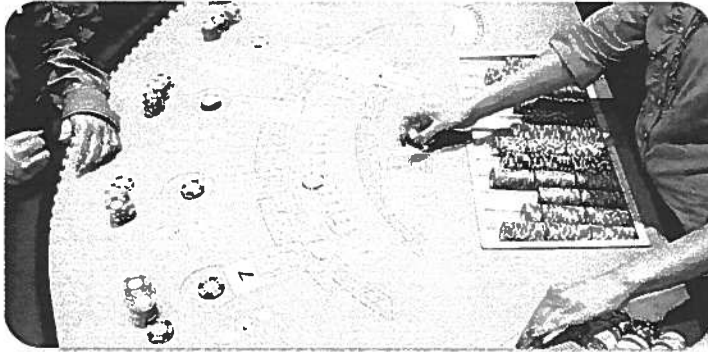
New Casino Gaming Features

*A New Gaming Paradigm
Instantly Recognizable Formats
Utilizes Existing Player Skillsets
Completely Customizable Paytables*

*High Frequency, Low Payouts
Low Payouts, High Frequency
Hundreds of Derivatives & Variations
Skinnable to Multiple Markets*

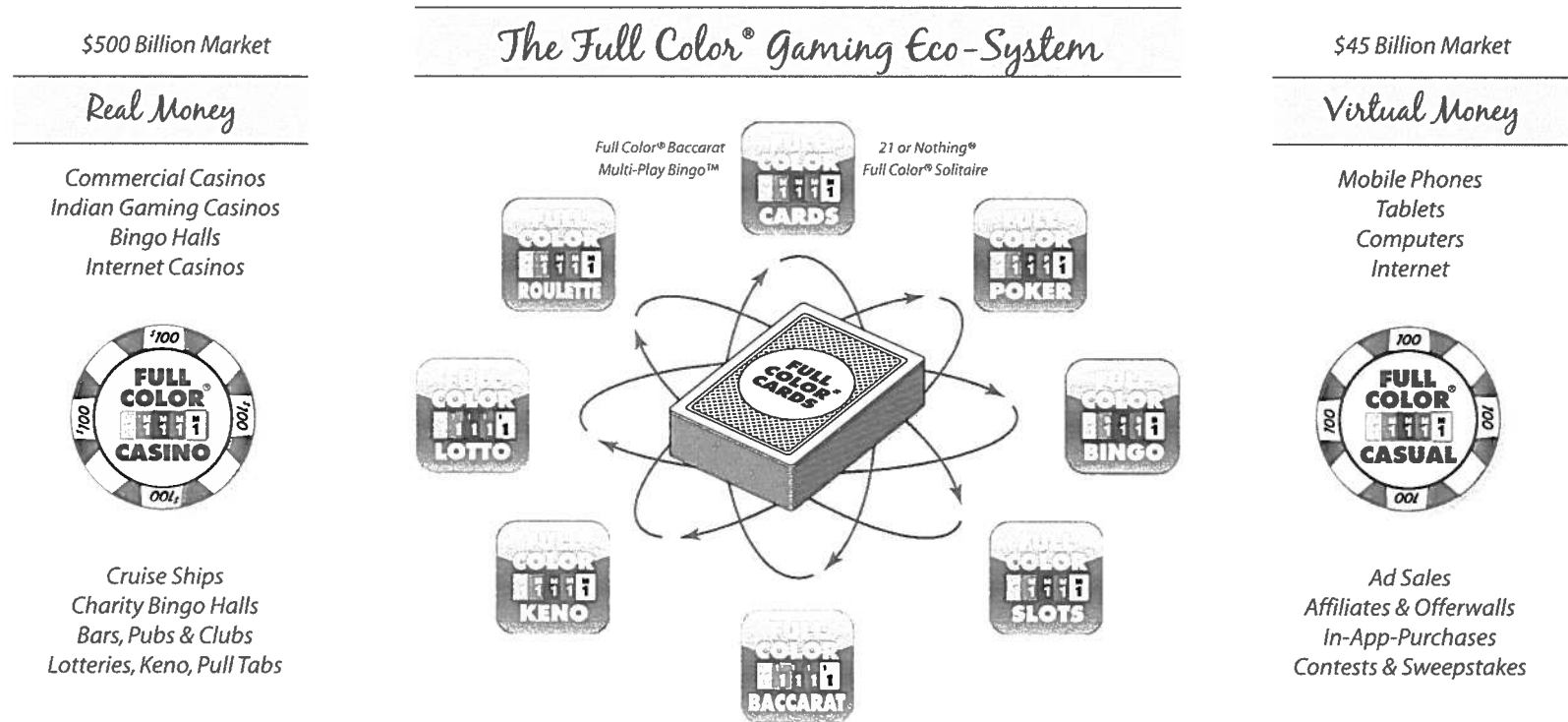
TO PLAY ALL THE WORLD'S MOST POPULAR GAMES WHILE SOLVING THE PROBLEM OF LACK OF CHOICE

TAKE THE FULL COLOR® CHALLENGE & DISCOVER WHY PEOPLE WORLDWIDE PREFER TO PLAY



**OUR GAMES, AT HOME, ON MOBILE, ON THE
INTERNET & FOR REAL MONEY IN CASINOS**

REAL & VIRTUAL GAMBLING REVENUE WILL PASS \$500 BILLION DOLLARS IN 2015



FULL COLOR® GAMES IS POSITIONED TO CAPTURE SIGNIFICANT REVENUE FROM EACH INDUSTRY

40% OF THE TOP GROSSING MOBILE APPS ARE SOCIAL CARD & CASINO GAMES



**Grossing
\$415M /Yr 2012**



**Grossing
\$110M /Yr 2013**



**Sold to IGT
for \$500M 2012**



**Sold to Caesars
for \$90M 2012**













\$25B IN iOS/ANDROID SPENT IN 2014 WITH \$2.7B OF REAL MONEY ON VIRTUAL CASH

ANYONE CAN MAKE & MARKET A TRADITIONAL CARD OR CASINO GAME BUT ONLY WE CAN

Proprietary IP	Products	Venues				Platforms
<p>The Full Color[®] Cards Series was invented by David W. Mahon. The unique, original and proprietary nature of the deck creates hundreds of games, methods and derivatives.</p> <p>U.S. Trademark (Goods & Services) Registered Trademark has been issued</p> <p>FULL COLOR [®] Brand of Games</p> <p>U.S. Copyright M-O-N-E-Y • P-O-K-E-R • B-I-N-G-O Each Full Color[®] Deck consists of 125 Cards of 5 Suits each No'd 1-25. ©2008-2014 by David W. Mahon.</p> <p>Patents Pending Full Color[®] Games Full Utility Patent Primary was filed on 5/7/09 plus many additional provisionals filed</p>	<p>Full Color[®] Cards Full Color[®] Poker Full Color[®] Slots Full Color[®] Bingo Full Color[®] Keno Full Color[®] Lotto Full Color[®] Roulette Full Color[®] Baccarat Full Color[®] 21 Full Color[®] Solitaire 1000's of derivatives 100's of sidebets</p>	<p>Brick & Mortar Casinos Indian Casinos Bingo Halls Card Clubs Bars, Pubs & Stores Online & Mobile Casinos Social Internet Websites Lotteries Retail Electronics Retail Printed Games Televised Tournaments Cruise Ships</p>				<p>Tabletop Video Slots Upright Video Slots Table Games Online Casino Websites Internet Gaming Websites Internet Social Websites Pull Tabs Scratch Offs Smartphones Tablets Consumer Retail Outlets Printed Card Games</p>
	Territories	USA Europe	Canada Mexico	Asia Africa	Caribbean Australia	Tribal America South America

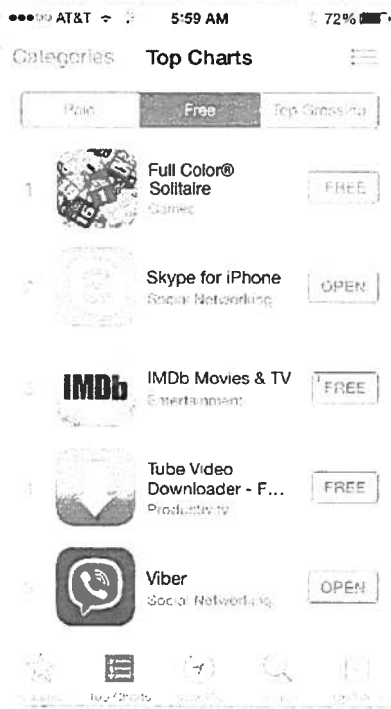
**MANUFACTURE, DISTRIBUTE, LICENSE, PUBLISH
OR BROADCAST ANY FULL COLOR[®] GAME PRODUCT**

ADVANCES IN TECHNOLOGY CREATE PERFECT TIMING FOR FULL COLOR® GAMES TO MONETIZE

Distribution Paths	Main Revenue Models	Strategic Growth & Exits
 <p>Self Publish Mobile & Tablets Mac & PC Internet & Portals</p>	 <p>Freemium Banners Ads Video Ads Affiliate Ads</p>	 <p>Applications Company has 8 different game genres to create & develop 1000's of new games</p>
 <p>Strategic Partnerships 3rd Party SDKs Skillz.com / Cashbet.com Branded Campaigns</p>	 <p>Premium Virtual Credits Offerwalls & Engagements Sponsorships & MIAPP™</p>	 <p>Global Branding Full Color® Cards Contests & Sweepstakes Television Reality Shows</p>
 <p>Licensing Internet Portals Casino Game Mfg's & Distrib. Internet/Land Based Casinos</p>	 <p>Paid In-App Purchases Store Kits Subscriptions</p>	 <p>Full Color® Games SDK Open source game kits allow game inventors to create new Full Color® Games IP</p>
 <p>Affiliate Marketing Advertising Affiliates Publishing Affiliates Internet Casino Affiliates</p>	 <p>Real Money Skill Based Betting Casino Gambling Income Brand Licensing</p>	 <p>IPO Full Color® Games FullColorCasino.com Land based Casinos & Retail</p>

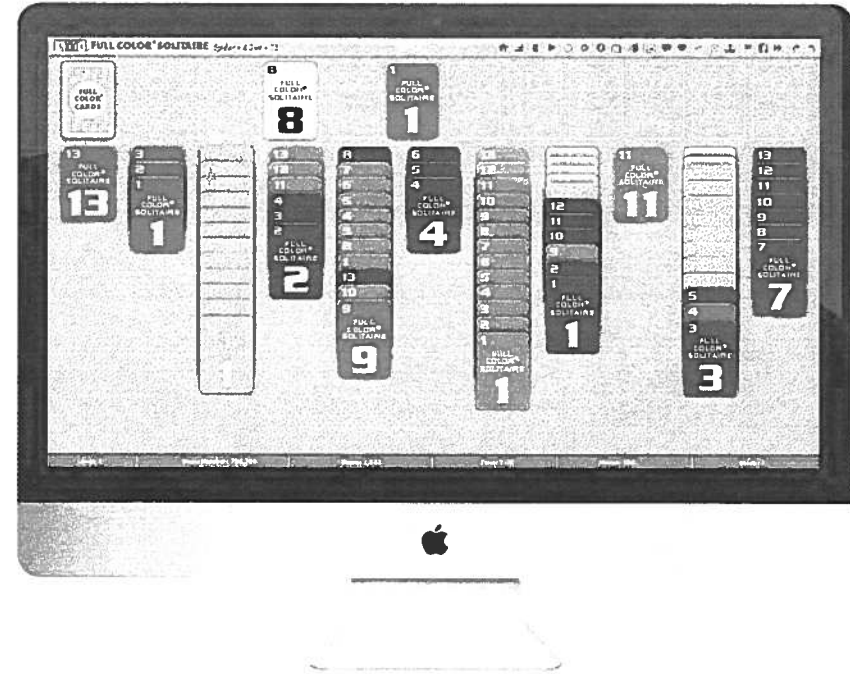
IN ALL MARKETS, DEVICES & AUDIENCES WITH DECADES WORTH OF NEW PRODUCT PIPELINE

OUR FIRST CASE STUDY OF FULL COLOR® SOLITAIRE WITH FULL COLOR® CARDS WAS QUIETLY RELEASED



Released on iPhone / iPad / iPod

*#1 New
Card & Board
Game in Over
45 Countries
within 90 days
of Commercial
Release without
any Press or
News Coverage
Whatsoever*



Ready to be ported to Android, Windows, Kindle, Facebook, Mac, PC & all Internet Portals.

WITH RECORDED GAMEPLAY IN 180+ COUNTRIES PROVING CONSUMER DEMAND FOR UNIQUE GAMES



Full Color® Games

STRATEGIC GROWTH

Funding is for Development, Marketing, Distribution, Capitalization & Strategic Growth

- ***Full Color® Games' company/studio expansion of talent***
- ***Full Color® 21, Baccarat & Poker social casino release***
- ***Full Color® Casino TV, PR & Advertising & UA campaigns***
- ***Full Color® Casino released to real money internet casinos***
- ***Full Color® Casino games released for retail & home sales***
- ***Full Color® Casino released for land based casinos***



Full Color® Games

USE OF PROCEEDS

Funding is for Development, Marketing, Distribution, Capitalization & Strategic Growth

Full Color® Games' Studio Expansion of Talent

Executive Management Team
Ads & Affiliate Management Team
Video Tutorials Production Team
Social Media & Web Team
Beta Testing & QA Team

Graphics Design Team
Code Development Team
Office Management Team
Casino Management Team
Sales & Marketing Team

Full Color® Casino Real Money • 21, Baccarat & Poker

Code FC21, FCB & FCP to Quickfire
Code FC21, FCB & FCP to Playtech
Code FC21, FCB & FCP to GTS
Code FC21, FCB & FCP to OpenBet
Code FC21, FCB & FCP to Leander

Code FC21, FCB & FCP to 888
Code FC21, FCB & FCP to Amazy
Build out Real Money Server
Build out Real Money Affiliates
Certify games to Online Portals

Full Color® Social Casino • 21, Baccarat & Poker

Code FC21, FCB & FCP to Android
Code FC21, FCB & FCP to Facebook
Code FC21, FCB & FCP to Mac OSX
Code FC21, FCB & FCP to Windows
Code FC21, FCB & FCP to Windows Phone

Code FC21, FCB & FCP to Kindle
Code FC21, FCB & FCP to HTML5
Build out Virtual Credits Server
Perfect the In App Game Tutorials
Publish the Video Tips & Tricks

Full Color® Casino Real Money Affiliates Campaigns

PR Campaigns + FCG Cross Promotions
App Review Website Campaigns
Mobile Advertising Campaigns
Web Advertising Campaigns
Affiliate Marketing Campaigns

Email Marketing Campaigns
Facebook Marketing Campaigns
Twitter Advertising Campaigns
Social Media Campaigns
Global Mobile App Conventions

Full Color® Casino Social User Acquisition Campaigns

PR Campaigns + FCS Cross Promotions
App Review Website Campaigns
Mobile Advertising Campaigns
Web Advertising Campaigns
MIAPP Affiliate Marketing Campaigns

Email Marketing Campaigns
Facebook Marketing Campaigns
Twitter Advertising Campaigns
Social Media Campaigns
Global Mobile App Conventions

Full Color® Casino Future Acquisitions & Growth

Search for Online Casino to Acquire
Obtain Regulatory Licenses for Casino
Obtain Regulatory Approvals for Games
Apply for Casino Gaming Mfg License
Manufacture Physical Table Games

Real Money Land Based Casinos
Real Money Ocean Based Casinos
Affiliate Marketing Campaigns
Casino Gaming Partnerships
Casino Event Sponsorships



Full Color® Games

MANAGEMENT TEAM

We are currently a small and self contained game development studio of 6 people



David Mahon
Founder / CEO

Inventor, Game Designer &
Architect of Casino Gaming Paradigms



Glen Howard
President

Co-Founder / Hercules Technology Growth Capital
Managing Director Finance / Mercury Capital



Richard H. Newman, Esq.
COO / IP Attorney

Casino Gaming IP Attorney / Newman Law, LLC
ShuffleMaster (SHFL) Legal Counsel



Cheryl Terhune-Honoré

Head of Business Development

Harrah's / Caesars (Entertainment, PR, Marketing)
MGM Mirage Events (Event Production, Marketing)



Nick Wright

Lead Developer

IBM (PHP, MySQL, Objective-C)
Unity / Android / IOS Developer



Alex Curylo

Chief Software Architect

Atimi Software, Vonage
Thousands of Applications over 27 years



Full Color® Games

ADVISORY BOARD

Our Board Consists of Angel Investors, Seasoned Entrepreneurs & Gaming Pros



Amish Shah

Founder / CEO Millennium Search
Partner / Sierra Maya Ventures



Glen Howard

Co-Founder / Hercules Technology Growth Capital
Managing Director Finance / Mercury Capital



Richard H. Newman, Esq.

IP & Casino Gaming Attorney
Former Legal Counsel for ShuffleMaster



Cheryl Terhune-Honoré

Former Harrah's / Caesars's
MGM / Mirage Events & Mktg



Matthew Cowan

Managing Partner / Bridgescale Partners
Co-Founder / CEO Breeze



Eric Kagan

Partner / Sierra Maya Ventures,
KGN Holdings & founder Access Northeast



Erick Hachenburg

Co-Founder / former CEO Pogo.com
former CEO of Metacafe.com



Mark Munger

Mark Munger & Associates
Casino, Tech & Security Expert

EXHIBIT “E”

From: Glen Howard <glen@fullcolorgames.com>
Sent: Thursday, June 29, 2017 7:30 PM
Cc: Mahon David; Howard Glen
Subject: Full Color Games, Inc. Investor Update
Attachments: PastedGraphic-1.tiff; 2017_06_29_FCGI_Investor_Update.pdf

To: FCGI Investors,

Please find attached the current Investor Update for Full Color Games, Inc.

Best Regards,

Glen

The Next Generation of
Card & Casino Based Gaming

Full Color® Games, Inc.
3225 McLeod Drive, Suite 100
Las Vegas, NV 89121

Glen Howard
President

Email: glen@fullcolorgames.com
Direct: 650-464-1257 iPhone
Skype: gchoward1

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CONFIDENTIAL DOCUMENT
FULL COLOR GAMES, INC.
June 28th, 2017 – INVESTOR UPDATE

The following is an investor update that outlines events that effect the company and Shareholders of Full Color Games, Inc. ("FCGI").

1. On April 11, 2016, FCGI became a major shareholder of Full Color Games Ltd ("FCGL") and entered into a Commercial License Agreement ("CLA") for Full Color® Games with the purpose of releasing those games for real money gaming by obtaining a UK Gambling Commission ("UKGC") Remote Gaming License ("Application").
2. FCGL is in the business of real money gaming.
3. Real money gaming is a highly regulated business.
4. Real money gaming licenses are a qualified privilege and not a right.
5. On August 17, 2016, FCGL did in fact submit an Application to the UKGC.
6. On November 17, 2016, the UKGC formally notified FCGL of compliance terms and conditions precedent to approve the Application and FCGL acted on them.
7. On February 10, 2017, the UKGC gave further notice of compliance terms and qualifying conditions to approve the Application and FCGL acted on them.
8. On April 21, 2017, the UKGC gave final notice to FCGL to comply by April 28, 2017 or have its Application refused for lack of qualification.
9. FCGL officially failed to meet the full UKGC Application terms and conditions by April 28, 2017 leading to an Application refusal by default.
10. Once a UKGC Application is refused, the Applicant is permanently barred from resubmission.
11. Between April 29, 2017 and May 30, 2017, FCGL sought legal and tax counsel with FCGL's default on the UKGC Application.
12. On May 31, 2017, at the legal advice of counsel from DLA Piper in London, FCGL and its Licensor, mutually terminated the CLA.
13. FCGL has no monetizable assets as a result of all of the above.
14. FCGL has minimal operating capital as a result of all of the above.
15. FCGL's share value has a current effective null value as a result of its condition.
16. FCGI's share value is directly related to the value of FCGL's share value on a 1:1 basis.
17. FCGI's share value has a current effective null value as a result of FCGL's condition.
18. FCGI has no monetizable assets.
19. FCGI has minimal operating capital.
20. FCGI has the right to seek redress but no capital to do so.
21. Any Shareholder that seeks redress should send requests to fullcolorgamesinc@gmail.com by July 31, 2017 in order to be presented to the Board of Directors for consideration.
22. In the interim, FCGI Board of Directors has recommended that FCGI file for dissolution with the Nevada SOS after winding up its affairs and distribute all remaining assets, if any.
23. When FCGI files for dissolution, it will then send out the final investor tax notices.

EXHIBIT “F”

From: Glen Howard <glen@fullcolorgames.com>
Sent: Thursday, June 29, 2017 7:31 PM
Cc: Mahon David; Howard Glen
Subject: Plan to Move Forward - Overview of Full Color Games Group, Inc.
Attachments: PastedGraphic-1.tiff; 2017_06_29_FCGG_Investor_Overview_Release.pdf

To Our Trusted Friends and Advisors,

Please find attached a detailed overview of Full Color Games Group, Inc which is a new Nevada Corporation that has been setup to facilitate the path forward for Full Color Games. Please maintain this material as CONFIDENTIAL.

David and I look forward to your feedback and the opportunity to answer any questions you may have.

Best Regards,

Glen

The Next Generation of
Card & Casino Based Gaming

Full Color® Games Group, Inc.
3225 McLeod Drive, Suite 100
Las Vegas, NV 89121

Glen Howard
President

FCG Product Trailer

Email: glen@fullcolorgames.com
Direct: 650-464-1257 iPhone
Office: 702-749-4357 x104
Skype: gchoward1

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June 29th, 2017

To Our Trusted Friends and Advisors:

By now you should be aware of the fact that the Commercial License Agreement ("CLA") for Full Color® Games Intellectual Property Rights ("FCG-IPR") that was once exclusively licensed to Full Color Games Ltd ("FCGL") was terminated on May 31, 2017 with Intellectual Properties Holding Ltd ("IPHL").

That CLA was managed by IPHL by way of an Intellectual Property Rights Management Agreement ("IPR-MA"). As a result of the termination of the CLA with FCGL, IPHL further terminated its IPR-MA with its Licensor, Intellectual Properties Holding, LLC, a Nevada limited liability company, ("IPH") on May 31, 2017.

As a result, all rights to all FCG-IPR, including all of its improvements to date, pursuant to the CLA and the IPR-MA, reverted, in full, free and clear of all encumbrances back to the USA to IPH with all of its improvements to date, per the terms and conditions of the CLA.

IPH owns and controls 100% of all the master licensing rights to all FCG-IPR as invented, created and wholly owned by David W. Mahon as registered with United States Patent and Trademark Office ("USPTO") and US Copyright Office ("USCO").

NEW LICENSEES

IPH seeks to commercialize its rights to the FCG-IPR through a new Exclusive Commercial License Agreement ("ECLA") to a qualified corporation that can take the existing FCG-IPR and finally commercialize it.

Full Color Games Group, Inc., a Nevada corporation was formed on June 9, 2017 ("FCGG") and seeks to be deemed a qualified corporation by IPH and obtain the ECLA.

In order for FCGG to become qualified by IPH, it must raise and close a minimum of \$250,000 in order to acquire the ECLA. The proposed plan is to raise those and additional funds through a \$500,000 Convertible Note ("CNote") that will convert into Preferred Seed Shares as defined below. FCGG seeks to raise these funds through "known investors" who are people such as yourself that are accredited investors who

have real money casino gaming investment experience in the global casino gaming industry as well as those who understand the risk vs. rewards associated with investing in such an industry, much more in disruptive methodologies.

FCGG has established minimum thresholds that it refers to as “*Minimum Amount of Investment*” to participate in this financing and then priced the shares at a \$5.13 million pre-money valuation with a **3x** liquidation preference to guarantee a priority return of capital to everyone that participates as an extraordinary measure of reward in relation to the associated risk of the investment. After that priority return has been paid, preferred shareholders will share on a pro-rata basis with the Common Shareholders. For example, a \$10,000 investment in Preferred Seed Shares today will pay you back a full \$30,000 (3x) before any of the Common Shareholders can receive a penny. You will receive a separate email that designates your *Minimum Amount of Investment* to participate in this financing.

NEW FUNDING DETAILS:

- Up to \$500,000 will be raised on a CNote that will convert into 2,423,633 non-voting Preferred Seed Shares based on a triggering event.
- The conversion price will be set today at \$0.2063 (20.63 cents) per share (\$5.13m pre-money valuation) and will be triggered (converted) upon the first commercial release of a Full Color® Games product.
- Invited participants must invest their allotted *Minimum Amount of Investment* in the CNote to participate. You will be notified in a separate email of this amount.
- Participants may request to invest more than their *Minimum Amount of Investment* if they wish to purchase unallocated shares.
- The FCGG Board will determine who may purchase the unallocated shares if they are over-subscribed. This CNote offering will not exceed \$500,000.
- **Investors who choose not to participate, will not receive any Preferred Seed shares.**
- The Closing date will be at midnight on July 14th, 2017.
- All Preferred Seed shares received upon conversion will be non-voting shares.
- 100% of all voting shares of FCGG have been issued to IPH.
- Investors who choose to participate must satisfactorily complete a *Bad Actor Questionnaire*. This form is a mandatory self-certification whereby any Shareholder of FCGG confirms themselves as being capable of being found “suitable” by FCGG and by any real money gaming authority having jurisdiction required to acquire necessary gaming licenses in order to effectuate any part of the ECLA. Reference: [Licence Conditions and Codes of Practice \(LCCP\) for UKGC](#).

FCGG GOVERNANCE & OVERSIGHT

Upon the issuance of the ECLA, FCGG shall form a Board of Directors to ensure proper governance, oversight, transparency, operating plans and management responsibilities of FCGG. See “FCGG Board of Directors” paragraph below for more detail.

PURPOSE OF THE COMPANY

The primary value of the FCG-IPR resides in its ability to commercialize itself worldwide through all 240 countries in all languages to all people around the globe due to its universal appeal. In order to maximize its full potential, FCGG was formed to become the master licensor of Full Color® Games products and issue sublicenses when and where it deems fit to establish, develop, market, promote and exploit the value of the Full Color® Games global brand. This requires an elaborate corporate infrastructure that will evolve over time whereby it will form many subsidiaries and sub-license its own rights around the world for both real money and virtual money gaming, in both regulated and unregulated markets and in order to maximize tax management solutions, governmental restrictions and monetary exchange systems in order to maximize its cash flow and cash distributions to shareholders. In short, FCGG will be the apex of the licensing structure whereby Shareholders will see their proportionate share of ALL revenues related to the distribution of Full Color® Games pursuant to the ECLA regardless of how FCGG sublicenses out its rights. This will ensure that all power is maintained here in the USA whereby we can maintain complete control, transparency and distribution of dividends that isn't so easily obtained, maintained or transacted by having foreign entities as the apex of ECLA.

Additional subsidiaries will only be formed (yet wholly owned by the FCGG) when it is necessary for us to distribute our rights afforded to us under the ECLA specifically including but not limited to streamlining the application and approval process for acquiring new and necessary gaming licenses to commercialize and monetize our rights.

FCGG intends to structure itself in ways that would enable the company to go public through an IPO.

FCGG BOARD OF DIRECTORS

The Company intends on creating a new 3-person Board of Directors ("BOD") to oversee management and operations. The BOD shall initially consist of David Mahon as Chairman and CEO, Glen Howard as President, and [Jean-Pierre Houareau](#) ("JP") as an outside Director with significant casino gaming CFO and management experience. JP also holds a UKGC Personal Management License ("PML") of which all Shareholders (with ≥3% ownership in FCGG), Directors or executive management must obtain. The BOD will also grant board observation rights to [Hilary Stewart-Jones](#) of DLA Piper who is currently acting as our primary legal advisor. For the first 6 months, the BOD shall meet monthly. After that, the BOD will decide its own schedule.

The BOD plans to take up such key matters as;

- Approval and Management of the Operating Budget
- 3-year Product roadmap
- Product launch plans & priorities
- Hiring Plans to execute and achieve near term revenue projections
- Coordinate & Initiate Applications for Key Gaming Licenses

- Manage all Compliance Issues related to Casino Gaming Licenses
- Formulate FCGG Dividend Distribution Policy
- Series A Fundraising Plans – FCGG plans to raise more funds in 3 to 6 months
- CEO Succession Plan
- Insurance matters (Business insurance, Key Man Insurance, etc.)
- Contracts with key personal, contractors and contract partners
- Standardizing FCGG legal docs for Operators & Distribution Partners
- Office Space requirements
- Management/Employee Option Pool
- Investor Relations and Quarterly Updates
- Company Tax, audit and compliance matters
- Banking Relationships & Safeguards

TRANSPARENCY

The Company intends to provide the BOD with monthly financial reports and business statements. The financial reports shall include Balance Sheet, P&L, Budget Updates, Bank distributions and Cap table.

The Company intends to provide Investors with written quarterly financial data and business updates.

OPERATING PLAN

The Company will put forward a \$500,000 twelve-month operating plan itemizing all expenses to be incurred and the projected revenues. Such plan will include all projected monthly expenses and a product rollout plan with revenue projections. Any significant deviation from this plan will require BOD approval.

The Operating Plan is subject to change based on market conditions, licensing delays, operator integrations, sub-licensing deals and other business opportunities that come our way as the Full Color® Games brand begins to gain national and international exposure. The FCG-IP has an extremely long list of Tier 1, 2 and 3 operators in both regulated and non-regulated, real money and virtual money markets that will take the product as soon as it is ready. FCGG intends to stay focused on it's existing integrations with Spin Games (USA), it's new integration with Gameiom (Europe & Asia) for now while taking advantage of its ability to do direct operator integrations as much as distributor deals in both the [random-number generation](#) ("RNG") and live dealer ("LD") markets.

MANAGEMENT RESPONSIBILITIES

David Mahon (CEO & Inventor) and Glen Howard (President) and any other executives contracted by the Company shall enter into contracts with the company that shall be BOD approved. Such contracts shall specify minimum monthly income based on certain minimum revenues being achieved. Such contracts will also spell out specific job responsibilities of Mahon, Howard and other Executives. This new structure is intended

to offload CEO David Mahon so he can focus on the top company priorities of launching products and achieving revenue.

It is believed to be in the best interest of the Shareholders and management that Mahon spend the majority of his time on existing product development of 21 or Nothing® and Full Color® Baccarat, product release plans, gaming math approval, licensing, operator integrations, QA, IP related matters, international vendor relationships and marketing activities and conferences that promote product usage. Howard will handle employee management, U.S. vendor relationships, office operations, investor relations, financial activities including fundraising, banking relationships, expense management, payroll, accounting matters and tax and reporting matters. Several of these functions like legal and accounting will be outsourced until the company is of sufficient size and revenue to bring such expertise in house.

LEGAL COUNSEL

FCGG has obtained the legal and consultation services of [James \(Jim\) Jensen](#) of [Perkins-Coie, LLP](#) ("PC") of Palo Alto, CA for it's company formation, SEC and investor relations counsel. PC will be providing all subscription docs, share issuance agreements, CNote docs, NDA's, self-certifications, et. Al. related to any and all SEC regulated investments.

FCGG has obtained the legal and consultation services of [Hilary Stewart-Jones](#) of DLA Piper, London. She has strong expertise within the gaming industry and specifically focuses on intellectual property and technology in the gambling sector. She is currently engaged at no cost to FC GG as she is very excited about the future prospects and opportunities of FC GG and it's ECLA.

FCGG has obtained the legal and consultation services of [Mark A. Litman](#) of Mark Litman & Associates, P.A. for its intellectual property counsel by way of IPH. Mark Litman is considered one of the world's leading authorities on casino gaming patents, trademarks and copyright law. He has argued before the USPTO creating case law critical to the issuance of patents related to FCG-IPR.

BANKING RELATIONSHIPS

FCGG has been authorized to open bank accounts at Bank of America and will initially have Mahon and Howard with signatory power. FC GG's accountant shall be granted viewing options and oversight to the bank accounts. Expenses of \$10,000 or greater that are not itemized in the operating budget will require two executive signatures.

ACCOUNTING MATTERS

FCGG shall retain the services of [Adam Hodson, CPA](#) ("AHC") for all USA accounting and tax counsel. AHC shall provide accounting services to prepare financial reports, tax filings and audit reports as necessary. As the company grows it will seek the advice of other tax professionals worldwide by the likes of KPMG or BDO, each of whom are already familiar with the FCG-IP.

THE EXCLUSIVE COMMERCIAL LICENSE AGREEMENT (ECLA)

The FCG-IP is poised to disrupt the \$500 billion dollar regulated casino gaming market which more than doubles when you add the non-regulated markets to it. If FCG-IPR obtains even 1/10th of 1% of that market share of over \$1 trillion globally, it's market cap could make it the single largest casino gaming company on the planet.

Simply stated, FCGG cannot afford to pay for an all-inclusive global license for the development, distribution and commercialization rights to the full suite of Full Color® Games and all its related intellectual property rights of the games that the FCG-IPR is capable of producing now or over the lifetime of the author plus the 70 years it is protected by through the fully registered copyrights of Full Color® Cards and the pending FCG-IPR patent applications currently before the USPTO.

To put this into perspective, no one could afford to buy the original master license to Coca-Cola, McDonald's, Starbucks, Monopoly or any other globally recognized brand that started with one product (soda, hamburgers, coffee or a board game) whereby each of the respective brands are licensed worldwide and doing billions of dollars in revenue annually in a countless number of product lines that extend far beyond their namesake products. FCG-IPR is poised to replicate each of their global product lines.

In the realm of reality, IPH recognizes that 100% of nothing is nothing as much as FCGG recognizes there is no way on earth it can afford the ECLA.

IPH recognizes that certain compromises must be made in order to compliment each other, benefit together and get its first products to the global marketplace as much as any investor in FCGG must also recognize that it must do the same in order to gain access to the global commercialization rights and their perpetual revenue streams.

In an ideal world, IPH would only issue one FCG-IPR product license at a time to FCGG and require FCGG to prove it has the financial wherewithal to actually commercialize it before it grants any other licenses in order to avoid any further delay to its revenue streams in order to ensure that it avoids repeating any of its setbacks it has already experienced by the failures of previous Licensees.

In an ideal world, FCGG would have all of the FCG-IPR from the start so that it never has to bid or negotiate against other competitors for any or all other rights to the FCG-IPR if it is the entity that is ultimately responsible for funding the first success of the first product that paves the way for additional FCG-IPR products to launch and trade on the currency of that first success. In an ideal world, FCGG would be the sole beneficiary of its original investments, its best efforts and financial resources that makes it possible in the first place.

In the real world, the ECLA does include an all-encompassing and unprecedented series of inventions that includes the entire suite of Full Color® Games and distribution rights

to them, both known and unknown from now in perpetuity. Currently those include 10 different existing formats that include 21, baccarat, slots, bingo, poker, dice, keno, lotto, roulette and solitaire. These include games that are already created, conceived or formulated by David W. Mahon as well as any open source game development kits Mahon intends to produce to allow others around the world to create new games through sublicensing over time.

In the real world, the ECLA also includes millions of dollar's worth of infrastructure that FCGG will instantly obtain. This infrastructure was created through 6+ year's worth of IPH relationships that include existing licensing relationships with software providers that allow for the near instant commercialization of the FCG-IPR through its random-number generation ("RNG") product, its live dealer product ("LD") and the remote gaming servers ("RGS") used to deliver them both. All FCGG investors get these instant benefits of evolution.

And finally, the ECLA also includes a grant of FCG-IPR rights at no upfront cost to FCGG. In summary, the value of the ECLA far exceeds the new investment dollars being raised to obtain it.

Never before in the history of time has anyone been able to disrupt the casino gaming market on a worldwide basis and across multiple formats. Such a disruption, should it actually occur and reach its full potential, truly has an incalculable value to it, motivating IPH to hold out for its true value to be quantified based on its first release of 21 or Nothing® before it issues out any additional licenses related thereto in what is sure to be followed by a bevy of other disruptive products. At that point, no one would be able to afford to purchase any additional rights and more importantly there is no way on earth IPH would sell those rights.

Therefore, in order to come to a fair and equitable agreement and bridge the gap between the unattainable ideal world and the attainable real world, both parties in IPH and FCGG have agreed to a pre-negotiated and non-negotiable equal-equal 50/50 revenue share in all revenue generated by the FCG-IPR as defined in the ECLA. IPH shall have no rights to re-negotiate the ECLA and FCGG will have all the rights to all Full Color® Games products now known or unknown in perpetuity.

PRODUCT ROADMAP

Here is a brief roadmap of what games FCGG plans to launch in the next year and then other formats that are expected to follow as soon as market conditions warrant it. Each game is projected to represent a market opportunity exceeding hundreds of millions of net gaming revenue ("NGR") per year. These games are all covered by the ECLA including all versions of play such as Live Dealer, computer RNG, physical tables and home game versions as well as any associated merchandise sales.

- 21 or Nothing® – version 1 is ready for release in social and subject to real money gaming licenses being issued by the authorities having jurisdiction (“AHJ”) where regulated.
- Full Color® Baccarat – Coming 4Q2017
- Full Color® Slots – Anticipated 2018
- Full Color® Roulette – Anticipated 2018
- Full Color® Bingo – Anticipated 2019
- Full Color® Poker – Anticipated 2020
- Full Color® Craps

All dates may be accelerated depending on growth, funds available and if and when FCGG goes public.

NEXT STEPS TO PRODUCT LAUNCH AND REVENUE

- Complete the initial \$250K (minimum) of the CNote – July 14, 2017
- Complete \$500K CNote – End of July to Mid August 2017
- Apply for New Jersey GC License – Mid July 2017
- Apply for UKGC license – End of July 2017 (expected 10-12 week process)
- Finalize distribution contracts with Spin Games and Gameiom.
- Complete BMM math approval of V1 of *21 or Nothing*®
- Sign Revenue share agreements with NJ Operators
- Sign Revenue share agreements with Gibraltar & Asia Operators
- Complete Live Dealer offering with ReDIM team in India (4 weeks)
- Go live with NJ Operators via Spin Roc 3 Server (approx. 10 weeks)
- Go Live with Gameiom unregulated Asian Operators (approx. 12 weeks)
- Apply for Gibraltar Gaming license (4 week process after UKGC license is issued)

CAPITALIZATION – BASED ON \$500K BEING FUNDED

- The initial capitalization of FCGG will include approx. 25M Common Shares with ~86% held by IPH LLC, ~8% held by The Howard Trust and ~6% Others.
- Upon the conversion of a full \$500k Convertible Note there will be ~27.3M total shares (Preferred + Common) outstanding with ~8.9% held by investors, ~78.6% by IPH LLC, ~7.6% by The Howard Trust and ~4.9% by others.

NEXT STEPS

Thank you for your time and interest in reviewing this opportunity to consider an investment in FCGG. Qualified and interested investors will be receiving a personal email with details on your *Minimum Amount of Investment* and the next steps to participate. We plan to close the funding no later than July 14th, 2017.

Please do not hesitate to call Glen Howard (650-464-1257) or David Mahon (310-880-8874) with any questions, comments or concerns.

EXHIBIT “G”

FULL COLOR GAMES, INC.

AMENDED & RESTATED CONVERTIBLE NOTE PURCHASE AGREEMENT

THIS AMENDED & RESTATED CONVERTIBLE NOTE PURCHASE AGREEMENT (this “*Agreement*”) is made as of June 4th, 2015 (the “*Effective Date*”) by and among **FULL COLOR GAMES, INC.**, a Nevada corporation (the “*Company*”), and the individuals and/or entities listed on Exhibit A attached hereto (each, a “*Purchaser*,” and collectively, the “*Purchasers*”).

RECITAL

- A.** The Company currently requires funds to help finance its operations.
- B.** The Purchasers are willing to advance funds to the Company in exchange for the issuance to them of certain secured convertible promissory notes evidencing the Company’s obligation to repay the Purchasers’ loans of the advanced funds, all as provided in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and the representations, warranties, covenants and conditions set forth below, the Company and the Purchasers, intending to be legally bound, hereby agrees as follows:

1. PURCHASE AND SALE OF THE NOTES

1.1 The Notes. The Company has authorized the issuance and sale to the Purchasers of the Company’s Secured Convertible Promissory Notes in the original aggregate principal amount of up to \$2,000,000 as set forth on Exhibit A hereto, or such higher amount as may be required to accommodate the exchange of the Prior Notes (as defined below). The Secured Convertible Promissory Notes shall be substantially in the form set forth as Exhibit B hereto and are herein referred to individually as a “*Note*” and collectively as the “*Notes*,” which terms shall also include any notes delivered in exchange or replacement therefor.

1.2 Purchase and Sale of Notes. The Company agrees to issue and sell to the Purchasers, and, subject to and in reliance upon the representations, warranties, covenants, terms and conditions of this Agreement, each Purchaser, severally and not jointly, agrees to purchase a Note in the principal amounts set forth opposite such Purchaser’s name on Exhibit A hereto. The purchase and sale shall take place at one or more closings on or prior to September 30th, 2015 (each of which shall be a “*Closing*”) to be held at the offices of the Company or at such other time or place as may be mutually agreed upon by the Company and the Purchasers purchasing the Notes at the applicable Closing. There shall be no minimum purchase amount for any Closing. At the applicable Closing, each Purchaser will deliver to the Company as payment in full for the Note to be purchased by such Purchaser at such Closing, the amount in United States dollars set forth opposite such Purchaser’s name on Exhibit A, by (i) a check payable to the Company’s order, (ii) wire transfer of funds to the Company, or (iii) any combination of the foregoing. In the alternative, such Purchaser may surrender its existing convertible promissory notes and or of the Company (the “*Prior Notes*”) and receive in exchange therefor, a Note in the principal amount of the principal and interest accrued under the surrendered Prior Note as of the date of the Closing. Upon the issuance of a new Note to any holder of a Prior Note, the Prior Note exchanged therefor shall be terminated and of no further force or effect. Up to \$350,000 in the aggregate principal amount of Prior

Notes will be exchanged for Notes under one or more Closings. At the applicable Closing, the Company will issue and deliver to each Purchaser a duly executed Note in the principal amount set forth opposite such Purchaser's name on Exhibit A. The Company shall send such Notes to such Purchaser at the address furnished to the Company for that purpose. At the applicable Closing, each new Purchaser shall execute and deliver a joinder agreement in favor of the Company binding such Purchaser to the terms and conditions of this Agreement, including Purchaser's representations and warranties under Section 3 hereof.

2. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY

The Company represents, warrants and covenants to each of the Purchasers as follows, and each representation and warranty is true and correct as of the date hereof and will be true and correct as of the applicable Closing at which such Purchaser purchases its Note:

2.1 Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada. The Company has the requisite corporate power to own and operate its properties and assets and to carry on its business as now conducted and as proposed to be conducted. The Company is duly qualified and is authorized to do business and is in good standing as a foreign corporation in all jurisdictions in which the nature of its activities and of its properties (both owned and leased) makes such qualification necessary, except for those jurisdictions in which failure to do so would not have a material adverse effect on the Company or its business.

2.2 Corporate Power. The Company has all requisite corporate power to execute and deliver this Agreement, the Amended & Restated Security Agreement in the form of Exhibit C hereto, and to issue the Notes (collectively, the "***Loan Documents***") and to carry out and perform its obligations under the terms of the Loan Documents.

2.3 Authorization. All corporate action on the part of the Company, its directors and its stockholders necessary for the authorization of the Loan Documents and the execution, delivery and performance of all obligations of the Company under the Loan Documents, including the issuance and delivery of the Notes and the reservation of the equity securities issuable upon conversion of the Notes (the "***Conversion Securities***") has been taken or will be taken prior to the issuance of such Conversion Securities. The Loan Documents, when executed and delivered by the Company, shall constitute valid and binding obligations of the Company enforceable in accordance with their terms, subject to laws of general application relating to bankruptcy, insolvency, the relief of debtors and, with respect to rights to indemnity, subject to federal and state securities laws. The Conversion Securities, when issued in compliance with the provisions of the Loan Documents will be validly issued, fully paid and nonassessable and free of any liens or encumbrances and issued in compliance with all applicable federal and securities laws.

2.4 Governmental Consents. All consents, approvals, orders, or authorizations of, or registrations, qualifications, designations, declarations, or filings with, any governmental authority, required on the part of the Company in connection with the valid execution and delivery of this Agreement, the offer, sale or issuance of the Notes and the Conversion Securities issuable upon conversion of the Notes or the consummation of any other transaction contemplated hereby shall have been obtained and will be effective at such time as required by such governmental authority.

2.5 Compliance with Laws. The Company is not in violation of any applicable statute, rule, regulation, order or restriction of any domestic or foreign government or any instrumentality or agency thereof in respect of the conduct of its business or the ownership of its properties, which violation would

materially and adversely affect the business, assets, liabilities, financial condition or operations of the Company.

2.6 Compliance with Other Instruments. The Company is not in violation or default of any term of its certificate of incorporation or bylaws, or of any provision of any mortgage, indenture or contract to which it is a party and by which it is bound or of any judgment, decree, order or writ, other than such violations that would not individually or in the aggregate have an adverse effect on the Company. The execution, delivery and performance of the Loan Documents, and the consummation of the transactions contemplated by the Loan Documents will not result in any such violation or be in conflict with, or constitute, with or without the passage of time and giving of notice, either a default under any such provision, instrument, judgment, decree, order or writ or an event that results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, impairment, forfeiture, or nonrenewal of any material permit, license, authorization or approval applicable to the Company, its business or operations or any of its assets or properties. The sale of the Notes and the subsequent issuance of the Conversion Securities are not and will not be subject to any preemptive rights or rights of first refusal that have not been properly waived or complied with.

2.7 Offering. Assuming the accuracy of the representations and warranties of the Purchasers contained in Article 3 hereof, the offer, issue, and sale of the Notes and the Conversion Securities (collectively, the “*Securities*”) are and will be exempt from the registration and prospectus delivery requirements of the Securities Act of 1933, as amended (the “*Act*”), and have been registered or qualified (or are exempt from registration and qualification) under the registration, permit, or qualification requirements of all applicable state securities laws.

2.8 Limitation on Equity Issuances; Indebtedness. For so long as any of the Notes remain outstanding and unpaid, the Company will not, absent the prior consent of the Requisite Holders: (i) issue more than 4,000,000 shares of Common Stock of the Company (as adjusted equitably for stock splits, dividends, recapitalizations and similar events) inclusive of options, warrants or other securities convertible into, exercisable for, or exchangeable for, Common Stock of the Company, and inclusive of issuances to members of management and the Board of Directors, or (ii) incur indebtedness (whether or not secured) in an amount in excess of \$500,000 (exclusive of any Notes to be issued in a subsequent Closing). Notwithstanding the foregoing, the limitation in clause (i) shall not apply to the issuance of the Notes and/or the Conversion Securities issuable upon the conversion of the Notes.

3. REPRESENTATIONS AND WARRANTIES OF THE PURCHASERS

3.1 Purchase for Own Account. Each Purchaser represents that it is acquiring the Securities solely for its own account and beneficial interest for investment and not for sale or with a view to distribution of the Securities or any part thereof, has no present intention of selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the same, and does not presently have reason to anticipate a change in such intention.

3.2 Information and Sophistication. Without lessening or obviating the representations and warranties of the Company set forth in Article 2, each Purchaser hereby: (i) represents that it has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Securities and (ii) further represents that it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risk of this investment.

3.3 Ability to Bear Economic Risk. Each Purchaser acknowledges that investment in the Securities involves a high degree of risk, and represents that it is able, without materially impairing its

financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

3.4 Restricted Securities. Each Purchaser understands that the Securities are characterized as “restricted securities” under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Act only in certain limited circumstances. Each Purchaser represents that it is familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Act.

3.5 Further Limitations on Disposition. Without in any way limiting the representations set forth above, each Purchaser further agrees not to make any sale, pledge disposition or other transfer of all or any portion of the Securities unless and until: (A) (x) there is then in effect a Registration Statement under the Act covering such proposed disposition and such disposition is made in accordance with such Registration Statement; or (y) such Purchaser shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Company, such Purchaser shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration under the Act or any applicable state securities laws, provided that no such opinion shall be required for dispositions in compliance with Rule 144, except in unusual circumstances; and (B) all applicable provisions with respect to such sale, pledge, disposition or other transfer have been complied with as set forth in any shareholder, voting, right of first refusal or co-sale agreement to which Purchaser is or becomes bound upon issuance of the Conversion Securities by and among the Company and certain stockholders of the Company, as the same may be amended from time to time.

3.6 Accredited Investor Status. Each Purchaser is an “accredited investor” as such term is defined in Rule 501 under the Act.

3.7 Owner of Prior Note. Any Purchaser that is surrendering and exchanging a Prior Note for a new Note, hereby represents and warrants that it has not assigned all or any portion of an interest in the Prior Note to any party, and that it is the sole legal and beneficial owner of the Prior Note.

4. CONDITIONS TO PURCHASERS’ OBLIGATIONS

The respective and several obligations of each Purchaser to purchase and pay for the Notes to be purchased by it at the applicable Closing are subject to the fulfillment or waiver, on or before such Closing, of each of the following conditions, the waiver of which shall not be effective against any Purchaser who does not consent to such waiver, which consent may be given by written or verbal communication to the Company, its counsel:

4.1 Representations and Warranties. Each of the representations and warranties of the Company set forth in Article 2 hereof shall have been true and correct when given and shall be true on the date of the applicable Closing.

4.2 Performance by the Company. The Company shall have performed and complied with all agreements, obligations and conditions contained in this Agreement that are required to be performed

or complied with by it on or before the applicable Closing and shall have obtained all approvals, consents and qualifications necessary to complete the purchase and sale described herein.

4.3 Delivery of Notes. The Company shall have executed and delivered to each Purchaser a Note, in the form attached hereto as Exhibit B, evidencing the Company's indebtedness to such Purchaser in the amount next to such Purchaser's name on Exhibit A.

4.4 Execution and Delivery of Security Agreement. The Company and each Purchaser (directly or by joinder) shall have executed and delivered the Security Agreement.

4.5 Execution and Delivery of Voting Trust Agreement. The Company, each Purchaser (directly or by joinder) and Mr. David Mahon (the Company's current Chief Executive Officer), shall have executed and delivered the Voting Trust Agreement attached hereto as Exhibit D.

5. CONDITIONS TO COMPANY'S OBLIGATIONS

The respective and several obligations of the Company to issue and deliver the Notes to each Purchaser at the applicable Closing are subject to the fulfillment or waiver, on or before such Closing, of each of the following conditions, the waiver of which shall not be effective against the Company if it does not consent to such waiver, which consent may be given by written or verbal communication to the Purchasers:

5.1 Representations and Warranties. Each of the representations and warranties of the Purchasers set forth in Article 3 hereof shall have been true and correct when given and shall be true on the date of the applicable Closing.

5.2 Performance by the Purchasers. The Purchasers shall have performed and complied with all agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or before the applicable Closing and shall have obtained all approvals, consents and qualifications necessary to complete the purchase and sale described herein.

5.3 Payment. Each Purchaser shall have delivered to the Company as payment in full for the Note to be purchased by such Purchaser at the applicable Closing the amount in United States dollars set forth opposite such Purchaser's name on Exhibit A (and/or shall have surrendered a Prior Note).

6. MISCELLANEOUS

6.1 Binding Agreement. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, expressed or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.2 Governing Law. This Agreement shall be governed by, and construed in accordance with the law of the State of Nevada without reference to principles of conflict of laws or choice of laws.

6.3 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices. Any notice required or permitted hereunder shall be given in writing and shall be conclusively deemed effectively given upon personal delivery or delivery by courier, or on the first business day after transmission if sent by confirmed facsimile transmission, or two (2) business days after deposit in the United States mail, by registered or certified mail, postage prepaid, addressed (i) if to the Company, as set forth below the Company's name on the signature page of this Agreement, and (ii) if to a Purchaser, at such Purchaser's address as set forth on Exhibit A, or at such other address as the Company or such Purchaser may designate by advance written notice to the other parties hereto.

6.6 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.7 Modification; Waiver. Any provision in this Agreement to the contrary notwithstanding, any amendment, waivers, change or additions to this Agreement or the Notes or the Security Agreement may be made, and compliance with any covenant or provision herein or therein set forth may be omitted or waived, if the Company shall consent and shall obtain consent thereto in writing from the Purchasers holding at least a majority of the outstanding principal balance of the Notes (the "*Requisite Purchasers*"). Any amendment, waiver, change or addition effected in accordance with this Section 6.7 shall be binding upon each holder of Notes then outstanding, each future holder of such Notes, and the Company.

6.8 Expenses. Each of the Company and each Purchaser shall bear its respective expenses and legal fees incurred with respect to this Agreement and the transactions contemplated herein.

6.9 Delays or Omissions. No failure or delay on the part of any party to this Agreement in exercising any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

6.10 Entire Agreement. This Agreement and the Exhibits hereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this **AMENDED & Restated CONVERTIBLE NOTE PURCHASE AGREEMENT** as of the date first written above.

COMPANY:

FULL COLOR GAMES, INC.:

By: 
Name: David Mahon
Title: Chief Executive Officer

Address:
3225 McLeod Dr.
Las Vegas, NV 89121
legal@fullcolorgames.com

IN WITNESS WHEREOF, the parties have executed this AMENDED & Restated CONVERTIBLE
NOTE PURCHASE AGREEMENT as of the date first written above.

PURCHASERS:

NAME OF INVESTOR

Brian Marcus

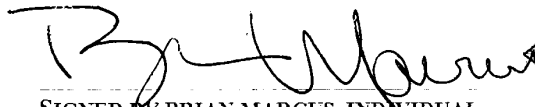

SIGNED BY BRIAN MARCUS, INDIVIDUAL



EXHIBIT C
FORM OF AMENDED & RESTATED SECURITY AGREEMENT

AMENDED & RESTATED SECURITY AGREEMENT

This AMENDED & RESTATED SECURITY AGREEMENT (this “*Agreement*”) is made as of June 4th, 2015 by and between Full Color Games, Inc., a Nevada corporation (the “*Company*”), and the parties listed on Exhibit A attached to this Agreement (individually a “*Secured Party*” and collectively the “*Secured Parties*”).

RECITALS

A. The Secured Parties have advanced funds to the Company in exchange for the issuance to the Secured Parties of certain secured convertible promissory notes issued pursuant to a certain Amended & Restated Note Purchase Agreement dated of even date herewith (the “*Note Purchase Agreement*”), each such note containing substantially identical terms and conditions (the “*Notes*”), evidencing the Company’s obligation to repay the Secured Parties’ loans of such advanced funds.

B. The parties have agreed that Company’s obligations under such Notes will be secured by Company’s grant to the Secured Parties of a security interest in and to certain collateral, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. SECURITY.

1.1 Grant of Security Interest. Subject to Section 1.4 below, as security for payment and performance of all Indebtedness (as defined below) of the Company to the Secured Parties when and as due, the Company hereby grants to the Secured Parties a security interest in the Collateral (as defined below). For purposes of this Agreement, “*Indebtedness*” means all obligations and liabilities of the Company to the Secured Parties, whether now existing or hereafter arising under or pursuant to the Notes, the Note Purchase Agreement and this Agreement, in each case whether direct or indirect, absolute or contingent, due or to become due. Reference to the “*Secured Parties*” in the remainder of this Agreement shall include the subsequent holders of any of the Notes.

1.2 Collateral Defined. As used in this Agreement, the term “*Collateral*” means, 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 (the “*License Agreement*”); and all Proceeds and product of the foregoing. All capitalized terms used in this Section 1.2 and not otherwise defined herein, shall have the respective meanings given to such terms in the Uniform Commercial Code of the State of Nevada as in effect from time to time.

1.3 Financing Statements. So long as any of the Company’s Indebtedness to the Secured Parties has not been fully satisfied, the Company will promptly execute and deliver to the Secured Parties such assignments, notices, financing statements or other documents and papers as the Secured Parties may reasonably require in order to perfect and maintain the security interest in the Collateral granted to the Secured Parties hereby and to give any third party notice of the Secured Parties’ interest in the Collateral. Upon the full discharge of all of the Indebtedness, the Secured Parties will execute and deliver such documents as may be reasonably necessary and requested by the Company to release the Collateral from the security interest granted to the Secured Parties in this Agreement.

1.4 Priority among Investors. As between the Secured Parties, the rights granted hereunder will be held by each of the Secured Parties pro rata in accordance with the then-current amount

of unpaid principal and accrued interest under all the Notes and held by each of the Secured Parties, and on a *pari passu* basis of equal seniority and priority. In the event that any Secured Party is identified alone as the creditor or the secured party in any financing statement or similar document intended to perfect a security interest granted under this Agreement, such Secured Party will hold and exercise any rights arising therefrom in trust for the benefit of all Secured Parties on a pro rata, *pari passu* basis as described above. The Secured Parties hereby agree that rights granted under this Agreement will be exercised only in the manner decided by the vote of the Secured Parties constituting the Requisite Purchasers (as defined in the Note Purchase Agreement).

1.5 Termination. When all the Indebtedness has been paid in full, this Agreement and the security interest granted to the Secured Parties under this Agreement will terminate.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. So long as any of the Indebtedness to the Secured Parties has not been fully satisfied, the Company represents and warrants to the Secured Parties that:

2.1 Title; No Liens or Claims in Collateral. The Company owns all right, title and interest in and to the Collateral. All of the Collateral is free and clear of all liens, security interests, mortgages, claims, rights, encumbrances and restrictions of any kind except for statutory tax liens, and the security interest granted to the Secured Parties under this Agreement.

2.2 No Bankruptcy. The Company is not subject to any bankruptcy case or insolvency proceedings before any court in any jurisdiction. In the ninety (90) days preceding the date of this Agreement, the Company has not received any threat from any third party to subject the Company to any involuntary bankruptcy or insolvency proceeding.

3. COVENANTS OF THE COMPANY. So long as any of the Company's Indebtedness to the Secured Parties has not been fully satisfied, the Company covenants and agrees with the Secured Parties that:

3.1 Condition of Collateral. The Company will maintain the Collateral and keep the License Agreement in good standing. The Company will perform all reasonable acts that may be necessary to preserve, protect and perfect the lien granted to the Secured Parties in the Collateral and the priority of such lien.

3.2 Taxes. The Company will pay all taxes due and owing by the Company at such time as they become due.

3.3 Sale of Collateral. The Company will not, without the Secured Parties' prior written consent, sell, lease, assign, transfer or otherwise dispose of the Collateral, any part thereof or any interest therein, or any of the Company's rights therein, to any person, entity or party other than the Secured Parties.

3.4 Other Liens. The Company will keep the Collateral free and clear of all liens, security interests, mortgages, claims, rights, encumbrances and restrictions of any kind except for statutory tax liens.

3.5 Intellectual Property. The Company will not sell, transfer, assign, mortgage, pledge, lease, grant a security interest in, or encumber any of the Company's intellectual property rights except for non-exclusive licenses and similar arrangements for the use of intellectual property.

3.6 Further Assurances. The Company shall procure, execute and deliver from time to time any endorsements, assignments, financing statements and other writings reasonably deemed necessary or appropriate by the Secured Parties to perfect, maintain and protect their lien hereunder and the priority thereof and to deliver promptly to the Secured Parties all originals of Collateral consisting of instruments.

3.7 Change of Location of Collateral, Name or Incorporation. The Company will not move or relocate any or all of the Collateral to any location outside the State of Nevada without giving the Secured Parties written notice of the moving of such Collateral at least twenty (20) days before such Collateral is moved or relocated. The Company shall not, without twenty (20) days' prior written notice to the Secured Parties, change the Company's name or the Company's state of incorporation.

4. RIGHTS AND REMEDIES UPON EVENT OF DEFAULT. The following rights and remedies shall apply upon an Event of Default (as that term is defined in the Notes):

4.1 General Remedies. In the event of an occurrence of any Event of Default (as that term is defined in the Notes), in addition to exercising any other rights or remedies the Secured Parties may have under the Notes, at law or in equity, the Secured Parties may, at their option, and without demand first made, exercise any one or all of the following rights and remedies: (i) collect the Collateral and its proceeds; (ii) take possession of the Collateral wherever it may be found, using all reasonable means to do so, or require the Company to assemble the Collateral and make it available to the Secured Parties at a place designated by the Secured Parties that is reasonably convenient to the Company; (iii) proceed with the foreclosure of the security interest in the Collateral granted herein and the sale or endorsement and collection of the proceeds of the Collateral in any manner permitted by law or provided for herein; (iv) sell, lease or otherwise dispose of the Collateral at public or private sale, with or without having the Collateral at the place of sale; (v) institute a suit or other action against the Company for recovery on the Notes or to obtain possession or effect a sale of the Collateral; (vi) exercise any rights and remedies of a secured party under the Nevada Uniform Commercial Code; and/or (vii) offset, against any payment due from the Company to the Secured Parties, the whole or any part of any indebtedness of the Secured Parties to the Company.

4.2 Proceeds. If an Event of Default occurs, all proceeds and payments with respect to the Collateral will be retained by the Secured Parties (or if received by the Company will be held in trust and will be forthwith delivered by the Company to the Secured Parties in the original form received, endorsed in blank) and held by the Secured Parties as part of the Collateral or applied by the Secured Parties to the payment of the Indebtedness.

4.3 Application of Proceeds. The proceeds of all sales and collections in respect of the Collateral, the application of which is not otherwise specifically herein provided for, will be applied as follows: (i) first, to the payment of the costs and expenses of such sale or sales and collections and the attorneys' fees and out-of-pocket expenses incurred by the Secured Parties relating to costs of collection; (ii) second, any surplus then remaining will be applied first, to the payment of all unpaid interest accrued under the Notes, and then to the payment of unpaid principal under the Notes; and (iii) third, any surplus then remaining will be paid to the Company.

5. GENERAL PROVISIONS.

5.1 Survival of Warranties. The representations, warranties and covenants of the Company and the Secured Parties contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and shall in no way be affected by any investigation of the

subject matter thereof made by or on behalf of any of the Secured Parties or the Company, as the case may be.

5.2 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties; provided that the Company may not sell, assign or delegate its rights or obligations hereunder without the prior written consent of the Secured Parties.

5.3 Governing Law. This Agreement shall be governed by and construed under the internal laws of the State of Nevada without reference to principles of conflict of laws or choice of laws and, to the extent applicable, by federal law.

5.4 Counterparts. This Agreement may be executed in two or more counterparts, or by joinder, and each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5.5 Notices. All notices required hereunder shall be given in accordance with Section 6.5 of the Note Purchase Agreement.

5.6 Amendments and Waivers. Any term of this Agreement may be amended, and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Secured Parties constituting the Requisite Purchasers (as defined in the Note Purchase Agreement). Any amendment or waiver effected in accordance with this Section shall be binding upon each Secured Party and the Company.

5.7 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

5.8 Further Assurances. From and after the date of this Agreement, upon the request of Secured Parties or the Company, the Company and the Secured Parties shall execute and deliver such instruments, documents or other writings as may be reasonably necessary or desirable to confirm and carry out and to effectuate fully the intent and purposes of this Agreement.

5.9 Nonwaiver. No failure or delay on Secured Parties part in exercising any right hereunder shall operate as a waiver thereof or of any other right nor shall any single or partial exercise of any such right preclude any other further exercise thereof or of any other right.

5.10 Entire Agreement. This Agreement taken together with the Note Purchase Agreement and the Notes constitute and contain the entire agreement of Company and the Secured Parties and supersede any and all prior agreements, negotiations, correspondence, understandings and communications among the parties, whether written or oral, respecting the subject matter hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Amended & Restated Security Agreement to be executed and delivered as of the date first above written.

THE COMPANY

FULL COLOR GAMES, INC.

Signature:  _____

Name: David Mahon

Title: Chief Executive Officer

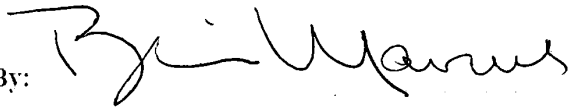
IN WITNESS WHEREOF, the parties have caused this Amended & Restated Security Agreement to be executed and delivered as of the date first above written.

SECURED PARTIES:

INVESTOR NAME:

Brian Marcus

By:



Name: Brian Marcus, an Individual

EXHIBIT A

List of Secured Parties

Name/address of Secured Party
Cowan SP Trust, UAD 12/1/11
Erick Hachenburg
KGN Holdings, LLC
Beyond Bass, LLC
Sierra Maya Ventures Fund I, LLC
Marcel Duvekot
The Howard Family Trust Dated July 10, 1995
Ferrone Family Revocable Trust Dated June 16, 1997
Pensco Trust Company, Custodian, FBO Jill K Howard IRA
BL Moore Construction Co.
Groundswell Capital, LLC
Ariel Castilla Feir
Crosby K. Hyde
Brian Marcus
Millennium Trust Co., LLC Custodian FBO Gary Solso, IRA
Tames, LLC
Jeffrey O. Pollock Revocable Trust dated 12-27-2007
The James and Guila Pollock Trust U/A/D June 27, 2006
Chris Kostanecki
Charles K. Tarpley
Tarpley Family Revocable Living Trust
The Tarpley Family Trust Jeffrey John Tarpley and Megan Nicole Tarpley Trustees U/A Dated 4/4/2005
Adam Tracy
Jeffrey V. Castaldo

EXHIBIT “H”

1 **XI. MUNGER & LINHAM CONSPIRE TO DEFRAUD INVESTORS**
2 **FOR \$320,000 IN FALSE “BACK SALARY” EMPLOYMENT**
3 **CLAIMS**

4 417. Munger filed individual claims, verifying four different times in the
5 verified pleadings submitted to the Court in this litigation claims he is owed back pay
6 between 2015 and 2017 for alleged work for FCGI.

7 418. Munger was paid in full from both FCGI and FCGNA, that Munger was
8 loaned \$5,225.00 from FCGNA as an emergency loan to pay his property taxes in
9 December of 2015 that he failed to ever pay back.

10 419. Munger and Linham conspired to claim Munger was an employee
11 accruing \$20,000 a month in “Back Salary” through a fraudulent billing scheme starting
12 on January 1, 2016 as detailed in full below.

13 420. On November 23, 2016, Munger and Linham conspired to defraud FCGI
14 and future investors by claiming that Munger was accruing 80% a month of unpaid
15 salary with the (fraudulent) intent to collect it upon a successful closing of FCGLTD’S
16 Series A funding round as witnessed in a letter that Linham, signed, and sent to Munger,
17 requesting that Munger keep the letter between Linham and Munger.

18 421. The fraudulent letter attached to the email created and signed by the two
19 both Linham and Munger which suggested that Munger’s current remuneration was a
20 reduced rate and was only 20% of his appropriate salary. Since Munger was receiving
21 \$5,000 a month for his services, this letter suggested that Munger should actually be
22 receiving \$25,000 a month.

23 **XII. MARCUS SUPPORTS BASTIAN CASINO GAMING**
24 **RACKETEERING ENTERPRISES & PERJURES HIMSELF IN**
25 **SWORN DECLARATION**

26 422. Marcus is a licensed attorney by the State Bar of California and before
27 the USPTO. Marcus is further a self-certified accredited investor. Marcus is beyond
28 skilled in the relevant art of copyright, trademark and patent law with regards to

1 intellectual property and the licensing of it. Marcus invested into the CNOTES of FCGI,
2 three different times on April 3, 2015, June 12, 2015 and again on November 9, 2015.

3 423. On November 23, 2017, Marcus makes three perjurious statements in a
4 sworn Declaration before this Court in ¶7 and ¶9, specifically, “...*I had no knowledge*
5 *that the company I was investing in merely had a revocable license, and did not own, the*
6 *intellectual property or assets I was investing to develop and market*” furthered with
7 “*The first I learned of the existence of the license agreement, defining the ownership of*
8 *the assets I invested to develop and market, was on June 29, 2017.*”

9 424. Marcus’ sworn declaration has provided a supporting role to the
10 racketeering activities of Munger, Bastian and the rest of the Bastian Casino Gaming
11 Enterprise and continues to tortiously interfere with the Counter-claimants’ rights.

12 425. Between November 23, 2017 and January 10, 2018, the ARCC Report
13 of Brian Marcus dated January 10, 2018 was produced, certified and approved by the
14 Board of Directors of FCGI detailing all of the non-compliance events resulting from
15 Brian Marcus’ as alleged herein and in the ARCC Report.

16 426. On January 12, 2018, Marcus was notified on his wrong doings and sent
17 a Notice of Non-Compliance Events, and thereafter provided with access to the full 305
18 page ARCC Report. Marcus never responded after that.

19 427. Marcus’ sworn Declarations claims in the derivative lawsuit echo all of
20 the other Plaintiff’s false and frivolous claims.

21 **FEDERAL RACKETEERING CLAIMS**
22 **(VIOLATIONS OF FEDERAL RACKETEERING STATUTE)**
23 **(18 U.S.C. § 1961 et seq.)**

24 **Allegations Common to First, Second, Third,**
25 **Fourth, Fifth and Sixth Claims for Relief**

26 428. “Racketeering activity” for purposes of the RICO Act means any act
27 “chargeable” under several generically described state criminal laws, any act
28

EXHIBIT “I”

From: Full Color <fullcolorgamesinc@gmail.com>
Sent: Thursday, January 11, 2018 10:16 PM
To: Brian Marcus
Subject: Notice of Non-Compliance Events pursuant to the ARCC Report of Brian Marcus dated January 10, 2018

Follow Up Flag: Follow up
Flag Status: Flagged

Mr. Marcus

(sent to all email addresses from all original Convertible Note Purchase Agreements)

This Notice is sent via email pursuant to Section 13(e) of Exhibit B of the Share Repurchase Agreement pursuant to the Amended & Restated Bylaws dated August 1, 2015 ("BYLAWS").

On August 11, a Complaint was filed in the District Court of Nevada, Case No. A-17-758962-B naming Full Color Games, Inc. ("FCGI"), amongst others named in the Complaint, as Defendants ("LAWSUIT").

As of this date January 11, 2018, you, Brian Marcus ("MARCUS") are a shareholder of FCGI pursuant to Certificate of Shares number CS-52, CS-61 and CS-84 that were obtained when you converted your security interests in your Convertible Note Purchase Agreement ("C-NOTE") into common stock of FCGI on or about April 11, 2016.

The Defendants in the LAWSUIT that have been properly served, have responded and are defending the suit, to the current benefit of its shareholders, including but not limited to, you, MARCUS.

As a common stock holder, you are bound by the terms and conditions of the acceptance of the conversion as defined in the BYLAWS of the Share Issuance Agreement ("SIA") and the Share Repurchase Agreement ("SRA") dated August 1, 2015 which give FCGI the rights to cancel, repurchase and terminate your ownership of those shares in the event of a non-compliance event.

On November 23, 2017, you, MARCUS, as an individual, signed a sworn affidavit under the penalty of perjury that his declarations ("DECLARATIONS") in the LAWSUIT, in support of the Plaintiffs, were true and correct.

As a result, FCGI'S Audit, Risk and Compliance Committee ("ARCC") was formed and authorized pursuant to the BYLAWS to review and address the DECLARATIONS and produced the ARCC Report of Brian Marcus dated January 10, 2018 ("ARCC REPORT"), a copy of which is hereby attached, with all 28 exhibits in a confidential 305 page PDF that can be accessed from FCGI'S Google Drive cloud account.

https://drive.google.com/file/d/1PVqNqcBHmb2dmrplHdCX790e4vRLFY_k/view?usp=sharing

The ARCC REPORT proved, beyond the shadow of any doubt, to the Board of Directors ("BOD") of FCGI that you, MARCUS, in your DECLARATIONS in the LAWSUIT, are guilty of multiple counts of

perjury and multiple counts of breaching your fiduciary duties to other shareholders as a shareholder, each of which constitute a non-curable non-compliance event ("NCE").

As a result, FCGI is defending the you as a shareholder, from you by whom FCGI is directly victimized by. This not only defies logic, it is actionable, both individually against you, who made the decision to join the lawsuit by signing and perjuring yourself as an individual Declarant, but also created strict liability against you and your estate.

As a further result of the multitude NCE'S, the ARCC determined that you, MARCUS, are no longer suitable to be a shareholder of any FCGI common stock pursuant to the terms and conditions of in the SIA and the SRA in the BYLAWS that are all clearly detailed in the ARCC REPORT.

As a further result, the ARCC has recommended to the BOD of FCGI that your individual shares must be immediately canceled, terminated and repurchased pursuant to the terms and conditions of FCGI'S BYLAWS.

FCGI believes and hereby avers that the damage that your perjurious statements and breaches of fiduciary duties, pursuant to the ARCC REPORT, creates a strict liability upon you and has recommended to the BOD that FCGI must pursue any and all remedies available to it. The BOD of FCGI is also ready to defend any of the ARCC'S recommendations and BOD resolutions and subsequent actions it issues as a result of it should it be forced to adjudicate any of the matters.

FCGI believes and hereby avers that it has enough evidence (in the ARCC REPORT currently just 305 pages with thousand more pages and exhibits available for additional support) against you as an individual) to prevail in every forum it has the rights to seek redress in.

FCGI has no assets. FCGI has no revenue. FCGI'S current stock value has been determined to be \$0.00 by an independent 3rd party valuation firm, eShares Valuations, LLC through a 409a valuation recognized by the IRS for tax reporting purpose.

As a result, your ownership value of it's FCGI stock is currently, null without any anticipated change for the foreseeable future, unless of course you believe the baseless, meritless, frivolous lies being spread by the criminal enterprise led by only verified Plaintiff in the LAWSUIT, whereby you can ignore this email and then proceed at your own risk and to your own peril.

If your voice of reason decides to return, and you wish to mitigate the damage you have done to yourself at this point, may voluntarily sell the shares back to FCGI. FCGI is willing to repurchase all of your ownership in common stock shares in FCGI, which currently has no value, for \$1.00 and FCGI will enter into a full and final mutual release with you in a Stock Sale & Purchase Agreement ("SSPA") that has recently been sent to your last known email address of Notice thru DocuSign.

FCGI has reason to believe that you will be countersued by every one of the other nine defendants as a result of you individual liability. FCGI has negotiated a full and final mutual release with those other defendants if you wish to pursue that.

FCGI is aggressively defending its rights in the LAWSUIT and expects to not only prevail, it intends to join the other injured Defendants named in the LAWSUIT and seek redress for the damages caused from those it does not have a full and final mutual release with that are guilty of damages, delays and losses to FCGI, all according to proof, some proof of is being shared here above with you in advance for its your review and consideration. Currently FCGI has assembled over 7,000 pages of reports and exhibits for use in seeking redress.

You should take note that there are only a few remaining shareholders in FCGI as 36 others shareholders have voluntarily sold 100% of all of their common stock shares back to FCGI effective December 31, 2017 and the remaining few, which are now less than a handful, are expected to complete their SSPA with FCGI and enter into a full and final mutual release as well, leaving you virtually all alone in no man's land as a perjurious Declarant.

Unlike you, all the other shareholders, and each of them, have already reviewed the damning evidence against the Plaintiffs and not only refused to be seduced by the Plaintiffs and file any declarations, much more perjure themselves while doing so, but immediately sought to move themselves as far away as they could from any and all potential discovery, interrogatories, depositions and testimony in the LAWSUIT by selling their shares back to FCGI and entering into a friendly full and final mutual release.

As a further result, David Mahon and Glen Howard individually and or thru their holding companies, now currently own virtually all of the outstanding shares of FCGI, meaning every (frivolous) claim in the LAWSUIT has all but a zero chance of surviving the forthcoming Motions for Summary Adjudication and rights to refile its Motions to Dismiss and Motions for Security when the evidence of wrongdoings by the Plaintiffs and their Declarants are brought before the Court through FCGI'S Motion practice and Rule 11 Sanctions, all of which are currently well underway with countersuits already prepared to be filed once FCGI prevails.

FCGI cannot advise you on what your legal rights are, what decisions you should make, nor can it make any demands upon you, all it can do is inform you on what its rights, remedies and intentions are in order to seek relief from the damage your acts and conduct in what they have done to FCGI, its affiliates and other Defendants, all of whom have been forced to unnecessarily endure.

This is a final offer to enter into a SSPA with a full and final mutual release with FCGI an yourself and shall expire on Friday, January 19, 2018 at midnight EST. Time is of the essence and FCGI must act immediately to mitigate its damages.

If you and FCGI do not voluntarily enter into an SSPA by the deadline above, then the BOD will reconvene and act accordingly based on the ARCC Report, in order to protect its rights, remedies and reliefs available to it pursuant to the SIP, SRA and Bylaws under the Nevada Revised Statutes as well as anyone all other remedies afforded to it as under federal and international law, all of which are specifically reserved.

Respectfully yours,
The Board of Directors
Full Color Games, Inc.

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.



EXHIBIT “J”

From: Full Color <fullcolorgamesinc@gmail.com>
Sent: Thursday, January 18, 2018 11:50 PM
To: Brian Marcus
Subject: ARCC Report of Brian Marcus dated January 10, 2018

Follow Up Flag: Follow up
Flag Status: Flagged

Mr. Marcus

As requested, your temporary email address of "brianmarcus2013@gmail.com" has been authorized to access the unpublished ARCC Report of Brian Marcus dated January 10, 2018 as it relates to the Nevada District Court Case Number A-17-758962-B ("LAWSUIT") that your signed and sworn Declaration, under the penalty of perjury, is in support of.

Up until your declarations were filed, FCGI was faithfully defending your shareholder interests against the LAWSUIT because it was made clear to FCGI that you were not going to support or join the LAWSUIT.

FCGI owes its few remaining shareholders, its affiliates, the other Defendants and other injured parties that oppose the LAWSUIT the duty to respond to your declarations.

As a result, FCGI's Audit, Risk and Compliance Committee ("ARCC") convened and an ARCC Report was created to assemble the facts that refute your declarations.

The ARCC prepared and issued a final written report supported by 28 exhibits and concluded that your declarations contained false, misleading, dishonest and perjurious statements related to your investments in FCGI whereby your declarations further negligently, recklessly, willfully, maliciously, egregiously and vexatiously impugned the good name, character and integrity of the real money casino gaming licensing suitability of the Defendants and their affiliates constituting, amongst many other actionable causes, defamation per se.

The ARCC Report was also prepared to be filed with multiple government agencies, including but not limited to the State Bar of California, the State Bar of Nevada and the USPTO'S Office of Enrollment and Discipline as necessary.

Although each agency's complaint intake lines cannot offer any legal advice to any complainant, the other parties injured by your declarations were strongly encouraged by each of the agencies to immediately file the ARCC Report if the injured parties did in fact have an officially signed declaration by a licensed attorney signed under the penalty of perjury and filed in support of any active litigation that contained indisputable perjurious statements that could be found on public record and reviewed by their investigators. The ARCC Report and its 28 different exhibits proves that such evidence against you as a licensed attorney does in fact exist.

The injured parties were informed that such acts or conduct as described above, by any licensed attorney, would rise to unethical behavior and are actionable by a State Bar or Disciplinary Office.

As a result, the injured parties believe that your declaration in the LAWSUIT meet each agency's minimum required fact pattern necessary to begin a formal investigation upon the filing of a written complaint giving each injured party the legal standing necessary to file one based on the evidence included in the ARCC Report.

The injured parties were informed that disbarment is highly unlikely but a formal investigation and formal discipline is not.

The injured parties were further informed by the California State Bar ("CSB") that the average investigation time from beginning to end was approximately 374 days.

The injured parties were referred to CSB'S statistical reports page in order to obtain more information and manage its expectations.

<http://www.calbar.ca.gov/Portals/0/documents/reports/2015AttorneyDisciplineReport.pdf?ver=2017-05-19-134134-910>

The injured parties were advised by the USPTO to file complaints with them via email at oed@uspto.gov and include the Enrollment Registration Number 34511 on all reports and exhibits.

FCGI cannot control the actions of others in the LAWSUIT or any of the injured parties but can attempt to mitigate them. In order to attempt to mitigate your unexpected and perjurious declarations in the LAWSUIT, FCGI was forced to go through the painful, expensive and time consuming process of creating the ARCC report and being forced to confer with the other injured parties as a result of the LAWSUIT and present the facts to them in full disclosure.

Some of the injured parties had to confer with their other shareholders, counsel and affiliates and before they could respond back to FCGI. That was a 6 week process and at a significant cost that you have forced all others to incur based on your declarations. As a result, the injured parties concurred with the ARCC Report and called for immediate action to be taken against you. The Board of Directors of FCGI did not wish to take this course of action as a first step, but the others did and made it clear that they have the time, money and motivation to do so.

The injured parties believed that your unannounced and unexpected change of course with your declarations alleging that you suffered \$50,000 in injuries at the hands of the Defendants was a complete contradiction when you failed to join the exact same lawsuit as a Plaintiff when you have the legal standing to do so. It makes absolutely no sense to the injured parties that you would not immediately file as a Plaintiff and seek relief from your alleged injuries, but yet you would perjure yourself in the declaratory support of others seeking relief for the exact same alleged injuries.

This contradictory action set is clinically known as bipolar-schizophrenic behavior.

Proof of the irrational contradictory behavior can be seen in the "Second Amended and Verified Shareholder Derivative Complaint that was filed on January 12, 2018" ("SECOND AMENDED COMPLAINT") when you did **not** add yourself as a Plaintiff despite the fact that your declaration is a prima facie case to deem you as a Plaintiff.

The injured parties believe that the ARCC Report indisputably proves you that **all of your alleged injuries are self-inflicted** and you have engage in constructive fraud against FCGI in order to benefit from the LAWSUIT by supporting the Plaintiffs through your declarations without actually joining them. The injured parties further believe that the forthcoming Court ordered discovery process will

expose all of this as a result of your declarations if you choose to remain a shareholder in support of the Plaintiffs.

Notwithstanding all of the above, FCGI wishes to mitigate the matters with you rather than litigate them if you would like to seek the same.

The most obvious way to mitigate these matters is through a full and final mutual release whereby the injured parties in the LAWSUIT would be prevented from ever being able to file the ARCC Report with the agencies, much more, seek any and all other available relief they may need to pursue.

Absent a full, final and friendly mutual release, FCGI cannot prevent the injured parties from taking the ARCC report and filing it with governmental agencies and or the courts.

The ARCC report makes it unequivocally clear that your actions and conduct are non-curable and as a result, you have no ability to cure your non-compliance events. Further, FCGI does not owe you any duty of time to stave off the actions of others, in fact time is of the essence.

Pursuant to your first notice of the ARCC Report, FCGI has sought to get a formal response back from you by midnight of January 19, 2018 on whether or not you'd like to enter into such a mutual release or not. If you need additional time to consider the offer to enter into a mutual release from the injured parties, then you must respond in writing before midnight on 1/19/18 and state your case with a justifiable reason of what your intent is and why you need more time in order for FCGI to go back to the other injured parties and try to stop them from moving forward on their own.

The LAWSUIT was filed on August 11, 2017. Five months of damages have already tolled and the other injured parties have made it clear that they are not going to wait any longer.

The truth is an absolute defense and the evidence in the ARCC Report speaks for itself. Any Court ordered discovery process is going to add more to it.

FCGI has no assets. FCGI has no revenue. FCGI is a non-operating entity. FCGI'S shares have been valued at \$0.00 by eShares Valuation, LLC's 409a report. FCGI is aggressively defending the LAWSUIT and is incurring extraordinary expenses to do so. FCGI maintains its business license to keep its statutory rights tolling in order to file its countersuits.

FCGI cannot advise you on what decisions you should make, all it can do is keep you properly informed to the best of its ability.

Notwithstanding any of the above, nothing herein shall constitute the waiver of any or all of FCGI'S rights, all of which remain reserved.

Regards

You should be receiving an authorization link from Google. A direct link is here as well.

https://drive.google.com/file/d/1PVqNqcBHmb2dmrplHdCX790e4vRLFY_k/view?usp=sharing

On Thu, Jan 18, 2018 at 1:20 PM, Brian Marcus <bmarcus@vierramagen.com> wrote:

Dear David:

Please grant access to brianmarcus2013@gmail.com. However, please do not send email to that address as I do not regularly check it.

Regards,

Brian

Brian I. Marcus

Vierra Magen Marcus LLP

[575 Market Street, Suite 3750](#)

[San Francisco, CA 94105](#)

tel. [\(415\) 489-4105](tel:(415)489-4105)

fax. [\(415\) 489-4150](tel:(415)489-4150)

www.vierramagen.com

From: Full Color [mailto:fullcolorgamesinc@gmail.com]

Sent: Thursday, January 18, 2018 1:06 PM

To: Brian Marcus

Subject: Re: Notice of Non-Compliance Events pursuant to the ARCC Report of Brian Marcus dated January 10, 2018

Mr. Marcus

Access has already been granted to the report with the email address of yours herein as the only official email address FCGI has on record for you.

In order to protect you from any phishing attempts or unauthorized access to your unpublished report, you must respond to this email and formally notify FCGI of the alternate email address you authorize FCGI to grant access to it so that FCGI has a verifiable history of its request and authenticity.

Once FCGI receives your new requested email address with such an authorization in writing, naming the new email address, it will be granted.

Regards



On Thu, Jan 18, 2018 at 11:33 AM, Brian Marcus <bmarcus@vierramagen.com> wrote:

Dear David and Glen:

I am unable to access the ARCC Report from the Google Share site. Can you please grant access or provide a copy. Also, if not listed in the ARCC Report, can you please let me know the members of the Committee that formed the ARCC Report.

Thanks,

Brian

Brian I. Marcus

Vierra Magen Marcus LLP

[575 Market Street, Suite 3750](#)

[San Francisco, CA 94105](#)

tel. [\(415\) 489-4105](#)

fax. [\(415\) 489-4150](#)

[www.vierramagen.com](#)



EXHIBIT “K”

From: Full Color <fullcolorgamesinc@gmail.com>
Sent: Tuesday, April 23, 2019 9:20 PM
To: Brian Marcus
Subject: CONFIDENTIAL: Settlement Offer in Counter-claims Lawsuit against Brian Marcus
Attachments: 2019_04_08_Affi_of_Service_[Brian Marcus][served 4-8-19].pdf; 002 Decision and Order [filed 5-23-18].pdf

Mr. Marcus

We have been advised that you have been formally served Notice of your Summons in the Nevada District Court Case of A-17-758962-B ("Derivative Lawsuit").

You now must either mitigate your damages through a settlement agreement with the Defendants or discover the consequences of your inexplicable actions of *"Why you would sign a sworn declaration in a lawsuit as a non-party against opposing parties and not just simply join the lawsuit as a verified Plaintiff if what you swear to in your Declarations was in fact true?"*.

Your day of reckoning has arrived, as promised it would. Absent a full and final settlement agreement, the Defendants will move to discovery and prove all the allegations made in the case in every way shape and form.

Although you were warned of a criminal enterprise that was at work against the Defendants and the original investors in FCGI, long before you signed your Declaration the Defendants had no idea you would reveal yourself as being a supporting member of it.

You are receiving this email for one simple reason. You were not a cause of the failure of FCGI and as such, it appears that you were duped into joining a racketeering enterprise. You were not an original target in the racketeering case, but your sworn declaration changed all that and by statute, your actions make you a supporting member of the racketeering enterprise giving the Defendants and all authorities having jurisdiction the legal standing necessary to prosecute you and more importantly the case law precedents to prevail. We want to believe that at one point in time, you were an innocent victim as an investor to the crimes that were being committed against FCGI as detailed to you two years ago in a company wide call. The Defendants were in fact, fighting for you until you made that sworn declaration and outed yourself with indisputable actions made under the penalty of perjury no less.

As such, we will give you one last chance to humble yourself, admit the error of your ways and move on and let us continue to believe you are an innocent victim of the racketeers, or rebuke the Defendants again and remove all doubt that you are not a victim, but in fact, a victimizer and with that, will be shown no mercy. Lack of honesty, sincerity and contrition from this point forward will cause the Defendants to withdraw this one time chance, now and forever. The choice is yours, but before you make your decision, let us echo just a small fraction of the events that have transpired since you last heard from as in the event you missed some of it.

There have been over 90 Motions, Orders and Decisions filed in the Court so far. The docket is bleeding with entries and Motion practice is creating hearings virtually every week on average now with 22 different parties due to service being effectuated in the counter-claims. Several million dollars in legal fees and expenses have been expended. More money has been spent on legal fees and expenses in the last 20 months than all the money

that was EVER invested into FCGI from its inception. The cases are now ramping up to have over 14 different law firms involved that are will now start to make their appearances and you (yours) will be one of them responsible for responding to every element of it. Life as you know it is gone caused by the stroke of a single pen when you signed a false, frivolous sworn declaration and let your racketeering partners use it to further their extortion attempts against the Defendants and now you will face the consequences of your willful decision.

In January 2018, you were given a chance to review the ARCC Report of Brian Marcus dated January 10, 2018 ("ARCC Report") as it related to your "sworn declarations" you made in the Derivative Lawsuit.

The ARCC Report took the time to point out the error of your ways and it was produced at a great expense in time and money to do so. With professionalism and integrity, the ARCC Report was sent to you with an olive branch.

"Did you really think you could sign a sworn declaration in a Court of law and let other people use it to create harm and injury to the Defendants and truly believe you'd face absolutely no consequences to it?"

Other non-parties that also got duped by the racketeers also got an ARCC Report and were pursued for litigation. They all obtained independent legal counsel and each of them settled within 48 hours and avoided litigation by entering into full and final confidential financial settlements. You completely IGNORED your ARCC Report and the facts in it and in so doing, you further dishonored yourself in so doing.

We took a different approach with you that others for the simple fact that you are a licensed USPTO attorney and as a result, are of a much higher target value because we can use your credentials to destroy your credibility and wipe you out in the end while simultaneously using it all against the other racketeers to obtain our justice. Patience is a virtue. Silence erodes the lies that hide the facts and the truth always prevails.

The ignorance of filing that sworn declaration could be expected from a non-lawyer, but from someone with a license to practice law AND further before one that is further licensed by the USPTO? Not gonna happen. If you were the original source of the crimes, it would be unforgivable, but since we want to believe you are not a malicious person by nature, that you truly got duped into this, you are getting one last chance to make your mea culpa and seek forgiveness of your sins, but only if you want to. We couldn't care less one way or the other at this juncture. The cost to prosecute 5, 10 15 or all 22 Counter-defendants and Third Parties is all the same for us at this point. You are just another rock in the roadway we are going to crush on our way to justice, but to others, you may be their Rock of Gibraltar, so you may have a motivate to pick yourself up off the road before you truly get run over. We don't know and we don't care at this point, but you are going to get crushed along the way if you continue to put yourself in the way of us reaching our final destination of justice. The truth always prevails and you have lied in your declaration and there are no two ways about it and we are willing to spend another million dollars to prove it and the lawsuit ensures you will too.

In your ARCC Report, you were advised that your actions caused grave and irreparable harm and you would be sued if you did not withdraw your false statements, false claims and defamatory statements against the Defendants in the Derivative Lawsuit. Apparently, our silence caused you to believe that the Defendants went away, and as a result, you failed to heed their warnings. More serious than that is the fact that you continued on with your support of the criminal racketeering enterprise in the interim as detailed in the Derivative Lawsuit and made things even worse for the Defendants and above all, yourself.

The Summons makes clear now that the demand for you to withdraw your false sworn statements or face litigation was not a hollow threat. It is a promise made good and a barometric pressure reading of what's next if you wish to continue asserting your sworn declaration and support of the criminal racketeering enterprise you

are now a part of. A full settlement agreement is the only thing that will set you free and grant you immunity from the Defendants while they seek both civil and criminal relief against the primary bad actors.

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Four months to the day after your ARCC Report was completed and sent to you, the Defendants continued on with their Motion practice.

On May 10, 2018, the Court dismissed the fraud, misrepresentation and concealment claims made against all of the Defendants in the Derivative Lawsuit and issued a formal Order and wiped out three of the four pillars of the Derivative Lawsuit in one fell swoop.

As a result of the Court's Decision, your sworn declarations became inescapable, indisputable and actionable and all the evidence and indisputable proof that the Defendants can use to sue you personally with in order to obtain a judgment against you. As such, the Defendants began to take further actions to protect their interests in making that happen, but no sooner than it was about to take action upon that win, you and your racketeering partners opened up yet another war front against the Defendants, one that would alter everything and exponentially multiply the damages your sworn declarations originally contributed to.

On May 11, 2018, one day after the Court's Decision, the Defendants were issued formal subpoenas by the United States Securities Exchange Commission ("SEC") and noticed them of the formal investigation against FCGI that mirrored all of the claims in the Derivative Lawsuit. Your sworn declaration was used in that case to create even more damage to the Defendants, and each of them. As a result, you caused FCGI, et al, another great and incalculable harm. And it didn't stop there.

On July 10, 2018, it was discovered that the Full Color® registered trademark had just been canceled due to the malpractice of Richard H. Newman. To what degree you supported that and continue to support that is unknown but it won't take long through discovery now to find out what your involvement is and what further causes of actions will be filed against you as a result of that. The Full Color trademark cancelation became the tipping point and changed the priorities of everything. The namesake trademark of FCGI itself had been destroyed at the hands of you and or your racketeering partners.

On August 17, 2018, a lawsuit was filed against Richard H. Newman, et. al. in Nevada District Court Case A-18-779686-C ("Malpractice Lawsuit") as the Plaintiffs in the Malpractice Lawsuit promised it would.

On August 24, 2018, a formal grievance was filed with the USPTO seeking to have Newman disbarred and sanctioned while preparing to file a formal grievance against next.

On October 22, 2018, Mark Munger, did the unthinkable. He filed an Opposition to the re-registration of the "Full Color" trademark. Look it up for yourself.

On January 23, 2019, Munger, with the assistance of a USPTO ghostwriter, filed an INDIVIDUAL Notice of Opposition, claiming ownership rights to the "Full Color" trademark and in so doing, handed the Defendants the gift of all gifts to begin the formal end to the Derivative Lawsuit and more importantly finally able to release the full details and taking full action upon the racketeering enterprise.

On January 31, 2019, the Defendants in the Derivative Lawsuit filed 26 counter-claims including 11 state and federal racketeering charges, including 15 general claims whereby you were named as a contributing party, precisely as the ARCC Report recommended you should sued, absent a full and final settlement with you ("Racketeering Lawsuit").

On March 6, 2019, in an epic win of unparalleled proportions, the SEC closed its formal investigations against FCGI, et. al and concluded that it would seek absolutely zero enforcement actions against any of the Defendants. At that point, it officially became "Game Over" for you and all of your racketeering partners in the Derivative Lawsuit once this closing letter was issued by the SEC.

On April 8, 2019, the first day of reckoning arrived and you were formally served a Summons in the Derivative Lawsuit naming you as an individual Third Party accused of engaging in racketeering activity, amongst a litany of other claims.

What happens from this point is likely to determine the fate of the rest of your life.

Clearly you didn't believe it when you were told last year that the Defendants would seek all available relief against you, no matter what it takes. Make no mistake about it now, absent a full and final settlement, relief against you will be pursued until the END OF TIME in order to hold you accountable for your perjury, racketeering activities and your breaches of contracts.

We will accept absolutely NOTHING LESS than a full retraction of your declaration and the recovery of your pro-rate share of the damages as a result of it or you will forever be faced with the consequences that come with whatever delusions you suffer from that caused you to sign and submit it in the first place and worse, your continued ongoing defense of it.

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FCGI et al. is convinced, beyond the shadow of any doubt that it will prevail in obtaining judgments against you and further, seek to have you disbarred in the State of California and with the USTPO OED on top of that when all is said and done. The first phase of it has started with the Counter-claims and service upon you. The wheels of justice turn VERY slowly but they DO turn and two years later, they are now going to start rolling over you and crushing your every element of your sworn declarations if you do not retract it and surrender to the truth.

You were a fool to believe whatever you were told by your racketeering partners, especially the embezzlement claims or whatever occurred that caused you to sign a sworn declaration full of perjurious statements. What kind of lawyer fails to do their due diligence on such claims before doing what you did? Had you done ANY due diligence you would have discovered that your racketeering partners are the architects of a billing fraud, wire fraud, money laundering, tax evading securities fraud scheme that has injured not only all of the Defendants, but it wiped out your investments too.

Those who know, don't speak.

Those who speak, don't know.

As such, FCGI, et. al., let that set of lies be told and run unabated for two years in order to root out all the bad actors that have worked to destroy the Defendant's and all of the other good investor's investments and life's work. The "rope a dope" strategy worked like a charm and now it's going to knock out the fools along with the rest of the lawsuit.

But if you want to spend a few hundred thousand dollars in legal fees in the next couple years doing discovery after the fact, then there is nothing we can do to prevent you from hurting yourself even more. Unless of course you're smart enough to save yourself all kinds of money and represent yourself, like Richard Newman is doing in his malpractice and racketeering suit. Any attorney that represents himself in a lawsuit has a fool for a client.

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On April 19, 2019, FCGI finally spoke and voluntarily turned over 100% of all of FCGI's corporate and financial records in their entirety, the same records that the SEC used to close their 21 month investigation without any enforcement actions. Clearly the claims of "embezzlement" are nothing more than empty lies that other racketeers duped you with in order to get you to join their racketeering enterprise, and like a fool, you were so stupid to believe it all, without ANY EVIDENCE WHATSOEVER, absolutely ZERO due diligence on FCGI's financial records, before you signed your sworn declaration, are, exactly that, baseless, meritless, frivolous lies. But worse than that, your own CNOTE documents prove that the collateral to FCGI was a license to the Full Color® Games IP and you signed your name to it. Your liabilities are inescapable should you wish to litigate this out.

Clearly you have underestimated the Defendants. They simply just don't do illegal things and that is your fatal mistake in believing in others when they told you the Defendants have.

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Make no mistake about it, this is HIGHLY COMPLEX LITIGATION and you WILL spend the next 10-12 years of your life in Court fighting the charges if you wish to pursue your losses in one Court of Appeals after another until there are none left and then, years upon years paying off the debts you are left as a result of it. Two years have passed and it still hasn't even left the first phase of Motion practice and your days of sitting on the sidelines are over.

Ignore this email and ignore this final olive branch if you wish to defend your sworn declaration and role in the racketeering enterprise and ignore this offer to mitigate your damages now before they become insurmountable as they toll every single day.

Once your formal legal Answers are filed, there will NEVER be another settlement offer or negotiation. EVER. The Defendants will NEVER settle with you after this week now that you have forced us to go through the injury to file suit against you and get you formally served This is your point of no return.

You have until close of business Friday to attempt to mitigate these matters by making the Defendants a bonafide settlement offer so you can return back to your life as it was before you made your ill-fated decisions, or you can spend the rest of your life dealing with what will inevitably come as a result of it. The choice is yours, with one caveat, if you are going to make an offer **do not insult the Defendants any further with by making an unconscionable offer.**

What is unconscionable?

The cost to date just to defeat one element of the racketeering enterprise has been unconscionable. The Defendants spent well over \$1 million dollars defeating just the SEC matters alone, and that's just the TIP of the iceberg of the damage to date. Rather than spending 21 months of building and launching product, they spent it in litigation and you can be assured, that damage will never be forgotten and everyone is going to pay for their fair share of it in the end. Pay now, pay later, everyone is going to pay.

In short, figure out what you think your pro-rated share of the damage your sworn declarations and actions have caused in contributions to the collective whole of the damage the racketeering has caused to the Defendants and make a bonafide offer and it will be considered in earnest. Make an unconscionable and insulting offer and you will make it clear that it is impossible to rationalize with an irrational being and you will suffer the fate of what comes and we'll simply let the Courts, State Bar and USPTO deal with you. The choice is yours.

Know that the Defendants "pocketbooks are as big as their principles" and each will see the counter-claims through to the end, no matter how many decades it takes to get judgments and collections upon them on all 22 Counter-defendants and Third Parties including YOU.

And finally, to put this in some real perspective for you, 41 others have already settled with the Defendants to date. That is 100% correct. The batting average is 41 for 41 and the Defendants are about to go 42 for 42 with the biggest settlement to date. We are in settlement negotiations right now with a national law firm that we recently sued for malpractice that immediately resulted in an Offer in Judgment. We have a 43 in negotiations right now as well. You would be #44 if you're finally coherent or wise enough to realize you're on the the wrong side of a battle that you cannot win.

We will not lose any element of any of these matters. PERIOD. If the SEC could not beat us and they have more resources than anyone on earth to prevail, neither will you or any of your delusional racketeering partners.

Do the math.

That House always wins, and we are the House.

Regards.

See enclosed.

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EXHIBIT “L”

From: Burt Magen
Sent: Wednesday, May 01, 2019 10:47 AM
To: Brian Marcus
Cc: Larry Vierra; Jeffrey R. Kurin
Subject: FW: Notice of Racketeering Charges et al. against Brian Marcus

From: Full Color [<mailto:fullcolorgamesinc@gmail.com>]
Sent: Wednesday, May 1, 2019 10:36 AM
Subject: Notice of Racketeering Charges et al. against Brian Marcus

To whom it may concern

The following was filed with the Nevada District Court on February 4, 2019 in case #A-17-758962-B naming your partner Brian Marcus as a Third Party Defendant based on the "ARCC Report of Brian Marcus dated January 10, 2018".

The counter-claims include 11 counts of state and federal racketeering and 15 other general claims. For your ease of reading, you can start on page 44 of 215 of the Counter-claims of the attached filing below.

Mr. Marcus was officially served on April 4, 2019.

Due to the egregious and unethical nature of Mr. Marcus' actions, a formal grievance and complaint will further be filed against Mr. Marcus with the California State Bar and the United States Patent and Trademark Office

OED seeking to have disciplinary action taken against Mr. Marcus including but not limited to the request of being disbarred based on the ARCC Report.

And finally, also note David Eckles, Brad Solso and Jeffrey Castaldo have also been named as the Third Party Defendants for identical charges and more.

Regards

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EXHIBIT “M”

From: Larry Vierra
Sent: Wednesday, May 01, 2019 10:54 AM
To: Brian Marcus
Cc: Jeffrey R. Kurin; Burt Magen
Subject: Sent to all attorneys

Message trace search results

↓ Export results ▼

<input type="checkbox"/>	Date (UTC-07:00) ▼	Sender	Recipient
<input type="checkbox"/>	May 1, 2019 10:36:35 AM	fullcolorgamesinc@gmail.com	rpomerenke@vierramagen.com
<input type="checkbox"/>	May 1, 2019 10:36:35 AM	fullcolorgamesinc@gmail.com	ggimlan@vierramagen.com
<input type="checkbox"/>	May 1, 2019 10:36:35 AM	fullcolorgamesinc@gmail.com	bmagen@vierramagen.com
<input type="checkbox"/>	May 1, 2019 10:36:35 AM	fullcolorgamesinc@gmail.com	pgallagher@vierramagen.com
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<input type="checkbox"/>	May 1, 2019 10:36:35 AM	fullcolorgamesinc@gmail.com	lvierra@vierramagen.com
<input type="checkbox"/>	May 1, 2019 10:36:35 AM	fullcolorgamesinc@gmail.com	kspivak@vierramagen.com
<input type="checkbox"/>	May 1, 2019 10:36:35 AM	fullcolorgamesinc@gmail.com	tthorp@vierramagen.com

LARRY E. VIERRA

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DIRECT: 415.489.4102

Office: 415.489.4100 Fax: 415.489.4150

vierramagen.com

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Cc: Larry Vierra <lvierra@vierramagen.com>; Jeffrey R. Kurin <jkurin@vierramagen.com>
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Regards

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EXHIBIT “N”

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DECLARATION OF G. BRADFORD SOLSO

I, G. BRADFORD SOLSO, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. I am an investor in Full Color Games, Inc. ("FCGI") through an individual retirement account ("IRA") and an investment partnership for which I am the majority owner (75%) and managing partner. The IRA investment was made on April 14, 2015, in a convertible promissory note for the principal amount of \$25,000 and was titled "Millennium Trust Co., LLC custodian FBO Gary Solso, IRA. The partnership investment was made on December 17, 2015 in a convertible promissory note and was titled "958 Partners".

4. My first contact with FCGI was through Crosby Hyde ("Hyde") around March 19, 2015. Hyde and I were members of the board of directors of a foundation in San Francisco and he has a long-term friendship with Glen Howard ("Howard"). I had an historical business relationship with Howard through his former employers (Comdisco and Comdisco Ventures) and my former employers (Visa International and iPass Inc.). Further, I had met with Howard (sometime before 2011 but more likely around 2003/4) when he was a member of the founding team of Hercules Capital and knew Howard to be an experienced investor in venture capital-backed companies. Hyde described Howard's new venture as president of FCGI and indicated that Howard was looking for investors.

5. Since my initial investment, Howard has been my primary contact with the FCGI and I have relied on him to provide information related to the investment. As Howard knows, it is customary in start-up companies for all intellectual property created by the founders to be contributed to the company.

1 6. All communications as shown below, at a minimum, implied that all intellectual
2 property was owned by FCGI and I would not have invested in the company with the license structure
3 as finally disclosed.

4 7. On March 19, 2015, Hyde sent an email (**true and correct copy attached as Exhibit**
5 **1**) to me and copying Howard to reconnect Howard and me with the goal of setting up a meeting to
6 review the investment opportunity.

7 8. On March 21, 2015, Howard, Hyde and I met at the Crossroads Café in San Francisco
8 to discuss the investment opportunity. During this meeting, Howard stressed the unique character of
9 the FCGI's intellectual property, the size of the market opportunity in both social and real money
10 gambling, and significant return to shareholders with relatively modest penetration of the market.
11 When asked about a financial model, Howard indicated that there was a financial forecast.

12 9. On March 23, 2015, Howard sent a follow up email soliciting my investment in FCGI.
13 In the email (**true and correct copy attached as Exhibit 2**), Howard noted in the body of the email
14 that "*We have the Intellectual property already developed and protected and now we simply need*
15 *more funding to begin execution on commercialization of these products.*"

16 10. Additionally, Howard provided the following documents to his email (**true and**
17 **correct copies attached as Exhibit 2-A through 2-F**). I relied on these documents and
18 representations in reaching a decision to invest in FCGI:

19 a. Full Color Games Pitch Deck (**Exhibit 2-A**)

20 i. *A 14-slide PowerPoint detailed presentation. There is no reference to*
21 *IP License or any other entity that has any rights or ownership in the*
22 *intellectual property.*

23 ii. Slide 1 references "Proprietary IP for Virtual & Real Money Casino
24 Gaming"

25 iii. Slide 2 references "Disruptive & Proprietary IP"

26 iv. Slide 3 references "Our Patents, Copyrights & Trademarks"

27 v. Slide 4 references "Allows us to make unique & proprietary card &
28

- 1 casino games”
- 2 vi. Slide 6 shows the Full Color Gaming Eco-System and lists “Full Color
- 3 Baccarat, 21 or Nothing, Multi-player Bingo and Full Color Solitaire
- 4 vii. Slide 8 lists proprietary IP and implies that the IP invented by the CEO
- 5 David Mahon was an asset of FCGI
- 6 b. Full Color Games Quick Summary (**Exhibit 2-B**)
- 7 i. One-page summary of the Full Color Games
- 8 ii. **Certified Games**-Summary indicates that “**we** (*emphasis added*) have
- 9 gone to the extraordinary measure of having **our** (*emphasis added*)
- 10 games certified by GLI & BMM....”
- 11 iii. **Net Results**-indicates that “the Company is the final stages of social
- 12 game development for 21 or Nothing and Full Color Poker.....”
- 13 c. Full Color Games Five Year Pro Forma rev1 (**Exhibit 2-C**)
- 14 i. Model shows monthly revenues and expenses. The model makes no
- 15 provision for royalties for intellectual property but does make provision
- 16 for software development expenses and intellectual property (i.e.
- 17 patent, trademark & copyright) filing fees
- 18 d. Investor Information FCG (**Exhibit 2-D**)
- 19 i. Blank form
- 20 e. Convertible Note Term Sheet FCG (**Exhibit 2-E**)
- 21 f. Document indicates a security interest in “Company's license of intellectual
- 22 property assets from Intellectual Property Holdings, LLC”. There is no further
- 23 mention of the details of the license or a description of the intellectual property
- 24 of the license. No copy of the license was provided and in a 2017 conversation
- 25 regarding a license to Full Color Games Group, Mahon referred to the license
- 26 as a “trade secret”.
- 27 g. FCG Glen (**Exhibit 2-F**)
- 28

1 i. Picture of Howard as dealer behind a Full Color Games 21 or Nothing
2 casino table.

3 11. On April 14, 2015, initial investment of \$25,000 was wired to FCGI's bank account at
4 Wells Fargo Bank.

5 12. On or about June 22, 2015, I spoke with Hyde regarding the progress of FCGI and he
6 advised me that there was an opportunity to increase my position in FCGI.

7 13. Hyde provided an updated PowerPoint presentation via email (**true and correct copy**
8 **attached as Exhibit 3**) titled "Full Color Games Inc., Business and Financial Overview" ("June 2015
9 Presentation").

10 14. David Mahon, CEO & Inventor, Glen Howard, President and Crosby Hyde, Vice
11 President of Business Development were listed as the authors of the presentation. The file name for
12 the June Presentation was "Final June 17 Full Color Games PPT-for Investors" (**true and correct**
13 **copy attached as Exhibit 3-A**).

14 15. The June 2015 Presentation included a slide title "Why Invest in Full Color Games,
15 Inc." with, among other things the following representations:

16 a. **Full Color Games, Inc.** (emphasis added) has an extensive IP Portfolio that
17 will disrupt the Casino Gaming Industry;

18 b. Full Color Games, Inc. has the "Trifecta" of IP Protection - Patents,
19 Trademarks and Copyrights.

20 16. On November 10, 2015, I sent an email to Howard requesting an update on FCGI.
21 Howard responded on November 10, 2015 indicating that he was "working on a detailed investor
22 update" and "At the highest level, things are going great".

23 17. The detailed investor update was never provided.

24 18. When asked about the update in subsequent telephone calls, Howard, on multiple
25 occasion indicted that Mahon would not allow the release of the update to investors.

26 19. On December 2, 2015, Solso, David Eckles ("Eckles"), and Wendy Bolton ("Bolton")
27 met with Mahon, Howard, and Hyde at the Olympic Club in San Francisco. The purpose of the
28

1 meeting was described as an investor update from the CEO with the objective of convincing Solso,
2 Eckles and Bolton to increase their respective investments in Full Color Games, Inc.

3 20. The meeting was dominated by Mahon with a verbose, hyperbolic yet paranoid
4 description about him and his activities. The presentation had little to no substantive information
5 about the progress of the FCGI. **Mahon made no reference to a license agreement during this**
6 **meeting and stressed the “trifecta of IP protection” for the FCGI products.**

7 21. On December 3, 2015, I sent an email (**true and correct copy attached as Exhibit 4**)
8 to Hyde and Howard expressing significant dissatisfaction with the form of the presentation and the
9 content. In retrospect, this meeting was the first indication that Mahon was not an effective executive
10 or focused on getting the product to market. Further, it established a pattern in which Mahon was not
11 forthright and transparent with his investors.

12 22. On December 11, 2015, following an update call with Howard, I committed to an
13 additional \$25,000 investment through 958 Partners, an investment partnership in which I am a 75%
14 owner. At the time, the expectation was the product would be launched in April 2016. At no time,
15 during these discussions, did Howard disclose that FCGI only had a license for the core FCGI
16 intellectual property and I had no knowledge that the core IP was licensed from Mahon.

17 23. On January 18, 2016, Hyde forward an email from Howard titled “Series A Bullets-
18 for Brad” (**true and correct copy attached as Exhibit 5**). The email described a potential Series A
19 investment of \$10-15 million with a valuation of \$65-95 million and indicated that funds would be
20 used for a full product rollout in 2H 2016. The email introduced the concept of an international
21 corporate structure.

22 24. On January 18, 2016, I sent an email to Howard (**true and correct copy attached as**
23 **Exhibit 6**) indicating that I thought the change in funding strategy was material and requested a
24 briefing on the matter. Howard and I had several calls to discuss FCGI. I continued to stress the need
25 to get the product to market so that FCGI could get real customer feedback.

26 25. On February 2, 2016, FCGI announced, in a press release (**true and correct copy**
27 **attached as Exhibit 7**) that it would be debuting the “real money casino games at ICE 2016” and that
28

1 the "Full Color® Games are available on its own bespoke Live Dealer software and through a UK
2 Gaming commission licensed RGS system ready for direct integrations to operators with gaming math
3 certifications by BMM & GLI." Despite this announcement, the product was apparently never
4 launched.

5 26. On April 4, 2016, Howard notified (**true and correct copy attached as Exhibit 8**) the
6 investors that an investor update would be held via a video conference on April 11, 2016. The
7 conference was scheduled for 90 minutes and the email indicated that it would be recorded for future
8 viewing if shareholders could not attend.

9 27. On April 11, 2016, Mahon conducted the investor update. The "update" consisted of
10 approximately 250 photos of Mahon in his travels, ostensibly representing the company, to bring the
11 products to market. Despite requests from me and others, the update included no financial
12 information, no specific milestones achieved by FCGI, no significant information regarding the
13 expected product launch date and no reference to any license or restrictions related to the intellectual
14 property. As in most calls and materials, my recollection was that Mahon spoke of the "trifecta of IP
15 protection" whenever speaking about the intellectual property of the company.

16 28. On June 21, 2016, I emailed Howard (**true and correct copy attached as Exhibit 9**)
17 and requested an update on the final terms of the investment by Sebastian Bastian, visibility to the
18 draft private placement memorandum ("PPM") and a status of the UK financing. No information was
19 provided in relation to this request and Howard informed me in a telephone conversation that the U.S.
20 investors were precluded by Isle of Man law from seeing the PPM.

21 29. On October 11, 2016, Mahon sent to investors a document described as "OFFICIAL
22 UPDATE Full Color Games Newsletter Q4 2016 (the "2016 Newsletter") (**true and correct copy**
23 **attached as Exhibit 10**). In this newsletter, Mahon notes that "*The Company has no debt and owns*
24 *100% of all its assets free and clear. The Company has approximately \$700,000 in liquidity after all*
25 *expenses, casino gaming licensing applications, overhead expenses and debts have been paid. The*
26 *Company expects to spend approximately \$250,000 of those remaining funds in the next 4 months*
27 *leading up to ICE 2017 to complete the commercially releasable version of the real money and social*
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1 versions of 21 or Nothing, Full Color Baccarat & Full Color Poker”. No other financial information
2 was provided despite repeated requests to Howard for an accounting of the funds expended to date.

3 30. Additionally, Mahon noted in the 2016 Newsletter that “*On August 30, 2016, I formally*
4 *took over filings, prosecution and issuance of my inventions of Full Color Games and Full Color*
5 *Gaming System along with all of its IP and filed a formal, complete and expedited U.S. Copyright for*
6 *the Company’s most coveted asset, and that is the copyrights for the Full Color Cards*”. Mahon goes
7 on to say that “Although Full Color Games seeks the trifecta of intellectual property protection of
8 patents, copyrights and trademarks, there is none that is more powerful for the Company’s revenue
9 streams than the copyrights.” No disclosure was made that the copyright was in David Mahon’s name,
10 as an individual or that the Company’s rights existed only through a cancellable license.

11 31. On April 10, 2017, I contacted Howard to arrange a meeting to follow up on
12 information that I have received from Hyde indicating that the Company was several months away
13 from a commercial launch and was out of money. I was particularly concerned since 6 months earlier
14 Mahon had indicated the Company had \$700,000 in liquidity and only required \$250,000 to get the
15 products to market.

16 32. On April 17, 2017, I and other investors received an invitation (**true and correct copy**
17 **attached as Exhibit 11**) to a conference call on April 19, 2017 with the stated purpose as “*Address*
18 *an impending breach of the terms and conditions of our Commercial License Agreement (“CLA”) for*
19 *the exclusive rights to Full Color® Games without immediate and additional funding.*” To best of
20 my knowledge, this email was the first reference to any license agreement involving the “rights to
21 Full Color Games”.

22 33. On April 17, 2017, I sent Howard an email (**true and correct copy attached as**
23 **Exhibit 12**) requesting specific customary due diligence items to consider an additional investment.
24 At the start of the conference call on April 19, 2017, I had not received any of request materials from
25 FCGI or its successor or its executive officers. I inquired of Mahon as to the status of the requested
26 materials. Mahon replied that the materials were available and would be sent after the call. I requested
27 Mahon to hold the call and send the materials while we waited. At this time, Mahon sent some
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1 documents but the list was incomplete.

2 34. On April 19, 2017, following review of the materials provided by Mahon, I sent an
3 additional email (**true and correct copy attached as Exhibit 13**) providing a status of the fulfillment
4 of the April 17 request and additional questions based on the review of the information. At this time,
5 Mahon became quite aggressive and refused to provide any additional information.

6 35. Following the email exchanges on April 19, 2017, I discussed several options for
7 addressing funding requirements of FCGI and getting the product to market with Howard and several
8 investors. The investors expressed the view that any plan to continue the company would require
9 removal of Mahon as the CEO. I drafted a document titled "Principles" (**true and correct copy**
10 **attached as Exhibit 14**) that was intended as a framework for recapitalizing the company and aligning
11 the interests of investors, continuing management and Mahon.

12 36. Between April 26, 2017 and June 29, 2017, I continued discussion with Howard
13 regarding a way forward that would allow the Full Color Games technology to be introduced to the
14 market and provide investors, management and Mahon to benefit from the successful marketing of
15 the products. These efforts were not successful and on June 29, 2017, I received an email (**true and**
16 **correct copy attached as Exhibit 15**) from Howard with an offer to participate in a new company,
17 Full Color Games Group, Inc. The FCGG Investor Overview Release (**true and correct copy**
18 **attached as Exhibit 15-A**) claims ownership of all rights to "Full Color Games intellectual property,
19 including all of its improvements to date".

20 I declare under penalty of perjury under the laws of the United States of America that the
21 foregoing is true and correct to the best of knowledge, information and belief.

22 DATED this ____ day of November, 2017.

23 
24 G. BRADFORD SOLSO
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DECLARATION OF DAVID ECKLES

I, DAVID ECKLES, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. I am a current shareholder in Full Color Games, Inc. ("FCGI") David's Hard Work Trust LTD

4. My intent with this writing is to recount the communications and events that led up to the breakdown of communication between shareholders like myself, David Mahon and Glen Howard.

5. While I did not know either of these individuals, I had known Crosby Hyde for a several years and trusted his integrity. Hyde knew of my concerns and tried to reassure me that Howard was a sophisticated and seasoned executive that had been involved with start-ups and raising money.

6. After some brief due diligence on Howard, we turned to Mahon as the creator of the game. Mahon was billed as brilliant, myopic in his attention to detail, unable to delegate, and a person trying to take on too much himself. The inference being that Howard knew his operating style and would be the guiding force to insure timetables and deliverables were met.

7. On or about June 4, 2015, I received a phone call from Crosby Hyde (at the time Crosby was trying to raise money for FCG – I did not know his official title at this time). Hyde arranged a phone call with Howard, who was billed as the President of FCG, on June 18, 2015.

8. From June 19, 2015 until December 17, 2015 when I transferred my first money into FCG (\$110,000 on June 25, 2015, and \$50,000 on December 16, 2015), numerous phone calls were had with Hyde and Howard regarding structure, what the equity investment would look like, timing

1 of the rollout, etc. On July 19, 2015, we talked about the office space they were going to rent in Las
2 Vegas.

3 9. On August 5, 2015, Hyde took all of my questions and requests, where is cash flow
4 statement, roll-out schedule, sources and uses, balance sheet, etc., to Howard. In other words, the
5 answers to financial questions that that any sophisticated investor would want before making an
6 investment. No real financial information has ever been provided by Howard or Mahon to answer
7 our questions.

8 10. A lunch was schedule with Howard for October 11, 2015, which was cancelled and a
9 breakfast took place on November 19, 2015 at the Olympic Club with Hyde. Again at the meeting, I
10 asked for specific details of the operation and the financial information.

11 11. On December 2, 2015, at the Olympic Club in San Francisco, Hyde arranged for
12 Mahon and Howard to meet with the investor pool Hyde had identified. This was the first time in
13 which we all met Mahon and learned in more detail about the game, its history of development and
14 its potential impact on the on-line betting marketplace.

15 12. On December 17, 2015, I corresponded with Howard, signed the paperwork and
16 transferred my second investment to FCG, of \$50,000 for a total of \$160,000.

17 13. Very little information was ever forthcoming from management.

18 14. We were not told our investment was going toward recruiting other investors (later
19 identified as Sebastian Bastian from the Bahamas), setting up Isle of Man companies, changing the
20 structure of our ownership, etc.

21 15. We were led to believe that our investment and that of Bastian was going to make our
22 rollout easier and quicker.

23 16. On May 31, 2016, Hyde informed me that Bastian has signed and we are waiting for
24 his \$1 million to be deposited into the bank.

25 17. On June 1, 2016, Hyde told me that Mahon and Mark Munger were in the process of
26 finalizing the details on the launch and they would reach out soon.

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1 18. On June 28, 2016, I had still not received any communications so I contacted Hyde,
2 who happened to be in Las Vegas at the time. Hyde told me that I am clairvoyant and promised to
3 get me the information I have been asking for. He also told me that we have only received half of the
4 Bastian's money but the other half will be in the bank by Monday or Tuesday. He told me that with
5 Bastian on board we are going to launch in late August or early September 2016.

6 19. Hyde informed me that the management team is working with a British bank to help
7 with future investments and to establish a methodology for establishing a value on FCG, which we
8 were told would mean our initial investment would be worth 10 times the amount we initially invested.

9 20. On September 12, 2016, Howard responded to my phone call and said he was in the
10 Bahamas and would call me back.

11 21. On September 12, 2016, Howard called me and we discussed the launch and the lack
12 of transparency. Howard informed me he was just as frustrated with Mahon, that he was being
13 eliminated from decisions and he too wanted to give an update to the investors, as he said we deserved
14 it and there is no reason it could not be provided.

15 22. No answers or updates were received from FCG until December 10, 2016, when a call
16 was schedule for the 12th.

17 23. The next communication with Howard did not come until March of 2017, when I was
18 in Las Vegas and we talked again about my frustrations. Howard again commiserated with me, and
19 my frustrations, because he said he had the same.

20 24. About this time I began a dialogue with Brad Solso, who is taking a very analytical
21 look at the investment and is just as frustrated as I am with the lack of information, transparency and
22 the autocratic rule of Mahon.

23 25. On April 17, 2017, I placed a call to Brad Solso and he informed me he is talking with
24 Mahon and Howard and that he will call me back.

25 26. From April 17, 2017 until April 27, 2017, Brad Solso and I talked a lot about what we
26 could do to bring the investor group together to ensure we would be able to see our investment bear
27 fruit.
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1 ///

2 27. On April 19, 2017, Phillip Cooke wrote Mahon and raised the questions Brad Solso
3 and I had been raising for some time related to our investments and the lack of transparency.

4 28. In a call with Crosby Hyde on June 26, 2017, he told me that Howard is working on
5 an investor update and the fundraising options, and we should receive in an e-mail the following day.

6 29. On July 5, 2017, Mark Munger, Glen Howard and I participated on a call to discuss
7 our need for information, the frustration we are feeling, and the entire process that Howard and Mahon
8 are going through to marginalize the investors input and influence.

9 30. I told Howard that I am not happy with him, and that he has to make a decision whether
10 he is with the investors or he is with Mahon. Given that amount of complaints Howard had with
11 Mahon, how much of Howard's frustration he had shared with Brad Solso and myself, he steadfastly
12 remained loyal to Mahon. Howard said what we were asking for was realistic; it was just that Mahon
13 would not budge and inch.

14 31. On July 23, 2017, I received an e-mail from Howard saying that he and Mahon wanted
15 to talk with me, alone.

16 32. On July 24, 2017, I talked with Brad Solso prior to my call with Mahon and Howard.
17 Brad told me that Mahon and Howard have reached out to him as well and they were set to talk later
18 in the day.

19 33. The gist of the call with Mahon and Howard is as follows: Mahon told me that I am
20 not a bad actor, I have always been forthright and professional and he wants to do a special deal for
21 me, but he wants me to promise me that I will not share this information with anyone else. I refused
22 to do so, but Mahon could not help himself and he told me anyway. Mahon told me that if I give up
23 my right to sue, agree to a release of all claims, agree to the terms that have been provided, he will let
24 me transfer my shares into the company without having to put any additional money.

25 34. Brad Solso called me after his call with Mahon/Howard and told me they made him
26 the same offer.

27 35. At that point, I decided that Mahon could not be trusted and that Howard was
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1 complicated with his conduct and in his camp.

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7 36. I decide to work with Mark Munger, who I had spoken to about filing a lawsuit that
8 would protect our rights as shareholders and get to the bottom of the financial improprieties and lack
9 of transparency by Mahon and Howard.

10 I declare under penalty of perjury under the laws of the United States of America that the
11 foregoing is true and correct to the best of knowledge, information and belief.

12 DATED this 16 day of November, 2017.

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DAVID ECKLES

DECLARATION OF ERIC KAGAN

I, Eric Kagan, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I am an investor and advisor in Full Color Games, Inc.

3. I was introduced to David Mahon in March of 2013 by Amish Shah, my business partner in Sierra Maya Ventures.

4. Mr. Shah was already an investor/advisor. He had been working with David Mahon and wanted me to get involved.

5. I had many conversations with Mr. Mahon about the product and vision and what it would take for him to execute.

6. I also had a few calls, while performing diligence, with some of the existing investors, namely Matthew Cowan and Erick Hachenberg.

7. Mr. Mahon had laid out all the games that could be re-created with the new deck of cards. I had the notion that the Full Color Games Inc. product was very unique and was something the gambling/casino business could get excited about.

8. I do not directly recall discussions around, or being specifically made aware of a license.

9. This was one of my first investments and I gave a lot of credibility to the people already involved while performing diligence.

10. I was informed by Mr. Mahon that the intellectual property was fully protected and Mr. Mahon indicated he had one of the best intellectual property lawyers in the gaming industry as counsel.

11. The first time I discovered that FCGI didn't actually own the license/IP was around

1 April 2014, a year after my initial investment while performing diligence to make an additional
2 investment.

3 12. During the initial year or two of my involvement, we would hold weekly
4 investor/advisor calls and Mr. Mahon would give verbal updates on the progress.

5 13. Other than investor pitch decks, I did not receive any hard copy materials with financial
6 or other information which I/we (the investors/advisors) requested multiple times.

7 14. Glen Howard, one of my other partners in Sierra Maya Ventures become the interim
8 President of FCGI and had been providing updates, but as time went on, the calls and updates slowed
9 down even though I/we (other investors/advisors) were constantly requesting information.

10 15. Mr. Mahon would often restrict viewing of information to screen shares. Mr. Mahon
11 was very guarded and protective, which based on the product being created seemed to make a lot of
12 sense as he did not want anyone outside the company to find out what was going on.

13 16. I was completely in the dark with the details of the Isle of Man transactions.

14 17. By that time the product launch had dragged out so long I was beginning to lose faith
15 in Mr. Mahon and his ability to execute.

16 18. There was constant drama surrounding Mr. Mahon as he claimed everyone was out to
17 screw him - he had a story/excuse for everything and it was emotionally draining to listen and try to
18 stay involved so I began to distance myself from him and the company.

19 19. Unfortunately, this meant being out of the loop and never found out there was another
20 investment/company Mr. Mahon created before FCGI which became insolvent and this was round 2
21 for Mr. Mahon.

22 I declare under penalty of perjury under the laws of the United States of America that the
23 foregoing is true and correct to the best of knowledge, information and belief.

24 DATED this 24 day of November, 2017.

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26 _____
ERIC KAGAN

DECLARATION OF TERESA MOORE

I, TERESA MOORE, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. In October of 2012, I was first introduced to Full Color Games, specifically Full Color® Solitaire by Mark Munger at a family gathering.

4. Following the gathering, Mark forwarded to me an email me had received dated October 22, 2012 from David Mahon that included a YouTube link to see an overview of the solitaire product.

5. Over the next few years as the product was expanded to 21 or Nothing and Baccarat, my husband and I made our decision to make a \$50,000 investment in September of 2014.

6. We did have a phone conversation with David Mahon just prior to our decision to invest.

7. The purpose of the call with Mr. Mahon was to review and understand our investment in Full Color Games.

8. On September 23, 2014, Glen Howard sent an email to Mark asking him to *"Please forward the attached Investment Information form to your sister for the \$50k investment"*.

9. On that same day Mark did forward the email as Mr. Howard requested introducing Glen as the person *"who leads up the investors"*.

10. Initially we invested through our S-Corp and a few months later renamed the investment in our Family Trust which was agreed to by both Mr. Mahon and Mr. Howard.

11. On September 29, 2014, we sent an email to Mr. Howard which included the Investment Information form he had requested. In this email we also requested Mr. Howard send us

1 the wire transfer information to complete our investment. We received from our bank confirmation
2 of the successful wire transfer on October 3, 2014.

3 12. On June 4, 2015 we received an email from Glen Howard regarding "Amendment 1 to
4 Convertible Note". This email was seeking the approval to increase the total of Notes to be sold and
5 amend the closing date to September 30, 2015 and extend the maturity date of the notes to June 30,
6 2016.

7 13. Mr. Howard stated in his email that the changes would allow the Company to complete
8 addition funding to achieve the "commercialization of Full Color Poker and 21 or Nothing prior to
9 seeking a Series A equity round.

10 14. We returned this amendment to Mr. Howard on November 11, 2015 and received a
11 fully executed copy of the amendment from Mr. Howard signed by David Mahon on November 11,
12 2015 via email.

13 15. Larry and I did participate in a few "investor calls" as well as receive emails and an
14 investor newsletter. Through these communications we were never told that our investment did not
15 included the Intellectual property/ License(s)/Trademarks/Copyrights of Full Color Games. In fact,
16 it was quite the opposite.

17 16. We had always been led to believe that this intellectually property were considered a
18 part of the "Assets" of the company.

19 17. We would have not invested in Full Color Games if we were told that the company did
20 not own the intellectually property it had represented was an asset of the company.

21 I declare under penalty of perjury under the laws of the United States of America that the
22 foregoing is true and correct to the best of knowledge, information and belief.

23 I declare under penalty of perjury under the laws of the United States of America that the
24 foregoing is true and correct to the best of knowledge, information and belief.

25 DATED this 21 day of November, 2017.

26 
27 TERESA MOORE
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DECLARATION OF LARRY MOORE

I, LARRY MOORE, hereby declare as follows:

1. I am over the age of eighteen (18) and I have personal knowledge of all the facts set forth herein. Except otherwise indicated, all facts set forth in this declaration are based upon my own personal knowledge, my review of the relevant documents, and my opinion of the matters that are the issues of this lawsuit. If called to do so, I would competently and truthfully testify to all matters set forth herein, except for those matters stated to be based upon information and belief.

2. I make this declaration in support of Plaintiffs' opposition to Defendants' motion for summary judgment.

3. In October of 2012, I was first introduced to Full Color Games, specifically Full Color® Solitaire by Mark Munger at a family gathering.

4. Following the gathering, Mark forwarded to me an email me had received dated October 22, 2012 from David Mahon that included a YouTube link to see an overview of the solitaire product.

5. Over the next few years as the product was expanded to 21 or Nothing and Baccarat, my wife and I made our decision to make a \$50,000 investment in September of 2014.

6. We did have a phone conversation with David Mahon just prior to our decision to invest.

7. The purpose of the call with Mr. Mahon was to review and understand our investment in Full Color Games.

8. On September 23, 2014, Glen Howard sent an email to Mark asking him to "*Please forward the attached Investment Information form to your sister for the \$50k investment*".

9. On that same day Mark did forward the email as Mr. Howard requested introducing Glen as the person "*who leads up the investors*".

10. Initially we invested through our S-Corp and a few months later renamed the investment in our Family Trust which was agreed to by both Mr. Mahon and Mr. Howard.

11. On September 29, 2014, we sent an email to Mr. Howard which included the Investment Information form he had requested. In this email we also requested Mr. Howard send us

1 the wire transfer information to complete our investment. We received from our bank confirmation
2 of the successful wire transfer on October 3, 2014.

3 12. On June 4, 2015 we received an email from Glen Howard regarding "Amendment 1 to
4 Convertible Note". This email was seeking the approval to increase the total of Notes to be sold and
5 amend the closing date to September 30, 2015 and extend the maturity date of the notes to June 30,
6 2016.

7 13. Mr. Howard stated in his email that the changes would allow the Company to complete
8 addition funding to achieve the "commercialization of Full Color Poker and 21 or Nothing prior to
9 seeking a Series A equity round.

10 14. We returned this amendment to Mr. Howard on November 11, 2015 and received a
11 fully executed copy of the amendment from Mr. Howard signed by David Mahon on November 11,
12 2015 via email.

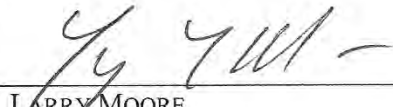
13 15. Teresa and I did participate in a few "investor calls" as well as receive emails and an
14 investor newsletter. Through these communications we were never told that our investment did not
15 included the Intellectual property/ License(s)/Trademarks/Copyrights of Full Color Games. In fact,
16 it was quite the opposite.

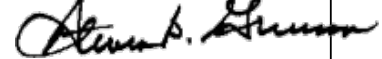
17 16. We had always been led to believe that this intellectually property were considered a
18 part of the "Assets" of the company.

19 17. We would have not invested in Full Color Games if we were told that the company did
20 not own the intellectually property it had represented was an asset of the company.

21 I declare under penalty of perjury under the laws of the United States of America that the
22 foregoing is true and correct to the best of knowledge, information and belief.

23 DATED this 21 day of November, 2017.

24 
25 LARRY MOORE
26
27
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OPPS

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Attorneys for Defendants & Counter-claimants David Mahon, Glen Howard, and 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

**FULL COLOR GAMES, INC.'S
OPPOSITION TO THIRD-PARTY
DEFENDANT BRIAN MARCUS'
SPECIAL MOTION TO DISMISS
THIRD-PARTY COMPLAINT
PURSUANT TO NRS 41.660 (ANTI-
SLAPP)**

1 AND ALL RELATED MATTERS

2
3 **1. Introduction.**

4 Counter-claimant and Third-Party Plaintiff Full Color Games, Inc. ("FCGI") opposes
5 Third-Party Defendant Brian Marcus' Special Motion to Dismiss Action Pursuant to NRS
6 41.650 (the "Motion"). The Motion fails because Marcus is not an Anti-SLAPP case. Although
7 FCGI does allege in the Third-Party Complaint that Brian Marcus ("Marcus") submitted a false
8 declaration or affidavit to the Court in the early proceedings in this case, those allegations are
9 not the basis for filing suit against Marcus. FCGI and the other Defendants already have
10 significant information that demonstrate Marcus's direct involvement in the conspiracy and
11 racketeering allegations made in the Defendants' Counter-claims directed against the other
12 investors who have joined in the lawsuit, including, and has been since April 2017. FCGI has
13 the right to obtain in discovery the evidence and all facts that might prove the egregious extent
14 of Marcus' racketeering activities in his support of the Counter-defendants and Third Parties
15 that center on the extortion of Mahon's Full Color IP as alleged with specificity and
16 particularity in the Counter-claim and Third-Party Complaint. It would be a grave and
17 irreparable injury to FCGI, and the other Defendants (and non-racketeering Third Parties) in this
18 derivative suit to prematurely dismiss Marcus without each of party to the action being afforded
19 the full rights to discovery in the equal fashion that the Plaintiffs have been given against the
20 Defendants.

21 FCGI has alleged and in good faith believes that Marcus is a member of the racketeering
22 enterprise whose actions are inescapably aiding and abetting the Plaintiffs extortion (of
23 Mahon's Full Color IP property from him and his licensors as alleged in the Counter-claims).
24 Despite the declaration itself garnering some protection under Anti-SLAPP statutes, his
25 voluntary participation in the lawsuit, despite attempting to appear neutral, demonstrates that he
26 has tied himself to and forms part of the basis for FCGI's believe that he is not simply an
27 innocent bystander.

1 As further explained below, since April, 2017, Marcus has had multiple conversations
2 with FCGI, its principals and officers garnering confidential and proprietary information from
3 under the guise of feigning interest in continuing investment in the Full Color IP through Full
4 Color Games Group, Inc. (“FCGG”). Instead, of investing, Marcus appears to have been
5 gathering information support Munger and the others to work against them. What makes
6 Marcus’ actions all the more heinous, are the facts that Marcus is a self-admitted expert in
7 domestic and international intellectual property law, intellectual property licensing, venture
8 capital funding of intellectual property and above all, owns a law firm whose specialty is
9 engaging in the due diligence process upon behalf of clients to formally determine the full
10 investment value of disruptive copyrights, trademarks and patents (such as Mahon’s inventions
11 in the Full Color IP) making it seem odd that Marcus would not know or understand the
12 licensing structure that Mahon had employed with FCGI. . FCGI also believes that Marcus is
13 assisting Munger as a ghostwriter in filing all of the legal briefs in the Notice of Opposition in
14 his continued efforts to tie up the Full Color IP in litigation both in this action and before the
15 United States Patent and Trademark Officer (“USPTO”).

16 FCGI included the allegations concerning Marcus’ declaration because it is the first
17 evidence on public record that indisputably demonstrates that Marcus was in fact involved with
18 the other Plaintiffs, which fact, coupled with the Marcus’ previous communications with FCGI
19 feigning interest in ongoing investment, was sufficient information for FCGI to assert Marcus is
20 a co-conspirator with Munger and others who have conspired to extort property from Mahon
21 and FCGI. FCGI’s primary complaint is not based on Marcus’ submission of the declaration to
22 this Court. FCGI’s primary complaint is that Marcus is directly involved in the conspiracy and
23 racketeering to extort the Full Color IP from Mahon for their own benefit and otherwise tie up
24 the Full Color IP in litigation keeping both FCGI and other licensees from benefiting from its
25 commercialization. FCGI needs to be able to conduct discovery on these allegations to
26 determine how involved Marcus is.

27 Further, Marcus also continues to claim an ownership in FCGI as a shareholder, and
28 FCGI seeks a declaration against Marcus concerning his claim to ownership of his shares.

1 Marcus is a proper party to this action for this basis alone, in addition to FCGI's allegations that
2 Marcus has, along with Munger and others, conspired to commit acts designed to either
3 improperly wrest ownership of the Full Color IP from those who properly own it, or to
4 tortiously tie up the Full Color IP in litigation and all interested parties have the right to obtain
5 the discovery related thereto and seek relief accordingly.

6 Although FCGI reserves the right to seek damages against Marcus if the evidence
7 ultimately demonstrates that he knowingly submitted false sworn or unsworn statements to the
8 Court, FCGI's primary focus is on FCGI's belief that Marcus has been involved with Munger
9 and the other Plaintiffs in their efforts to destroy the legal protections for the Full Color IP, or
10 tie Full Color IP up in unending litigation from the beginning of the extortionate acts alleged in
11 the Counter-claim and Third-Party Complaint.

12 As such, even if Marcus is correct in arguing that the submission of a declaration to this
13 Court during early motion practice is in fact protected under NRS 41.650, the claims against
14 Marcus are based on good faith allegations that he is involved in the conspiracy and
15 racketeering activities of Munger and others, and not based on the fact that he submitted a
16 declaration or affidavit to this Court. The Court should deny Marcus' special motion to dismiss.
17 To the extent the complaint does not clearly state these allegations, FCGI is willing to obtain
18 leave of Court to amend the allegations so as to make them clear.

19 **2. Factual Background.**

20 Marcus was an investor who invested funds into FCGI via the convertible note identified
21 in the Counterclaim and Third-Party Complaint on three separate occasions, first on April 3,
22 2015, again on June 12, 2015, and again on November 15, 2015, each time affirming himself as
23 an accredited investor through FCGI's universal convertible note. As alleged in the
24 Counterclaim and Third-Party Complaint, in or about May, 2014, as a result of the new investor
25 interest, among other things, Glen Howard, the President of FCGI, pushed for the initial
26 convertible note to be re-structured to place all investors, other than a few early investors which
27 included Munger, into one uniform convertible note (hereinafter, the "C-Note"). *See* Amended
28 Counterclaim and Third-Party Complaint, ¶ 124. The C-Note was secured by a security

1 agreement executed by FCGI and each accredited investor. This security agreement identified
2 the collateral as "all right, title, interest, claims and demands of the Company to: that certain
3 License Agreement by and between the Company and Intellectual Properties Holdings, LLC
4 dated April 18, 2012." *Id.* ¶ 125.

5 The C-Note and related security agreement fully disclosed and identified FCGI's assets
6 as the limited license from IPH that granted FCGI permission to utilize the Full Color IP and not
7 ownership of the Full Color IP itself which belonged to Mahon. *Id.* ¶ 126.

8 The C-Note would trigger, which would either require FCGI to pay off the C-Note or
9 convert the C-Note holders interest to shareholders if a corporate event occurred. Such a
10 corporate event included any transaction whereby FCGI transferred all or substantially all of its
11 assets, including the assets secured by the C-Note, namely, the limited license issued by IPH.
12 Marcus was one of the C-Note investors. *Id.* ¶ 127.

13 Marcus was a unique investor in that he was an attorney whose specialty was intellectual
14 property protection. Indeed, in the one meeting that Marcus had with Mahon, Marcus discussed
15 with Mahon his ability to assist and advise Mahon and FCGI concerning intellectual property
16 protection issues. Through these discussions and due to his expertise as a lawyer, Marcus
17 obtained extraordinary details about the Full Color IP. Marcus sought to invest three different
18 times. The last time, Mahon agreed to allow an additional investment based on his
19 understanding that Marcus would provide intellectual property protection advice and actively
20 work to protect the Full Color IP that Marcus' investments were directly tied to. Marcus never
21 followed through in assisting FCGI or Mahon with intellectual property ownership matters.
22 Now, FCGI alleges that rather than protecting the Full Color IP and his own investments,
23 Marcus acts against FCGI and in is destroying the legal protection for the Full Color IP that
24 would benefit FCGI and all parties claiming an interest in FCGI, for which he must be held
25 accountable.

26 Prior to the Plaintiffs filing the derivative lawsuit Marcus engaged in lengthy calls and
27 meetings with FCGI, its officers, and other defendants such as FCGG, leading them to believe
28 that he was going to make new investments into FCGG. Between April 2017 and August 2017,

1 all the way up until 11 days before his co-conspirators filed the lawsuit, Marcus obtained
2 confidential and privileged information about FCGI, Mahon, the Full Color IP, FCGG and other
3 Defendants and wrongfully used that information to further the other plaintiff investors
4 racketeering and extortionate scheme that has ultimately resulted in frivolous litigation. Marcus
5 is an officer of the Court in California and had an ethical duty to avoid such conduct, and
6 instead has secretly supported the schemes alleged in the Counterclaim and Third-Party
7 Complaint.

8 FCGI believes and alleges that Marcus is lending his knowledge and skill to Munger in
9 his efforts to oppose Mahon's and FCGI's efforts to ensure that the Full Color IP remains fully
10 protected by intellectual property laws. FCGI believes and has alleged that Marcus is assisting
11 Munger in his improper and illicit attempts to oppose Mahon's efforts to maintain trademark
12 protection for the Full Color mark. Munger, who claims to be submitting filings with the
13 USPTO on his own, has submitted arguments, as legally and factually inaccurate as they are,
14 that are written in such a matter as to suggest he is receiving assistance from an experienced
15 intellectual property attorney like Marcus. Among other things, Munger has made the false
16 allegation to the USPTO that this litigation contests Mahon's ownership of the Full Color
17 trademark despite there being no allegations or claims for relief that assert any such claim.

18 FCGI's Counterclaim and Third-Party Complaint also alleges, among other things, that
19 none of the C-Note holders ultimately became shareholders of FCGI because the contemplated
20 corporate event, moving FCGI's assets to the Isle of Man in exchange for the shares of a Isle of
21 Man company, was never was consummated. FCGI seeks a declaration from this Court that
22 those C-Note holders who continue to claim an ownership interest in FCGI as shareholders are
23 not shareholders. Marcus claims to be a shareholder of FCGI through his initial status as a C-
24 Note holder. *See id.* ¶¶ 161-170.

25 **3. Legal Argument**

26 **A. This is not a SLAPP suit.**

27 Like many states, Nevada prohibits SLAPP suits. *See* NRS 41.650; NRS 41.660.
28 Analysis under these anti-SLAPP statutes is a two-step process. First, the action

1 complained about must have been brought “based upon a good faith communication in
2 furtherance of the right to petition or the right to free speech in direct connection with an
3 issue of public concern.” NRS 41.637. Such communications are limited to the following:
4 (1) messages “aimed at procuring any governmental or electoral action, result or
5 outcome”; (2) contacting state or federal entities or their employees regarding “matter[s]
6 reasonably of concern” to those entities; (3) messages in “direct connection with an issue
7 under consideration by a legislative, executive or judicial body, or any other official
8 proceeding authorized by law”; or (4) communications on matters of public interest made
9 in a public forum. NRS 41.637. Further, the communication must be either true, or made
10 without knowledge that it is untrue. *Id.* Court have also held that anti-SLAPP statutes do
11 not protect communications that would otherwise be illegal, such as extortion, fraud, or
12 perjury. *See, e.g., Flatley v. Mauro*, 139 P.3d 2, 15 (Cal. 2006).

13 Here, Marcus’ argument is that this lawsuit was brought based on his submission
14 of a declaration or affidavit to the Court in this case. Presumably, Marcus is arguing that
15 this lawsuit was commenced based on his communication to this Court under NRS
16 41.637(3). However, FCGI’s is not basing Marcus liability for damages on the fact that
17 Marcus submitted a declaration to this Court. FCGI asserts, on information and belief,
18 that Marcus is one of the co-conspirators, with Munger and the other Plaintiffs, who have
19 committed other acts designed to improperly take Mahon’s property from him. The only
20 way for FCGI to confirm these allegations is via discovery. Simply put, Although
21 FCGI’s knowledge of Marcus’ potential involvement with Munger and other co-
22 conspirators and racketeers was based initially on FCGI learning that Marcus was
23 cooperating with Munger by submitting a declaration to the Court, FCGI is not asserting
24 or that Marcus is ultimately liable to FCGI based submitting a declaration to the Court.

25 Nevada’s Anti-SLAPP statute is not applicable here. FCGI is not seeking damages
26 based on the alleged perjury in any cause of action. FCGI simply, has alleged, in good
27 faith, that Marcus is one of the claimed shareholder/C-Note holder co-conspirators and
28 racketeers, and requires discovery to determine the extent of Marcus’ involvement in

1 what he did. Further, FCGI is also seeking declaratory relief that Marcus, along with the
2 other C-Note holders never became shareholders.

3 **B. Because FCGI's claims against Marcus are not based on the alleged**
4 **submission of one affidavit, Marcus' special motion fails.**

5 Marcus spends the bulk of the special motion to dismiss arguing that his
6 submission of a single affidavit early in this case cannot form a basis for any claims
7 against Marcus. However, FCGI's allegations are its good faith belief that Marcus is
8 involved with Munger and the other co-conspirators in every aspect of their racketeering
9 activities and extortion against FCGI and its affiliated entities. Without tying the FCGI's
10 claims against Marcus solely to the allegation that Marcus submitted a false affidavit to
11 this Court, Marcus can no longer rely on the Anti-SLAPP statute mechanism, and must
12 seek dismissal of FCGI's complaint under the Rule 12(b)(5) standard, which requires the
13 Court to determine that FCGI could prove no set of facts which would entitle her to relief.

14 *Buzz Stew, LLC v. City of N. Las Vegas*, 124 Nev. 224, 228, 181 P.3d 670, 672 (2008);
15 *Bergmann v. Boyce*, 109 Nev. 670, 675, 856 P.2d 560, 563 (1993). Further, FCGI is entitled to
16 have every reasonable inferences drawn in its favor. *DeBoer v. Senior Bridges of Sparks*
17 *Family Hospital Inc.*, 282 P.3d 727 (Nev. 2012); *see also Blackjack Bonding v. City of Las*
18 *Vegas Municipal Court*, 14 P.3d 1275, 1278 (Nev. 2000).

19 FCGI has alleged many specific acts that the co-conspirators and racketeers have
20 committed in order to destroy and/or wrest ownership of the Full Color IP and destroy
21 FCGI's business. FCGI has reason to believe, and has alleged, that Marcus was involved
22 in this conspiracy. FCGI is entitled to complete discovery to determine the extent of
23 Marcus' involvement with the other Plaintiffs. Marcus' motion does not attempt to
24 address these allegations, but focuses solely on the fact that FCGI did allege that Marcus
25 submitted a false declaration to the Court. Although FCGI reserves the right to complete
26 discovery on this issue, FCGI did not include Marcus in this action based on submitting
27 the false declaration, but claims that Marcus is one of several co-conspirators for whom
28 FCGI needs additional discovery to determine the extent of his involvement. Because

1 FCGI has demonstrated that it could prove a set of facts against Marcus that would entitle
2 FCGI to relief, without seeking liability for the alleged false declaration, Marcus' motion
3 should be denied.

4 **C. FCGI does not intend on litigating the dismissed fraud claims.**

5 Relying on the allegation that Marcus submitted a false declaration to the Court to
6 support it claims makes no sense. Indeed, if FCGI asserted damages against Marcus
7 based on the allegation that Marcus submitted a false affidavit, FCGI would be litigating
8 the factual issues that formed the basis for the dismissed fraud claims. FCGI has no
9 intent of doing so. At the time that Marcus submitted the declaration identified in the
10 Third-Party Complaint, the fraud claims had not yet been dismissed because Plaintiffs
11 had not yet clarified that they were not seeking individual fraud claims. Once Plaintiffs
12 stated that they were only bringing fraud claims derivatively, the Court recognized on
13 motion that Plaintiffs had not pleaded any fraud against FCGI derivatively, and dismissed
14 those claims. Marcus' declaration, whether it is false or not, only deals with the
15 dismissed fraud claims. Although FCGI reserves the right to seek damages based on the
16 false declaration to the extent it obtains sufficient evidence during discovery to prove the
17 claim, FCGI did not intent on basing its claims against Marcus on this allegation, which
18 would might requires FCGI to litigate the facts that Plaintiffs claim formed the basis of
19 the dismissed fraud claims.

20 **4. Conclusion.**

21 Marcus' special motion to dismiss is based on the inaccurate assertion that any
22 claim that includes Marcus is based solely on the allegation that FCGI is seeking
23 damages against Marcus based on his submission of a false declaration to this Court.
24 FCGI only included Marcus in the Third-Party Complaint because it believes that Marcus
25 participated in the conspiracy and racketeering activities of the other alleged FCGI
26 shareholders, including Plaintiffs, which are adequately pleaded.

27 ////

28 ////

1 FCGI has sufficient facts to assert in good faith its belief that Marcus was
2 involved, but will need additional discovery to determine the scope if Marcus'
3 involvement. As such, Marcus' special motion to dismiss should be denied.

4 DATED this 14^h day of June, 2019.

5 HUTCHISON & STEFFEN, PLLC
6

7 /s/ Todd W. Prall
8 Mark A. Hutchison (4639)
9 Todd W. Prall (9154)

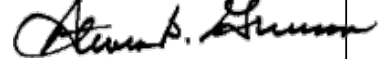
10 *Attorneys for Third-Party Defendant Full Color*
11 *Games, Inc.*
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CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of Hutchison & Steffen, PLLC and that on this 14th day of June, 2019, I caused the document entitled **FULL COLOR GAMES, INC.'S OPPOSITION TO THIRD-PARTY DEFENDANT BRIAN MARCUS' SPECIAL MOTION TO DISMISS THIRD-PARTY COMPLAINT PURSUANT TO NRS 41.660 (ANTI-SLAPP)** 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



RPLY

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Attorneys for Third Party Defendant Brian Marcus

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; MILLENNIUM 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
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

Case No.: A-17-759862-B

Dept. No.: XIII

**THIRD PARTY DEFENDANT BRIAN
MARCUS' REPLY IN SUPPORT OF
SPECIAL MOTION TO DISMISS THIRD-
PARTY COMPLAINT PURSUANT TO
NRS 41.660 (ANTI-SLAPP)**

Hearing Date: June 27, 2019

Hearing Time: 9:00 a.m.

1 corporation; FULL COLOR GAMES GROUP,
2 INC., a Nevada corporation; JACKPOT
3 PRODUCTIONS, LLC, a Nevada limited liability
company; DOES I through X; and ROE
CORPORATIONS I through X, inclusive,

4 Defendants.

5 DAVID MAHON, an individual; GLEN
6 HOWARD, an individual; INTELLECTUAL
PROPERTY HOLDINGS, LLC, a Nevada
7 limited liability company; FULL COLOR
GAMES, N.A., LLC; a Nevada limited liability
8 company; FULL COLOR GAMES GROUP,
INC., a Nevada corporation; JACKPOT
9 PRODUCTIONS, LLC, a Nevada limited
liability company; FULL COLOR GAMES,
INC., a Nevada corporation,

10 Counter-claimants,

11 vs.

12 MARK MUNGER, an individual; DOES I
13 through V; and ROE CORPORATIONS I
through V,

14 Counter-defendants.

15 FULL COLOR GAMES, INC., a Nevada
16 corporation,

17 Counter-claimant,

18 MARK MUNGER, an individual; DAVID'S
HARD WORK TRUST LTD. 3/26/2012, a
19 California Trust; MOORE FAMILY TRUST, a
California Trust; MILLENNIUM TRUST
20 COMPANY, LLC, CUSTODIAN FBO GARY
SOLSO, IRA, a California Trust; MARA H.
21 BRAZER, as Trustee for the MARA H.
BRAZER TRUST UTA 2/12/2004, a California
22 Trust; JEFFREY CASTALDO, an individual;

23 Counter-defendants.

24 FULL COLOR GAMES, INC., a Nevada
25 corporation,

26 Third-Party Plaintiff,

27 vs.

28 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.

Third Party Defendant Brian Marcus (referred to as “Third Party Defendant” or “Marcus”), by and through his counsel of record, MAIER GUTIERREZ AND ASSOCIATES, hereby submits this reply in support of his special motion to dismiss the third-party complaint filed against him and seeks sanctions pursuant to Nev. Rev. Stat. § 41.660 (anti-SLAPP).

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1 This reply is based upon the Points and Authorities set forth herein, the underlying motion and
2 the papers and pleadings on file, and any argument permitted by the court at the time of hearing.

3 DATED this 21st day of June 2019.

4 Respectfully submitted,

5 **MAIER GUTIERREZ & ASSOCIATES**

6
7 /s/ Joseph A. Gutierrez
8 JOSEPH A. GUTIERREZ, ESQ.
9 Nevada Bar No. 9046
10 STEPHEN G. CLOUGH, ESQ.
11 Nevada Bar No. 10549
12 8816 Spanish Ridge Avenue
13 Las Vegas, Nevada 89148
14 *Attorneys for Third Party Defendant Brian Marcus*

15 **MEMORANDUM OF POINTS AND AUTHORITIES**

16 **I. INTRODUCTION**

17 In its 215-page Amended Answer, Counterclaims, and Third-Party Complaint, Full Color Games, Inc.
18 (“FCGI”) relies entirely on a sworn declaration that Brian Marcus previously submitted to this Court
19 (“the November 2017 Marcus Declaration”) as the basis for its allegations of racketeering against
20 Marcus. In its opposition, FCGI now realizes the futility of that position under Nevada’s anti-SLAPP
21 statute, and backpedals, insisting that “those allegations are not the basis for filing suit against
22 Marcus.” Opp. at p. 2. Instead, FCGI has resorted to manufacturing more allegations against Marcus
23 (based on pure speculation) in an attempt to correct its initial mistake and broaden the scope of this
24 case. The problems with this new position in its opposition are threefold. First, FCGI’s new tact
25 that its claims are not based on the Marcus Declaration are expressly contradicted by its own emails
26 to Marcus. FCGI sent Marcus several emails threatening that he would be sued based on his
27 statements in the Marcus Declaration, and when suit was brought, FCGI sent an email confirming it
28 was making good on its threat to sue Marcus based on his statements in the Marcus Declaration.

1 Second, FCGI now alleges in the opposition that this is not a SLAPP lawsuit because its claims
2 are not based on the November 2017 Marcus Declaration, but instead on Marcus’ alleged discussions
3 with plaintiff Mark Munger. However, these alleged discussions are also protected under Nevada’s
4 anti-SLAPP statute.

5 Third, the new allegations against Marcus in the opposition are devoid of any actual evidence
6 (because none exists) of racketeering by Marcus. The new allegations are based on pure speculation
7 and conjecture, and none of these new allegations amount to a valid racketeering claim. As set forth
8 in Marcus’ motion, racketeering claims are subjected to a heightened pleading standard, and FCGI
9 was required to plead, with factual specifics, an ongoing pattern of specific behaviors as part of an
10 enterprise. While FCGI has effectively abandoned the sole allegation against Marcus in its Third-
11 Party Complaint (involving the purported “false” declaration that Marcus executed), the new claims
12 that FCGI is creating for the first time in its opposition come nowhere close to satisfying Nevada’s
13 pleading standard for racketeering claims.

14 Despite its best efforts to misrepresent the actual allegations set forth against Marcus, FCGI
15 simply declaring that “this is not a SLAPP suit” does not make it true. This is a motion brought under
16 Nevada’s ant-SLAPP statute, and FCGI has done nothing to satisfy its burden of setting forth
17 sufficient evidence showing that it has a probability of prevailing on its claim(s). As such, this Court
18 should grant Marcus’ motion in its entirety, dismiss FCGI’s claims against Marcus with prejudice,
19 and award Marcus all his costs and reasonable attorneys’ fees incurred in defending himself from this
20 meritless suit. Further, the Court should impose a sanction of \$10,000 on FCGI, David Mahon and
21 Glen Howard (via their now defunct company FCGI).

22 **II. LEGAL ARGUMENT**

23 **A. THE ALLEGATIONS AGAINST MARCUS ALL CENTER ON THE NOVEMBER 2017** 24 **MARCUS DECLARATION**

25 FCGI’s actual claims against Marcus in its Third-Party Complaint are thin, with only 6
26 paragraphs (out of 215 pages) devoted to Marcus’ purported actions. *See* Defendant Full Color
27 Games’ Amended Answer, Counterclaims, Third Party Complaint at ¶¶ 422-427. All of those
28 paragraphs focus on Marcus allegedly making three “perjurious statements in a sworn Declaration

1 before this Court,” and the fallout of FCGI creating its own report against Brian Marcus and then
2 using that report to attempt to intimidate and punish Marcus for telling the truth in his declaration.
3 FCGI has apparently realized that it has no way of succeeding on this motion, so it has concocted new
4 allegations against Marcus not based on the November 2017 Marcus Declaration. But this is all a
5 smokescreen in an attempt to distract the Court from the actual allegations at issue.

6 A cursory glance at the emails FCGI and Mahon sent to Brian Marcus, and Marcus’ law firm,
7 indicate that FCGI brought its lawsuit against Marcus based on his declaration. Of note, FCGI’s
8 opposition has not objected to the authenticity of these emails provided in Marcus’ motion.

9 The first of these emails, on January 11, 2018, admits that it was the November 2017 Marcus
10 Declaration alone that allegedly caused all of FCGI’s harm, and that it was only as a result of the
11 November 2017 Marcus Declaration that FCGI elected to create a 305 page “ARCC Report” deeming
12 Marcus guilty of perjury and of breaching his fiduciary duties. See Motion at Ex. I. The following
13 are excerpts from the January 11, 2018 email.

14 On November 23, 2017, you, MARCUS, as an individual, signed a sworn affidavit
15 under the penalty of perjury that his *[sic]* declarations (“DECLARATIONS”) in the
LAWSUIT, in support of the Plaintiffs, were true and correct.

16 **As a result**, FCGI’S Audit, Risk and Compliance Committee (“ARCC”) was formed
17 and authorized pursuant to the BYLAWS to review and address the
18 DECLARATIONS and produced the ARCC Report of Brian Marcus dated January
19 10, 2018 (“ARCC REPORT”), a copy of which is hereby attached, with all 28
exhibits in a confidential 305 page PDF that can be accessed from FCGI’S Google
Drive cloud account.

20 The ARCC REPORT proved, beyond the shadow of any doubt, to the Board of
21 Directors (“BOD”) of FCGI that you, MARCUS, **in your DECLARATIONS in the**
22 **LAWSUIT**, are guilty of multiple counts of perjury and multiple counts of breaching
23 your fiduciary duties to other shareholders as a shareholder, each of which constitute
a non-curable non-compliance event (“NCE”).

24 As a result, FCGI is defending the you *[sic]* as a shareholder, from you by whom
25 FCGI is directly victimized by. This not only defies logic, it is actionable, both
26 individually against you, **who made the decision to join the lawsuit by signing and**
perjuring yourself as an individual Declarant, but also created strict liability
against you and your estate

27 ...
28

1 FCGI believes and hereby avers that **the damage that your perjurious statements**
2 **and breaches of fiduciary duties, pursuant to the ARCC REPORT, creates a**
3 **strict liability upon you and has recommended to the BOD that FCGI must**
4 **pursue any and all remedies available to it.** The BOD of FCGI is also ready to
defend any of the ARCC'S recommendations and BOD resolutions and subsequent
actions it issues as a result of it should it be forced to adjudicate any of the matters.

5 Motion at Ex. I (emphasis added).

6 The January 18, 2018 email attached to the motion as Exhibit J also corroborates that FCGI is
7 only complaining about the 2017 Marcus Declaration:

8 **Up until your declarations were filed,** FCGI was faithfully defending your
9 shareholder interests against the LAWSUIT because it was made clear to FCGI that
you were not going to support or join the LAWSUIT.

10 FCGI owes its few remaining shareholders, its affiliates, the other Defendants and
11 other injured parties that oppose the LAWSUIT **the duty to respond to your**
12 **declarations.**

13 **As a result,** FCGI's Audit, Risk and Compliance Committee ("ARCC") convened
14 and an ARCC Report was created **to assemble the facts that refute your**
declarations.

15 Motion at Ex. J (emphasis added).

16 On April 23, 2019, after filing the law suit against Marcus, FCGI and Mahon again emailed
17 Marcus, stating in part:

18 You were not a cause of the failure of FCGI and as such, it appears that you were
19 duped into joining a racketeering enterprise. You were not an *original* target in the
20 racketeering case, **but your sworn declaration changed all that** and by statute,
21 your actions make you a supporting member of the racketeering enterprise giving
the Defendants and all authorities having jurisdiction the legal standing necessary
to prosecute you and more importantly the case law precedents to prevail.

22 ...

23 Life as you know it is gone caused by the stroke of a single pen **when you signed**
24 **a false, frivolous sworn declaration** and let your racketeering partners use it to
further their extortion attempts against the Defendants and now you will face the
consequences of your willful decision.

25 ...

26 *"Did you really think you could sign a sworn declaration in a Court of law and let*
27 *other people use it to create harm and injury to the Defendants and truly believe*
28 *you'd face absolutely no consequences to it?"*

...

1 **[Y]ou have lied in your declaration** and there are no two ways about it and we
2 are willing to spend another million dollars to prove it and the lawsuit ensures you
3 will too.

4 ...
5 The Summons makes clear now that the demand for you to withdraw your false
6 sworn statements or face litigation was not a hollow threat. It is a promise made
7 good and a barometric pressure reading of what's next if you wish to continue
8 asserting your sworn declaration and support of the criminal racketeering
9 enterprise **you are now a part of.**

10 **The ignorance of filing that sworn declaration** could be expected from a non-
11 lawyer, but from someone with a license to practice law AND further before one
12 that is further licensed by the USPTO? Not gonna happen.

13 We will accept absolutely NOTHING LESS than a **full retraction of your**
14 **declaration** and the recovery of your pro-rate share of the damages as a result of it
15 or you will forever be faced with the consequences that come with whatever
16 delusions you suffer from that caused you to sign and submit it in the first place
17 and worse, your continued ongoing defense of it.

18 Motion at Ex. K (emphasis added).

19 Accordingly, FCGI has already admitted that up until the November 2017 Marcus Declaration
20 was filed, FCGI had no reason to sue Marcus, and it was the declaration that “changed all that.” In
21 other words, it is only now that Marcus has told the truth in a sworn declaration which was submitted
22 to this Court that FCGI believes Marcus has “participated” in other parties’ “racketeering” conduct.
23 FCGI concedes as much in its opposition, admitting that its only real “evidence” that Marcus is
24 “involved with the other Plaintiffs” comes through the November 2017 Marcus Declaration. Opp. at
25 p. 3. It is based on that declaration that FCGI is speculating that Marcus must be directly involved in
26 the conspiracy and racketeering to extort the Full Color IP.

27 While FCGI is now trying to downplay the significance of the November 2017 Marcus
28 Declaration as it relates to its claims against Marcus, both the actual Third-Party Complaint and the
underlying evidence reveal otherwise, and this Court should not condone FCGI’s last-minute attempt
to fabricate new allegations (which would not even satisfy a Rule 12(b)(5) motion to dismiss).

///

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1 **B. ALL OF FCGI’S NEW ALLEGATIONS SET FORTH FOR THE FIRST TIME IN ITS**
2 **OPPOSITION ARE ALSO COVERED BY NEVADA’S ANTI-SLAPP STATUTE**

3 FCGI mistakenly comes to the conclusion that only the November 2017 Marcus Declaration
4 can be subjected to an anti-SLAPP motion. Its position is summarized in the opposition at page 8,
5 lines 9-11: “[w]ithout tying the FCFI’s claims against Marcus solely to the allegation that Marcus
6 submitted false affidavit to this Court, Marcus can no longer rely on the Anti-SLAPP statute
7 mechanism.” Opp. at p. 8. This position is incorrect as a matter of law.

8 Statements are protected under anti-SLAPP statute NRS 41.637(3) when they have a “direct
9 connection with an issue under consideration by a ... judicial body.” The Nevada Supreme Court,
10 sitting *en banc*, interpreted this to mean that “in order for a statement to be protected under NRS
11 41.637(3), ... the statement must (1) relate to the substantive issues in the litigation and (2) be directed
12 to persons having some interest in the litigation.” *Patin v. Lee*, 134 Nev. Adv. Op. 87 (Nov. 15, 2018)
13 (*en banc*). *Patin* was a case of first impression in Nevada regarding statements in direct connection
14 with an issue under consideration by a judicial body. Accordingly, the Nevada Supreme Court looked
15 to California case law.

16 In California, the anti-SLAPP statute protects “any written or oral statement or writing made
17 in connection with an issue under consideration or review by a . . . judicial body. Cal Civ. Proc. Code
18 Sec. 425.16(e)(2). The Nevada Supreme Court in *Patin* was particularly instructed by *Neville v.*
19 *Chudacoff*, 160 Cal.App.4th 1255, 73 Cal.Rptr.3d 383, 388-92 (Ct. App. 2008). In *Neville*, a
20 company’s attorney sent letters to the company’s customers asking them not to do business with a
21 particular fired employee because the employee has stolen company secrets. The company sued the
22 fired employee, and the employee asserted a cross-claim for defamation against the company’s
23 attorney based on the letters he sent. The attorney was successful in dismissing under anti-SLAPP.
24 The *Neville* Court noted that anti-SLAPP “protect[s] the right of litigants to the utmost freedom of
25 access to the courts without fear of being harassed subsequently by derivative toward actions.” *Id.* at
26 388-389. The *Neville* Court determined that the attorney’s letter to the company’s customers was
27 protected under the California anti-SLAPP statute because a letter “related directly to the company’s
28 forthcoming claims against the fired employee and was directed to the company’s customers, who the

1 company reasonably believed would have an interest in the forthcoming litigation.” *Id.* at 392-94.
2 The Neville Court concluded that a statement is made in connection with an issue under consideration
3 or review by a judicial body if the statement “relates to the substantive issues in the litigation and is
4 directed to persons having some interest in the litigation.” *Id.* at 391.

5 Similarly, in *Healy v. Tuscany Hills Landscape & Recreation Corp.*, 39 Cal. Rptr. 3d 547 (Ct.
6 App 2006), which is another case analyzed by the Nevada Supreme Court in *Patin*, an HOA sent a
7 letter to residents saying that Healy was increasing HOA costs by certain acts. Healy sued for
8 defamation. The HOA successfully dismissed under anti-SLAPP. The *Healy* Court determined that
9 the HOA’s letter to the residents was in connection with an issue under consideration or review by a
10 judicial body “because the letter was sent in connection with litigation.” *Id.* at 549.

11 The Nevada Supreme Court in *Patin* further referred to *Contemporary Services Corp. v. Staff*
12 *Pro Inc.*, 61 Cal. Rptr. 3d 434 (Ct. App. 2007). In that case, Staff Pro sent an email to customers of
13 Contemporary Services saying Contemporary Services had paid Staff Pro’s ex-employees to make
14 false statements. Contemporary Services sued for defamation. Staff Pro successfully dismissed the
15 case under anti-SLAPP. The Court determined that the Staff Pro’s email was in connection with an
16 issue under consideration or review by a judicial body “because the email was a ‘litigation update’
17 given to individuals ‘who had some involvement’ in the litigation.” *Id.* at 445.

18 In this case, FCGI is (now) alleging that it is basing this suit on conversations that Marcus may
19 have had with Munger. FCGI alleges that Marcus was “gathering information [to] support Munger
20 and the others.” (Opp. at p. 3), and that “FCGI also believes that Marcus is assisting Munger as a
21 ghostwriter in filing all of the legal briefs ... both in this action and before the United States Patent
22 and Trademark Office.” (Opp. at p. 3). To be clear, zero evidence is offered (in the form of an
23 affidavit or otherwise) proving that Marcus has provided any legal advice to Munger or that Marcus
24 is serving as a “ghostwriter” in Munger’s filings. Marcus did not ghostwrite Munger’s filings, and
25 this is all pure (paranoid) speculation by FCGI, not based on any facts.

26 But even if Marcus did have those communications, they would all be protected under
27 Nevada’s anti-SLAPP statute for being made in connection with the underlying litigation, to a person
28 having an interest in the litigation. All of the discussions and alleged advice that FCGI is complaining

1 about allegedly took place in relation to litigation, and all of the communications took place with
2 Munger, who is a plaintiff in this action and obviously has some interest in the litigation.

3 With its ignorance of the anti-SLAPP law in Nevada, FCGI attempts to shift focus away from
4 the November 2017 Marcus Declaration to focus instead on other conversations Marcus had with
5 parties to the underlying litigation. FCGI's problem in this regard is that literally everything else that
6 FCGI has decided to complain about for the first time in its Opposition brief is also covered by anti-
7 SLAPP, as it constitutes communications made in direct connection with an issue under consideration
8 by a judicial body.

9 **C. FCGI FAILS TO ADDRESS THE ACTUAL ELEMENTS OF THE CAUSES OF ACTION SET**
10 **FORTH AGAINST MARCUS, AND REFUSES TO ACKNOWLEDGE THE HEIGHTENED**
11 **PLEADING STANDARD FOR RACKETEERING CLAIMS**

12 FCGI has apparently conceded that it has no valid claim for abuse of process or "inducing a
13 lawsuit" (which as set forth in the motion, is a misdemeanor crime, not an action that can be brought
14 in a civil litigation). Instead, FCGI appears to be going all-in on its "racketeering" claims against
15 Marcus, which is the claim for "intentional recruitment of racketeering," and the claim for "securities
16 fraud and perjury" under the Nevada Racketeering Statute. As set forth in the motion, perjury is not
17 a civil cause of action, so there is only (ostensibly) one racketeering claim against Marcus remaining.

18 But FCGI making vague and unsupported claims that Marcus must be "one of the co-
19 conspirators, with Munger and the other Plaintiffs, who have committed other acts designed to
20 improperly take Mahon's property from him," (Opp. at p. 7) is nowhere close to pleading the required
21 elements of a racketeering claim.

22 FCGI attempts to use as evidence a single phone conversation between Marcus and Mahon,
23 which took place in July 2017 ("the July 2017 phone call"). At points in its opposition, FCGI alleges
24 that there were several conversations, but then admits that there was only "the one meeting." Opp. at
25 p 5. This one meeting was a phone conversation. On June 29, Mahon and Howard sent an email
26 offering investors the chance to invest in a new company – Full Color Games Group (which now
27 supposedly had the assets the investors paid to develop at FCGI). The offer included a 3x liquidation
28 preference. A copy of this email is attached to this Reply as Exhibit A.

1 At Marcus' request, Howard set up the July 2017 phone call between Marcus, Mahon and
2 Howard. Marcus wanted the call in order to negotiate more favorable terms, specifically, a 5X
3 liquidation preference which would get him back to his original investment if paid. During that phone
4 call, Mahon said he was unhappy with his current IP attorney (Richard Newman), and Marcus said he
5 could help with IP issues if Mahon agreed to the increased liquidation preference and Marcus did
6 invest in the new company. The phone call ended with Mahon saying he would consider Marcus'
7 request. Mahon apparently decided against it and never got back to Marcus. There were no further
8 conversations between Marcus and Mahon. Mahon never disclosed any confidential information
9 about his IP to Marcus during the July 2017 phone call, and there was never any attorney/client
10 relationship between Marcus and Mahon or his company. Any assertions to this affect by Mahon or
11 FCGI are flat out lies to this Court.

12 Mahon states in his opposition that "Marcus sought to invest three different times. The last
13 time, Mahon agreed to allow an additional investment based on his understanding that Marcus would
14 provide intellectual property protection advice and actively work to protect the Full Color IP." That
15 this is an outright lie can be seen from the dates themselves. Marcus' invested three times, all in 2015.
16 FCGI admits that the earliest conversation between Marcus and Mahon where the issue of IP was first
17 raised did not take place until 2017. Opp. at p. 3. This means that there were never any conversations
18 in 2015 in which Marcus' third investment was conditioned on providing IP services, and FCGI's
19 allegation in this regard is, again, an outright lie to this Court.

20 Marcus did not receive confidential IP information from Mahon. However, assuming for a
21 moment that he did, Mahon and FCGI still have not provided any evidence (per its burden under NRS
22 § 41.660(3)(b)) that Marcus used this confidential IP information in any way in racketeering activities,
23 nor have Mahon and FCGI specifically pleaded how Marcus allegedly "used" this confidential IP
24 information. As stated, making vague and unsupported claims that Marcus committed acts designed
25 to improperly take Mahon's property is nowhere close to the pleading required to support a
26 racketeering claim. Nevada's racketeering statutes are patterned after the federal RICO statutes.
27 *Allum v. Valley Bank of Nev.*, 849 P.2d 297, 298 (1993). "To plead a civil RICO claim, plaintiff must
28 demonstrate: "(1) conduct (2) of an enterprise (3) through a pattern (4) of racketeering activity (known

1 as ‘predicate acts’) (5) causing injury to plaintiffs ‘business or property.’” *Century Sur. Co. v. Prince*,
2 265 F. Supp. 3d 1182, 1191 (D. Nev. 2017) (citations omitted). “Further, because RICO claims
3 involve underlying fraudulent acts, Federal Rules of Civil Procedure 9(b)’s heightened pleading
4 standard applies... Thus, to sufficiently plead its RICO claim, a plaintiff must specify the time, place
5 and content of the alleged underlying fraudulent acts and statements, as well as the parties involved
6 in their individual participation.” *Id* at 1191.

7 FCGI has not come close to even pleading the required elements, let alone plead the required
8 elements to the heightened standard, to support its claim. For example, to support a racketeering
9 claim, a plaintiff must plead and show that an entity exists separate and apart from the enterprise
10 alleged to commit the racketeering. *Chang v. Chen*, 80 F.3d 1293 (9th Cir. 1996). FCGI has not
11 plead, much less made a showing with evidence, that Marcus and Munger are part of an enterprise
12 separate and apart from the acts alleged in the underlying lawsuit. *See, e.g., Century Sur. Co.*, 265 F.
13 Supp at 1191 (“Century fails to identify ‘an entity separate and apart from the pattern of activity in
14 which it engages.’ *Id.* (defining “enterprise”). Instead, Century’s allegations concern only an isolated
15 court case wherein Prince, Ranalli, and Esparza interacted with one another.” (quoting *United States*
16 *v. Turkette*, 452 U.S. 576 (1981)). *See also, Reves v. Ernst & Young*, 507 U.S. 170, 185
17 (1993) (finding that accounting firm could not be liable under 1962(c) for RICO merely by being
18 associated with the enterprise); *Baumer v. Pacht*, 8 F.3d 1341 (9th Cir.1993) (finding that a defendant
19 attorney was not liable under 1962(c) even though he took numerous steps to perpetuate the alleged
20 fraud, including the preparation of two letters designed to forestall and cover up the fraud).

21 FCGI also fails to plead or in any way prove facts showing an ongoing pattern as required to
22 support a racketeering cause of action. In particular, in addition to showing racketeering predicates
23 that are related, a plaintiff must also show that they “amount to or pose a threat of continued criminal
24 activity, such as when the illegal conduct is ‘a regular way of conducting [a] defendant’s ongoing
25 legitimate business.’” *Sever v. Alaska Pulp Corp.*, 978 F.2d 1529 (9th Cir. 1992) (quoting *H.J. Inc. v.*
26 *Northwestern Bell Telephone Co.*, 492 U.S. 229, 243 (1989)). *See also, United States v. Turkette*, 452
27 U.S. 576 (1981) (a plaintiff must show an entity “where the various associates function as a continuing
28 unit.”).

1 Further still, FCGI has not plead or shown any injury. The ownership of the IP is an issue
2 being determined in the underlying lawsuit. Unless and until the Court finds in favor of Munger et
3 al., none of Mahon's or FCGI's property has been taken. If the Court finds that Munger et al. do have
4 an ownership interest, will Mahon and FCGI then charge the Court with racketeering as well?

5 Accordingly, even if this Court wanted to take into consideration all of the brand new
6 (unsupported) allegations being made for the first time in FCGI's opposition (which are not even
7 supported by an affidavit or declaration), those new allegations still do not meet the pleading standards
8 for a racketeering claim, let alone proffer actual evidence showing a probability of prevailing on the
9 merits of a racketeering claim.

10 FCGI admits in its own opposition that it has zero facts to support its new allegations of
11 racketeering – it simply wants to conduct free-range discovery “to determine how involved Marcus
12 is.” Opp. at p. 3. That is not how pleading racketeering claims works. As noted, racketeering claims
13 are subjected to the heightened pleading standard, and the plaintiff must specify in the pleadings the
14 time, place, and content of the alleged underlying fraudulent acts and statements, as well as the parties
15 involved and their individual participation. *See, e.g., ICT Law & Tech. Grp. PLLC v. Seatree PLLC*,
16 No. 18-35823 (9th Cir. 2019); *Century Sur. Co.*, 265 F. Supp. 3d at 1190. FCGI is not entitled to
17 conduct discovery so that it can attempt to meet the pleading standard for racketeering claims.

18 Perhaps fittingly, FCGI argues that it is “willing to obtain leave of Court to amend the
19 allegations so as to make them clear,” but as the Court recently pointed out, FCGI has already filed
20 one of the longest Complaints this Court has ever reviewed, so it is questionable as to what else could
21 be added to make things more clear. Certainly none of the new facts set forth in the opposition brief
22 have provided clarity to Marcus, as those new alleged facts all subject FCGI to the same anti-SLAPP
23 law that is at issue in this motion.

24 In summary, FCGI sued Marcus based on the Marcus Declaration. FCGI now realizes that it
25 cannot sue Marcus based on the November 2017 Marcus Declaration and is scrambling for other
26 grounds to keep Marcus in the case. Those other grounds do not exist. Mahon and FCGI are creating
27 conspiracy theories out of whole cloth, and are twisting the legal process to their own ends to carry
28 out their stated objective of tying up Marcus in litigation for years. This Court should put a stop to

1 this now.

2 Marcus has satisfied his burden of showing by a preponderance of the evidence that the claims
3 against him are based on a good faith communication in furtherance of the right to petition. For its
4 part, FCGI has offered no evidence to refute Marcus' position, and no evidence to support its position
5 that it has a probability of prevailing on the merits of its claims. *See* NRS § 41.660(3)(b). Tellingly,
6 there is not even an affidavit or a declaration supporting the brand new attorney-arguments that are
7 being set forth in the opposition. FCGI cannot carry its burden under the second prong of the anti-
8 SLAPP analysis by building a case on "the gossamer threads of whimsy, speculation and conjecture."
9 *Bulbman, Inc. v. Nevada Bell*, 825 P.2d 588 (1992). Having failed to carry its burden, this motion
10 should be granted. *Metabolife Intern, Inc. v. Wornick*, 264 F.3d 832 (9th Cir. 2001) ("a defendant's
11 anti-SLAPP motion should be granted when a plaintiff presents an insufficient legal basis for the
12 claims or when no evidence of sufficient substantiality exists to support a judgment for the plaintiff")
13 (citations omitted).

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1 **III. CONCLUSION**

2 Based on the foregoing, Marcus respectfully requests that the Court grant this anti-SLAPP
3 motion to dismiss, grant Marcus all of his attorneys' fees and costs for having to litigate this matter,
4 and sanction Mahon in the amount of \$10,000. Marcus is entitled to a full dismissal because Mahon
5 cannot meet his burden of demonstrating a probability of success on the merits through *prima facie*
6 evidence. In fact, the claims would not even survive a basic NRCP 12(b)(5) motion, as they were not
7 pled with proper particularity, the abuse of process claim does not even apply to this matter, and
8 perjury and intent to induce a lawsuit are criminal, not civil issues.

9 Further, the litigation privilege completely bars all of Mahon's claims, regardless of their
10 merit.

11 DATED this 21st day of June 2019.

12 Respectfully submitted,

13 **MAIER GUTIERREZ & ASSOCIATES**

14
15 /s/ Joseph A. Gutierrez

16 JOSEPH A. GUTIERREZ, ESQ.

17 Nevada Bar No. 9046

18 STEPHEN G. CLOUGH, ESQ.

19 Nevada Bar No. 10549

20 8816 Spanish Ridge Avenue

21 Las Vegas, Nevada 89148

22 *Attorneys for Third Party Defendant Brian Marcus*
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28

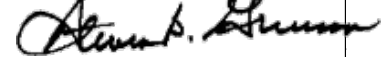
1 **CERTIFICATE OF SERVICE**

2 Pursuant to Administrative Order 14-2, a copy of the **THIRD PARTY DEFENDANT**
3 **BRIAN MARCUS' REPLY IN SUPPORT OF SPECIAL MOTION TO DISMISS THIRD-**
4 **PARTY COMPLAINT PURSUANT TO NRS 41.660 (ANTI-SLAPP)** was electronically filed on
5 the 21st day of June, 2019 and served through the Notice of Electronic Filing automatically
6 generated by the Court's facilities to those parties listed on the Court's Master Service List and by
7 depositing a true and correct copy of the same, enclosed in a sealed envelope upon which first class
8 postage was fully prepaid, in the U.S. Mail at Las Vegas, Nevada, addressed as follows (*Note: All*
9 *Parties Not Registered Pursuant to Administrative Order 14-2 Have Been Served By Mail.*):

10
11 Mark A. Hutchison, Esq.
12 Todd Prall, Esq.
13 HUTCHISON & STEFFEN, LLC
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Las Vegas, Nevada 89145
14 *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. and Jackpot
Productions, LLC

15
16 Pat Lundvall, Esq.
17 Rory T. Kay, Esq.
Jason B. Sifers, Esq.
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18 *Attorneys for Third-Party Defendants*
19 *Spin Games, LLC and Kent Young*

20
21 /s/ Brandon Lopipero
22 An Employee of MAIER GUTIERREZ & ASSOCIATES
23
24
25
26
27
28



ORDR

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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
DEFENDANT BRIAN MARCUS'
SPECIAL MOTION TO DISMISS
THIRD-PARTY COMPLAINT
PURSUANT TO NRS 41.660 (ANTI-
SLAPP)**

RECEIVED

JUL 26 2019

DISTRICT COURT DEPT#13

1	DAVID MAHON, an individual; GLEN
2	HOWARD, an individual; INTELLECTUAL
3	PROPERTIES HOLDINGS, LLC, a Nevada
4	limited liability company; FULL COLOR
5	GAMES, N.A., INC., a Nevada corporation;
6	FULL COLOR GAMES GROUP, INC., a
7	Nevada corporation; JACKPOT
8	PRODUCTIONS, LLC, a Nevada limited
9	liability company, FULL COLOR GAMES,
10	INC., a Nevada corporation,
11	Counter-claimants,
12	vs.
13	MARK MUNGER, an individual; DOES I
14	through V; and ROE CORPORATIONS I
15	through V,
16	Counter-defendants.
17	FULL COLOR GAMES, INC., a Nevada
18	corporation,
19	Counter-claimant,
20	v.
21	MARK MUNGER, an individual; DAVID'S
22	HARD WORK TRUST LTD. 3/26/2012, a
23	California Trust; MOORE FAMILY TRUST, a
24	California Trust; MILLENNIUM TRUST
25	COMPANY, LLC, CUSTODIAN FBO GARY
26	SOLSO, IRA, a California Trust; MARA H.
27	BRAZER, as Trustee for the MARA H.
28	BRAZER TRUST UTA 2/12/2004, a California
29	Trust; JEFFREY CASTALDO; an individual;
30	B.L. Moore Construction, Inc., a California
31	corporation;
32	Counter-defendants.
33	FULL COLOR GAMES, INC., a Nevada
34	corporation,
35	Third-Party Claimant,
36	v.
37	SEBASTIAN J. BASTIAN, an individual; DIRK
38	SIMMONS, an individual; MARTIN LINHAM,
39	an individual; PLAYTECH SYSTEMS LTD, a
40	Bahamian limited company;
41	ISLANDLUCK.COM, a Bahamian subsidiary of

1 PLAYTECH; DAVINCI TRADING GROUP, a
2 Cayman Islands limited liability company;
3 DAVINCI HOLDINGS LTD, an Isle of Man
4 limited liability company; ILG SOFTWARE
5 LTD, an Isle of Man limited liability company;
6 VALCROS, LLC, a Nevada limited liability
7 company; G. BRADFORD SOLSO, an
8 individual; DAVID ECKLES, an individual;
9 MARA H. BRAZER, an individual; TERESA
10 MOORE, an individual; LARRY MOORE, an
11 individual; BRIAN MARCUS, and individual;
12 JOHN BROCK III, an individual;; JOHN
13 BROCK IV an individual; MUNGER &
14 ASSOCIATES, INC., a Nevada Corporation;
15 MULTISLOT, LTD, an Isle of Man Company;
16 ERIC J. JUNGELS, an individual; JEFF
17 HORAN, an individual; SPIN GAMES, LLC, a
18 Nevada limited liability company; KENT
19 YOUNG, an individual; KUNAL MISHRA, an
20 individual; RICHARD NEWMAN, an
21 individual; NEWMAN LAW, LLC, a Nevada
22 limited liability company; Cooper Blackstone,
23 LLC, a Nevada limited liability company; DOES
24 I through X; and ROE CORPORATIONS I
25 through X.

Third-Party Defendants

Third Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party Complaint

Pursuant to NRS 41.660 (Anti-SLAPP) came on for hearing on June 27, 2019. Danielle J.

Barraza, Esq. appeared on behalf of Third-Party Defendant Brian Marcus. Todd W. Prall, Esq.
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 order:

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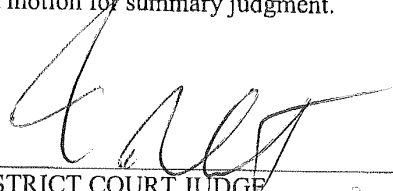

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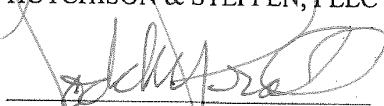
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1 IT IS HEREBY ORDERED that Third Party Defendant Brian Marcus' Special Motion to
2 Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-SLAPP) is denied in its entirety
3 without prejudice to a Rule 12(b)(5) motion or a motion for summary judgment.

4 DATED this 26th day of July, 2019.

5
6
7 
DISTRICT COURT JUDGE 

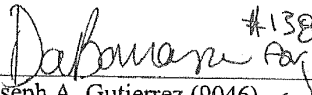
8 Submitted by:

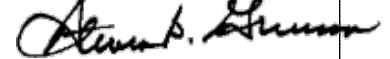
9 HUTCHISON & STEFFEN, PLLC
10 

11 Mark A. Hutchison (4639)
12 Todd W. Prall (9154)
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15 Las Vegas, NV 89145
16 Attorneys for Defendant & Counter-claimant
17 Full Color Games Inc.

18 Reviewed by:

19 MAIER GUTIERREZ & ASSOCIATES

20  #13822
21 Joseph A. Gutierrez (9046)
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23 8816 Spanish Ridge Avenue
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12 *Attorneys for Defendant & Counter-claimant*
13 *Full Color Games Inc.*

14 **DISTRICT COURT**

15 **CLARK COUNTY, NEVADA**

16 In re: FULL COLOR GAMES, INC.

17 MARK MUNGER, an individual; DAVID'S
18 HARD WORK TRUST LTD. 3/26/2012, a
19 California Trust; MOORE FAMILY TRUST, a
20 California Trust; MILLENIUM TRUST
21 COMPANY, LLC CUSTODIAN FBO GARY
22 SOLSO, IRA, a California Trust; JEFFREY
23 CASTALDO; an individual; MARA H.
24 BRAZER, as Trustee for the MARA H.
25 BRAZER TRUST UTA 2/12/2004, a California
26 Trust; individually and as shareholders of FULL
27 COLOR GAMES, INC.; DOES 1 through 10;
28 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 DEFENDANT
BRIAN MARCUS' SPECIAL
MOTION TO DISMISS THIRD-
PARTY COMPLAINT PURSUANT
TO NRS 41.660 (ANTI-SLAPP)**

1 CORPORATIONS I through X,
2 Defendants.
3 AND ALL RELATED MATTERS

4
5 TO: ALL INTERESTED PARTIES

6 NOTICE IS HEREBY GIVEN that an Order on Third Party Defendant Brian Marcus'
7 Special Motion to Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-Slapp) was
8 entered in the above-entitled action on July 29, 2019, a copy of which is attached hereto.
9

10 DATED this 29th day of July, 2019.

11 HUTCHISON & STEFFEN, PLLC

12
13 /s/ Todd W. Prall

14 Mark A. Hutchison (4639)

15 Todd W. Prall (9154)

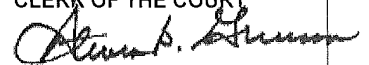
16 *Attorneys for Defendants David Mahon; Glen*
17 *Howard, Intellectual Properties Holding, LLC;*
18 *Full Color Games, LLC; Full Color Games, N.A.,*
19 *Inc.; Full Color Games Group, Inc.; Jackpot*
20 *Productions, LLC; and Full Color Games, Inc.*
21
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CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of Hutchison & Steffen, PLLC and that on this 29th day of July, 2019, I caused the document entitled **NOTICE OF ENTRY OF ORDER ON THIRD PARTY DEFENDANT BRIAN MARCUS' SPECIAL MOTION TO DISMISS THIRD-PARTY COMPLAINT PURSUANT TO NRS 41.660 (ANTI-SLAPP)** 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



ORDR

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Todd W. Prall (9154)
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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
DEFENDANT BRIAN MARCUS'
SPECIAL MOTION TO DISMISS
THIRD-PARTY COMPLAINT
PURSUANT TO NRS 41.660 (ANTI-
SLAPP)**

RECEIVED

JUL 26 2019

DISTRICT COURT DEPT#13

1 DAVID MAHON, an individual; GLEN
2 HOWARD, an individual; INTELLECTUAL
3 PROPERTIES HOLDINGS, LLC, a Nevada
4 limited liability company; FULL COLOR
5 GAMES, N.A., INC., a Nevada corporation;
6 FULL COLOR GAMES GROUP, INC., a
Nevada corporation; JACKPOT
PRODUCTIONS, LLC, a Nevada limited
liability company, FULL COLOR GAMES,
INC., a Nevada corporation,

7 Counter-claimants,

8 vs.

9 MARK MUNGER, an individual; DOES I
10 through V; and ROE CORPORATIONS I
through V,

11 Counter-defendants.

12 FULL COLOR GAMES, INC., a Nevada
13 corporation,

14 Counter-claimant,

15 v.

16 MARK MUNGER, an individual; DAVID'S
17 HARD WORK TRUST LTD. 3/26/2012, a
California Trust; MOORE FAMILY TRUST, a
California Trust; MILLENNIUM TRUST
18 COMPANY, LLC, CUSTODIAN FBO GARY
19 SOLSO, IRA, a California Trust; MARA H.
BRAZER, as Trustee for the MARA H.
BRAZER TRUST UTA 2/12/2004, a California
20 Trust; JEFFREY CASTALDO; an individual;
21 B.L. Moore Construction, Inc., a California
corporation;

22 Counter-defendants.

23 FULL COLOR GAMES, INC., a Nevada
24 corporation,

25 Third-Party Claimant,

26 v.

27 SEBASTIAN J. BASTIAN, an individual; DIRK
28 SIMMONS, an individual; MARTIN LINHAM,
an individual; PLAYTECH SYSTEMS LTD, a
Bahamian limited company;
ISLANDLUCK.COM, a Bahamian subsidiary of

1 PLAYTECH; DAVINCI TRADING GROUP, a
2 Cayman Islands limited liability company;
3 DAVINCI HOLDINGS LTD, an Isle of Man
4 limited liability company; ILG SOFTWARE
5 LTD, an Isle of Man limited liability company;
6 VALCROS, LLC, a Nevada limited liability
7 company; G. BRADFORD SOLSO, an
8 individual; DAVID ECKLES, an individual;
9 MARA H. BRAZER, an individual; TERESA
10 MOORE, an individual; LARRY MOORE, an
11 individual; BRIAN MARCUS, and individual;
12 JOHN BROCK III, an individual;; JOHN
13 BROCK IV an individual; MUNGER &
14 ASSOCIATES, INC., a Nevada Corporation;
15 MULTISLOT, LTD, an Isle of Man Company;
16 ERIC J. JUNGELS, an individual; JEFF
17 HORAN, an individual; SPIN GAMES, LLC, a
18 Nevada limited liability company; KENT
19 YOUNG, an individual; KUNAL MISHRA, an
20 individual; RICHARD NEWMAN, an
21 individual; NEWMAN LAW, LLC, a Nevada
22 limited liability company; Cooper Blackstone,
23 LLC, a Nevada limited liability company; DOES
24 I through X; and ROE CORPORATIONS I
25 through X.

Third-Party Defendants

26 Third Party Defendant Brian Marcus' Special Motion to Dismiss Third-Party Complaint
27 Pursuant to NRS 41.660 (Anti-SLAPP) came on for hearing on June 27, 2019. Danielle J.
28 Barraza, Esq. appeared on behalf of Third-Party Defendant Brian Marcus. Todd W. Prall, Esq.
29 appeared on behalf of Third-Party Plaintiff Full Color Games, Inc.

30 The Court, having reviewed the papers on file herein and having heard arguments of
31 counsel enters the following order:

32 ////

33 ////

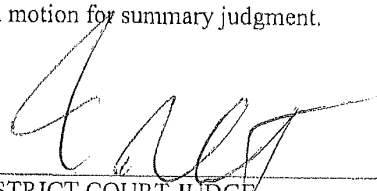
34 ////

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1 IT IS HEREBY ORDERED that Third Party Defendant Brian Marcus' Special Motion to
2 Dismiss Third-Party Complaint Pursuant to NRS 41.660 (Anti-SLAPP) is denied in its entirety
3 without prejudice to a Rule 12(b)(5) motion or a motion for summary judgment.

4 DATED this 26th day of July, 2019.

5
6
7 
DISTRICT COURT JUDGE RK

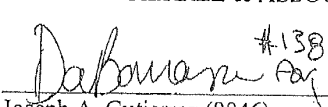
8 Submitted by:

9 HUTCHISON & STEFFEN, PLLC

10 
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12 Todd W. Prall (9154)
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