FILED John Karl Buche (SBN 239477) :2009 SEP 18 PM 3: 09 Sean M. Sullivan (SBN 254372) 2 CLERK US DISTRICT COURT SOUTHERN DISTRICT OF CALIFORNIA BUCHE & ASSOCIATES, P.C. 875 Prospect, Suite 305 3 La Jolla, California 92037 Telephone: 858.459.9111 4 Facsimile: 858.459.9120 5 jbuche@buchelaw.com ssullivan@buchelaw.com 6 Attorneys for Plaintiff, 7 GAME-TEC LABS, INC. 8 UNITED STATES DISTRICT COURT 9 FOR THE SOUTHERN DISTRICT OF CALIFORNIA 10 Civil Case No. 11 BRUNN CONSULTING GROUP, INC., a 12 California corporation, d/b/a GAME-TEC LABS, INC., PLAINTIFF'S ORIGINAL COMPLAINT 13 & REQUEST FOR DECLARATORY Plaintiff, JUDGMENT OF: 14 (1) PATENT INVALIDITY; 15 ν. (2) PATENT NON-INFRINGMENT; (3) UNENFORCEABILITY; 16 JOHN FEOLA, an individual, and NEW (4) BREACH OF CONTRACT; VISION GAMING, INC., a Massachusetts (5) UNFAIR COMPETITION; AND 17 corporation, (6) INTENTIONAL INTERFERENCE WITH A PROSPECTIVE 18 Defendants. **ADVANTAGE** 19 DEMAND FOR JURY TRIAL 20 21 22 23 COMES NOW Plaintiff Brunn Consulting Group, Inc., d/b/a Game-Tec Labs, Inc., by and through its undersigned counsel, and alleges for its Complaint against Defendants John Feola and New 24 Vision Gaming, Inc. as follows: 25 26 **NATURE OF THE ACTION** 27 This is an action for declaratory judgment pursuant to 28 U.S.C. §§ 2201 and 2202 that United States Patent No. 7,451,987 ("the '987 patent") is (a) invalid for failure to comply with the patent laws of 28

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**COMPLAINT** 

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the United States, (b) unenforceable as against Game-Tec for inequitable conduct, and (c) not infringed upon by Game-Tec's goods or services. This action also contains pendent state causes of action for (a) unfair competition, (b) wrongful interference with a prospective advantage, and (c) breach of contract.

# **PARTIES**

- 1. Plaintiff Brunn Consulting Group, Inc., d/b/a Game-Tec Labs, Inc. ("Game-Tec"), is a corporation that is organized and existing under the laws of the State of California.
- 2. Defendant John Feola ("Feola") is believed to be an individual and a citizen of the Commonwealth of Massachusetts, and may be served with process at 5 Samuel Phelps Way, North Reading, Massachusetts 01864, or wherever else he may be located.
- 3. Defendant New Vision Gaming, Inc. ("New Vision") is believed to be a corporation organized and existing under the laws of the Commonwealth of Massachusetts. Defendant New Vision is believed to have its principal place of business in the Commonwealth of Massachusetts. Defendant New Vision is not believed to have a registered agent for service of process in the State of California. Service of process on New Vision may be made according to the laws of the Commonwealth of Massachusetts by serving John Feola, its registered agent for service of process, at 5 Samuel Phelps Way, North Reading, Massachusetts 01864.

#### **JURISDICTION & VENUE**

- 4. By asserting infringement of the '987 Patent, Defendants have created an actual and justiciable case and controversy between themselves and plaintiffs, namely concerning whether the '987 patent is valid and/or enforceable, and whether plaintiff has infringed or is currently infringing any valid and/or enforceable right in the '987 patent.
- 5. This is, in part, an action for declaratory judgment under the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202. Among other things, plaintiff Game-Tec seeks a declaratory judgment that the '987 patent is not infringed by Game-Tec and/or that the '987 patent is invalid under one or more provisions of the patent laws of the United States, including but not limited to 35 U.S.C. §§ 101, 102, 103, 112, or any other section or provision.
- 6. This Court has jurisdiction over the subject matter of these counterclaims under 28 U.S.C. §§ 1331, 1367 and 1338.

7. This Court has personal jurisdiction over defendants Feola and New Vision, since each of said defendants purposefully availed themselves of such jurisdiction by entering into an agreement wherein this Court is designated as the proper forum for legal proceedings between the parties, as well as serving a cease-and-desist letter on plaintiff in this district.

- 8. Upon information and belief, this Court also has personal jurisdiction over Feola and New Vision since each defendant has minimum contacts with the State of California and/or has otherwise availed itself of the jurisdiction of this Court.
- 9. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b) in that a substantial part of the events giving rise to the instant claims for declaratory relief (and the subject matter thereof) occurred within this District. Venue is also proper under 28 U.S.C. § 1391(c), since defendant New Vision is a corporation which is subject to personal jurisdiction at the time the action is commenced and whose contacts suffice to subject it to personal jurisdiction in this district.

# **FACTS**

- 10. Plaintiff Game-Tec brings this suit for a declaratory judgment under both Federal Rule of Civil Procedure 57 and 28 U.S.C. §§2201 and 2202.
- 11. On or about March 4, 2009, Game-Tec and New Vision entered into an agreement entitled "License Agreement," a copy of which is attached herewith as Exhibit A (hereinafter, "the License Agreement").
- 12. Under the terms of the License Agreement, Game-Tec would develop software for a "live, non-electronic progressive bonus side bet baccarat table game system." <u>Id.</u> at p. 1.
- 13. In exchange for developing the software, New Vision agreed to grant an <u>exclusive</u> license to Game-Tec for the "Bonus Baccarat Game" claimed by U.S. Patent No. 7,451,987 (issued Nov. 18, 2008) (hereinafter, "the '987 patent"), and which would be the subject of the software developed by Game-Tec.
- 14. The License Agreement granted Game-Tec the right to exclusively "use, develop, implement, market, lease, and maintain the Bonus Baccarat Game in traditional land-based casinos, and river boat and barge gaming venues in the in the (sic) states of California, Connecticut, and New Jersey and in Canada." (hereinafter, the "Licensed Area") Id.

- 15. As part of the License Agreement, Game-Tec paid New Vision a one-time license fee and agreed to pay continuing royalties based on the gross monthly income Game-Tec produced under the Agreement.
- 16. Around the same time, Game-Tec also entered into a consulting agreement with Feola, whereby Feola agreed to provide sales and marketing of, among other things, the Game-Tec software developed relating to its exclusive rights in the Bonus Baccarat game ("the Consulting Agreement").
- 17. In exchange for his sales and marketing efforts, Game-Tec agreed to pay Feola a salary of \$8,000.00 per month. Game-Tec paid the first month's salary at the time of executing the agreement.
- 18. On or about June 4, 2009, Game-Tec received a letter from counsel for Feola and New Vision indicating that the "License is void *ab initio* and is unenforceable." See Exhibit B, attached herewith (italics in original).
- 19. Counsel for New Vision premised its alleged unilateral termination and/or declaration of voidability of the License Agreement on Game-Tec's supposed prior arrangement with a foreign company called LT Game Ltd. ("LT Game").
- 20. In the same June 4 letter, counsel for New Vision also declared that Game-Tec was now "prohibited from making, selling, distributing, or claiming that it has a license to the Bonus Baccarat Game or any game that is covered by U.S. Patent No. 7,451,987." See Ex. B, at para. 4.

### FIRST CLAIM FOR RELIEF

(Declaratory Judgment of Noninfringement of the '987 Patent)

- 21. Game-Tec repeats and realleges each and every allegation in the foregoing paragraphs as though fully set forth herein.
- 22. New Vision has alleged that it is the owner of all right, title and interest to the '987 patent and that Game-Tec is prohibited from conducting business which New Vision asserts infringes one or more claims of that patent.
- 23. Game-Tec has not infringed and is not now infringing, either directly, contributorily, or through inducement, any of the claims of the '987 patent.
- 24. As a result of New Visions actions and statements, including the sending of a cease-and-desist letter, an actual controversy now exists between the parties regarding the alleged infringement by

Game-Tec of the '987 patent.

25. Game-Tec is entitled to a declaration that it does not infringe any of the claims of the '987 patent.

# SECOND CLAIM FOR RELIEF

(Declaratory Judgment of Invalidity of the '987 Patent)

- 26. Game-Tec repeats and realleges each and every allegation in the foregoing paragraphs as though fully set forth herein.
- 27. Game-Tec is informed and believes and thereon alleges that any and all allegedly infringed claims of the '987 patent are invalid for failure to satisfy the conditions for patentability set forth in 35 U.S.C. §§ 101, 102, 103, 112, and/or 282, or any other applicable section.
- 28. As a result of New Visions actions and statements, including purportedly terminating Game-Tec's exclusive license and sending a cease-and-desist letter to Game-Tec, an actual controversy now exists between the parties regarding the validity of the '987 patent.
- 29. Game-Tec is entitled to a declaration that the allegedly infringed claims of the '987 patent are invalid.

#### THIRD CLAIM FOR RELIEF

(Declaratory Judgment of Unenforceability of '987 Patent)

- 30. Game-Tec repeats and realleges each and every allegation in the foregoing paragraphs as though fully set forth herein.
- 31. As a result of defendants' actions and statements, including purportedly terminating Game-Tec's exclusive license and sending a cease-and-desist letter to Game-Tec, an actual controversy now exists between the parties regarding the enforceability of the '987 patent.
- 32. Game-Tec is informed and believes and thereon alleges that any and all allegedly infringed claims of the '987 patent are unenforceable due to defendants' failure to properly disclose all known relevant and material prior art to the United States Patent and Trademark office during the prosecution of the '987 patent.
- 33. Game-Tec is informed and believes and thereon alleges that these failures to disclose known relevant and material prior art were material to the patentability of the claims of the '987 patent.

34. Game-Tec is informed and believes and thereon alleges that in failing to make such disclosures, applicant Feola, through his attorney, made knowing, material, misrepresentations of fact, thereby intending to deceive the Patent Office and failing to comply with the duty of candor, including the requirements of 37 C.F.R. § 1.56.

- 35. For these reasons, Game-Tec is informed and believes and thereon alleges that the '987 patent is unenforceable due to inequitable conduct before the United States Patent and Trademark Office.
  - 36. Game-Tec is entitled to a declaratory judgment that the '987 patent is unenforceable.

#### FOURTH CLAIM FOR RELIEF

(Breach of Contract)

- 37. Game-Tec repeats and realleges each and every allegation in the foregoing paragraphs as though fully set forth herein.
- 38. New Vision breached the License Agreement it made with Game-Tec by purporting to unilaterally terminate the parties' arrangement in violation of the terms of the agreement.
- 39. Moreover, to the extent that New Vision failed to properly terminate Game-Tec's exclusive license and continues to market, sell, or otherwise distribute the game and/or software developed by Game-Tec in the Licensed Area, New Vision is in breach of the terms of the License Agreement and Game-Tec's exclusive license.
- 40. Game-Tec also asserts Feola breached the Consulting Agreement by failing to perform his duties and obligations owing under the agreement in good faith, despite receiving monthly salaries.
- 41. As a result of New Vision's and Feola's breaches, Game-Tec has lost sales, profits, revenues, prospective business, and was also required to and did incur commercially reasonable charges, expenses, and/or costs, including attorney fees, relating to New Vision's breach. The sum of these expenses and costs will be according to proof at trial.

### FIFTH CLAIM FOR RELIEF

(Statutory Unfair Competition - Cal. Bus. & Prof. C. § 17200, et seq.)

- 42. Game-Tec repeats and realleges each and every allegation in the foregoing paragraphs as though fully set forth herein.
  - 43. Game-Tec is informed and believes and based thereon alleges that at the time it entered

into its agreement with New Vision, Defendants were well aware of Game-Tec's business dealings with LT Game.

- 44. Game-Tec is informed and believes and based thereon alleges that Defendants orchestrated a ruse and employed purposefully deceptive tactics to avoid the duties and obligations owing under the Agreement and delay or otherwise prevent Game-Tec from seeking to enforce the terms of the Agreement, which Game-Tec was prepared to perform.
- 45. Game-Tec is informed and believes and based thereon alleges that Defendants knowingly sought to grant patent licenses for rights which were secured by inequitable conduct and critical omissions of facts to the PTO.
- 46. Game-Tec is informed and believes and based thereon alleges that Defendants acts were deceptive and calculated to unfairly compete in the relevant marketplace.
- 47. Game-Tec is informed and believes and based thereon alleges that Defendants sought to avoid the duties and obligations owing under the contract by attempting to improperly disrupt Game-Tec's relationships and economic advantages.
- 48. Defendants' acts, as described herein, constitute unlawful, unfair or fraudulent business acts or practices in violation of the statutory laws of the State of California, namely, the Unfair Practices Act, California Business and Professions Code, Section 17200, *et seq*.
- 49. Game-Tec is informed and believes and based thereon alleges that these acts were malicious, fraudulent and oppressive, justifying an award of punitive damages in an amount according to proof such that Defendants will not engage in such conduct in the future and make an example of them.

#### SIXTH CLAIM FOR RELIEF

(Common Law Unfair Competition)

- 50. Game-Tec repeats and realleges each and every allegation in the foregoing paragraphs as though fully set forth herein.
- 51. Defendants', and each of their, acts, as described above, constitute unlawful, unfair or fraudulent business acts or practices in violation of the common law of the State of California.

# SEVENTH CLAIM FOR RELIEF

(Intentional Interference with a Prospective Advantage)

- 52. Game-Tec repeats and realleges each and every allegation in the foregoing paragraphs as though fully set forth herein.
- 53. Game-Tec maintained relationships that provided Game-Tec with an economic advantage, or prospective advantage, and with probable future economic benefits.
- 54. Game-Tec is informed and believes, and based thereon alleges, that New Vision and/or Feola had knowledge and notice of such relationships or prospective advantages which Game-Tec maintained.
- 55. Game-Tec is informed and believes, and based thereon alleges, New Vision and/or Feola, and each of them, nonetheless willfully, deliberately, and maliciously sought to interfere with such relationships or prospective advantages which rightfully belonged to Game-Tec.
- 56. Game-Tec is informed and believes, and based thereon alleges, that New Vision's and/or Feola's acts were designed to wrongfully interfere with Game-Tec's relationships or prospective advantages, arrangements, applications, agreements, duties, obligations, and to frustrate Game-Tec and deny it the benefits of such relationships and advantages to which it was and is entitled.
- 57. Game-Tec is informed and believes, and based thereon alleges, that New Vision's and/or Feola's acts were wrongful beyond the fact of interference.
- 58. Game-Tec is informed and believes, and based thereon alleges, that its relationships and prospective advantages have been actually disrupted, and become more expensive, difficult, or burdensome as a direct and proximate cause of New Vision's and/or Feola's acts.
- 59. Game-Tec is informed and believes, and based thereon alleges, that as a direct and proximate result of New Vision's and/or Feola's, and each of their, conduct, as alleged above, Game-Tec has been damaged in an amount in excess of the jurisdictional minimum of this Court, the exact amount of which will be proven at trial.
- 60. Game-Tec is informed and believes, and based thereon alleges, that New Vision and/or Feola harbors actual ill will and malice toward Game-Tec, and sought to wrongfully interfere with Game-Tec's enjoyment of the benefits to which it was and is entitled due to the relationships or

prospective advantages, as alleged above, as part of New Vision's and/or Feola's scheme to wrongfully interfere with Game-Tec's right to use the software it developed and compete lawfully. Such conduct is willful, malicious, and despicable, and justifies an award of punitive damages in an amount according to proof.

## **PRAYER**

- 61. For the foregoing reasons, plaintiff Game-Tec asks for judgment in its favor and against defendants Feola and New Vision that:
  - a. Plaintiff Game-Tec's acts do not amount to an infringement of any of the claims of U.S. Patent No. 7,451,987;
  - b. U.S Patent No. 7,451,987 is invalid for failing to meet the statutory requirements of patentability, whether under 35 U.S.C. §§ 101, 102, 103, or 112, or any other section or provision;
  - c. U.S Patent No. 7,451,987 is unenforceable for failing to comply with one or more duties under the patent laws or otherwise inequitable conduct;
  - d. Defendants', and each of their, acts amount to a breach of the Licensing Agreement it entered into with Game-Tec, resulting in harm to Game-Tec;
  - e. Defendants', and each of their, acts amount to unfair competition, whether under the statutory or common laws of the United States and the State of California;
  - f. Defendants', and each of their, acts amount to intentional and/or negligent interference with Game-Tec's prospective advantage, resulting in harm to Game-Tec;
  - g. This case is exceptional under 35 U.S.C. § 285 and that Game-Tec be awarded its attorneys' fees, costs and expenses incurred in this action as provided by that statute;
  - h. Defendants', and each of their, acts otherwise amount to behavior justifying an award of reasonable attorney fees in Game-Tec's favor;
  - Defendants', and each of their, acts amount to behavior justifying an award of punitive/exemplary damages;
  - j. Game-Tec be awarded costs of court;
  - k. Game-Tec be awarded all pre- and post-judgment interest at the highest rates

# allowable by law;

1. Game-Tec be awarded all other relief the court deems just and proper.

Respectfully Submitted,

Dated: September 18, 2009

JOHN KARL BUCHE (SBN 23947) SEAN M. SULLIVAN (SBN 254372)

BUCHE & ASSOCIATES, P.C.

875 Prospect, Suite 305 La Jolla, California 92037 Telephone: 858.459.9111 Facsimile: 858.459.9120

Attorneys for Plaintiff GAME-TEC LABS, INC.

#### LICENSE AGREEMENT

This License Agreement (the "Agreement"), dated as of Circh March, 2009 (the "Effective Date"), is by and between Brunn Consulting Group, Inc., dba Game-Tec Labs, a corporation organized under the laws of the State of California, with its principal business address at 380 S. Melrose Drive, Suite 101, Vista, California, 92081 ("Licensee"), and New Vision Gaming & Development, Inc., a corporation organized under the laws of the Commonwealth of Massachusetts, with its principal business address at 5 Samuel Phelps Way, North Reading, Massachusetts, 01864 ("NVG"). Licensee and NVG are sometimes referred to individually as a "Party" and collectively as the "Parties".

#### RECITALS

- WHEREAS, NVG owns right, title, and interest in the invention for a casino table card A. game side-bet (the "Game"), as described and claimed in U.S. Patent No. 7451987 B1; and
- B. WHEREAS, NVG desires Licensee to develop a live, non-electronic progressive bonus side bet baccarat table game system implementing the Game (the "Bonus Baccarat Game") for marketing, distribution, and maintenance to traditional land-based casinos including tribal casinos, and river boat and barge gaming establishments in the states of California, Connecticut, and New Jersey and in Canada; and
- -WHEREAS, Licensee-desires-to-be-a-licensee-of-the-Bonus-Baccarat-Game-formarketing, distribution, and maintenance to traditional land-based casinos including tribal casinos, and river boat and barge gaming establishments in the states of California, Connecticut, and New Jersey and in Canada.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises hereinafter set forth, the Parties to this Agreement hereby agree as follows:

#### 1. TERM

1.1 Subject to Section 5, the term of this Agreement shall be five (5) years from the Effective Date.

#### 2. RIGHTS AND OBLIGATIONS OF THE PARTIES

- 2.1 NVG shall grant a license to Licensee in and to the Bonus Baccarat Game, as set forth in Section 3.
- 2.2 This Agreement applies only to the Bonus Baccarat Game described in Recital B above and as claimed in U.S. Patent No. 7451987 B1.
- 2.3 Licensee shall observe the reasonable requirements of NVG with respect to the patent marking of the Bonus Baccarat Game, where applicable, with the phrase,

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- "New Vision Gaming, U.S. Patent(s)," followed by the number or numbers of the patent or patents applicable thereto. Patent marking shall be visible on the table felt.
- 2.4 Licensee agrees that Bonus Baccarat Game will be leased, not sold, where permitted by state and/or federal law. Licensee agrees that Bonus Baccarat Game will be provided such that Licensee will receive a continuous revenue stream, rather than a one-time payment, where permitted by state and/or federal law.
- 2.5 Licensee shall pay all fees and obtain any approvals and/or licenses from governmental or other agencies needed to install and operate the Bonus Baccarat Game.
- 2.6 Licensee agrees that the Bonus Baccarat Game will be installed and operational in a venue within 45 days of the execution date of a contract with the venue.

#### 3. LICENSE

- 3.1 NVG hereby grants to Licensee an exclusive license to use, develop, implement, market, lease and maintain the Bonus Baccarat Game in traditional land-based casinos and tribal casinos, and river boat and barge gaming venues in the in the states of California, Connecticut, and New Jersey and in Canada (the "Licensed Territory").
- 3.2 NVG agrees to grant an exclusive license to Licensee in those states outside the Licensed Territory in which both Parties agree in writing to place a Bonus Baccarat Game. Any such states become part of the Licensed Territory.
- 3.3 Should either both Parties agree or a tribunal of competent jurisdiction determine that a third party other than NVG owns rights in Canada to the bonus side bet as implemented in the Baccarat Bonus Game, Canada shall be removed from the Licensed Territory. In such event, royalties pursuant to Section 4.2 for Baccarat Bonus Games in Canada will no longer be payable by Licensee to NVG and any royalties already paid to NVG pursuant to Section 4.2 shall be retained by NVG.

#### 4. PAYMENT

- 4.1 Licensee shall pay NVG a one-time license fee of Eight Thousand Dollars (US\$8,000.00) upon execution of this Agreement.
- 4.2 Licensee shall pay NVG a royalty for all Bonus Baccarat Games installed into revenue generating operation. The Company shall pay NVG a monthly fee equal to twenty percent (20%) of Company's gross monthly income of revenue generating operation for the first year after each Baccarat Bonus Game is installed and operational, and twenty-five percent (25%) of said gross thereafter. Payments will continue for as long as the Bonus Baccarat Game remains in revenue

(9)

generating operation.

- 4.3 All payments due under sections 4.2 shall be paid by Licensee in United States Dollars within thirty (30) days of the end of the month for which the revenues are received.
- 4.4 Licensee shall accompany each payment under Section 4.3 with a report detailing the source of the payment. The report shall, at a minimum, include a breakdown of the source of the funds and amounts by contract and venue and such other information as reasonably requested by NVG.
- 4.5 Licensee shall timely notify NVG of potential new contracts for the Bonus Baccarat Game and of the terms of such potential contracts. NVG shall have a right of approval for any new contracts. Licensee shall timely notify NVG of any changes to relevant terms of any existing contracts.
- 4.6 Licensee shall maintain books and records in connection with its payment obligations under this Agreement, during and for a period of one (1) year after termination of this Agreement. Licensee shall permit a third party auditor selected by NVG and reasonably acceptable to Licensee to inspect all books, records and other documentation directly relating to amounts owed by Licensee to NVG under this Agreement and to audit up to once yearly the relevant books of Licensee to ensure compliance with the payment terms of this Agreement upon reasonable-prior-notice.

#### 5. TERMINATION

- 5.1 Either Party may terminate this Agreement in the event the other Party breaches any of the obligations set forth in this Agreement and such breach remains uncured for a period of thirty (30) days from notice of such breach.
- If the Independent Contractor Agreement between Brunn Consulting Group, Inc. dba Game-Tec Labs (GTL) and John Feola executed on \_\_\_\_\_\_ March, 2009 is terminated for any reason, then GTL is responsible for obtaining at least one LOI and/or contract every two months from a venue in the Licensed Territory for the Bonus Baccarat Game. If GTL fails to meet this milestone, NVG has the right to terminate this License Agreement immediately.
- 5.3 Notwithstanding the foregoing, upon termination, Licensee shall continue to have a license as provided herein for installed Bonus Baccarat Games and Bonus Baccarat Games for which an agreement has been executed prior to termination.
- 5.4 NVG shall have the right to terminate this Agreement immediately by written notice if Licensee is declared insolvent or is subject to proceedings in bankruptcy. In such an event, NVG shall have the option of requiring Licensee to assign contracts with venues for Bonus Baccarat Games to NVG or an entity or entities



specified by NVG and, in such case, NVG will pay to Licensee 50% of gross income from the Bonus Baccarat Games affected by said assignments.

#### 6. INTELLECTUAL PROPERTY

- 6.1 All intellectual property made available by one party (the "Disclosing Party") to the other Party (the "Receiving Party") at any time shall remain vested in the Disclosing Party.
- 6.2 The Parties acknowledge and agree that NVG shall be the sole and exclusive owner of any derivatives of the Game created by either Party during the term of this Agreement so long as such derivatives are covered under U.S. Patent No. 7451987 B1.
- 6.3 The Parties acknowledge and agree that Licensee shall be the sole and exclusive owner of any software and hardware produced for the Bonus Baccarat Game during the term of this Agreement and thereafter.
- 6.4 In order to maintain a uniform look for the Bonus Baccarat Game in all jurisdictions, Licensee shall provide a sublicensable license, at no cost, to NVG to all copyrights associated with the look and feel of the Bonus Baccarat Game

# 7. REPRESENTATIONS AND WARRANTIES

- 7.1 NVG represents and warrants to Licensee as follows:
  - 7.1.1 It is a corporation duly organized under the laws of the Commonwealth of Massachusetts and is and shall remain in good standing during the Term.
  - 7.1.2 It has the full right and legal authority to enter into and fully perform this Agreement in accordance with its terms.
  - 7.1.3 It is the sole owner of all rights in and to the Game, and it has the full right and legal authority to grant the rights contained herein.
  - 7.1.4 To the best of its knowledge, the patent(s) are valid.
  - 7.1.5 NVG will pay maintenance fees, annuities, and the like due on any existing patents and patents issuing for the Game during the term of this Agreement.
  - 7.1.6 NVG acknowledges each of the representations and warranties given above are continuous in nature, are deemed to be material, and have been relied upon by Licensee.
- 7.2 Licensee represents and warrants to NVG as follows:



- 7.2.1 It is a corporation duly organized under the laws of the State of California and is and shall remain in good standing during the Term.
- 7.2.2 It has the full right and legal authority to enter into and fully perform this Agreement in accordance with its terms.
- 7.2.3 Licensee is or will be approved by the appropriate governmental agency to supply the Bonus Baccarat Game and will maintain such approval during the Term.
- 7.2.4 The acceptance of the rights herein will not breach or violate the terms of any other undertaking or obligation of Licensee.
- 7.2.5 Licensee acknowledges each of the representations and warranties given above are continuous in nature, are deemed to be material, and have been relied upon by NVG.

#### 8. ASSIGNMENT

8.1 Neither Party may, nor shall have the power to, assign or transfer this Agreement or any rights or obligations hereunder, without the prior written consent of the other Party.

#### 9. INDEMNIFICATION

- 9.1 NVG hereby assumes all responsibility for and agrees to fully indemnify Licensee against any and all damages, losses, claims, suits or other expenses of any kind, including reasonable attorney fees, arising out of (i) a breach of its representations and warranties given herein; (ii) any third-party allegation that any product provided or service performed by NVG that is not within the scope of the Game infringes such party's patent, copyright, trademark or trade secrets rights; (iii) any noncompliance by NVG with any applicable laws and/or regulations; and (iv) any alleged defect in products and/or negligence and/or deficiency in services provided by NVG.
- 9.2 Licensee hereby assumes all responsibility for and agrees to fully indemnify NVG against any and all damages, losses, claims, suits or other expenses of any kind, including reasonable attorney fees, arising out of (i) a breach of its representations and warranties given herein; (ii) any third-party allegation that any product provided or service performed by Licensee that is not within the scope of the Game infringes such party's patent, copyright, trademark or trade secret rights; (iii) any noncompliance by Licensee with any applicable laws and/or regulations; and (iv) any alleged defect in products and/or negligence and/or deficiency in services provided by Licensee.



### 10. LEGAL RELATIONSHIP

10.1 The relationship of the Parties under this Agreement is that of licensor and licensee, and neither Party is an employee, agent, partner, or joint venturer of the other.

#### 11. NOTICE

Any notice required to be given or otherwise given pursuant to this Agreement shall be in writing and shall be delivered by U.S. mail, overnight courier service or verifiable email to the last known address of the intended recipient.

### 12. CONFIDENTIALITY

12.1 Both Parties agree to hold details pertaining to this Agreement in the strictest confidence and to not disclose any such information to any third party, except as may be required by law.

#### 13. GOVERNING LAW AND VENUE

- 13.1 Any action brought by Licensee to enforce the terms of this Agreement or any rights or obligations arising from or in any way related to this Agreement shall be governed by and construed in accordance with the laws of the State of California and-shall-be-filed-in-the-United-States-District-Gourt-for-the-Southern-District-of-California in San Diego, California.
- 13.2 Any action brought by NVG to enforce the terms of this Agreement or any rights or obligations arising from or in any way related to this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts and shall be filed in the United States District Court for the District of Massachusetts.

#### 14. ENTIRE AGREEMENT

- 14.1 This Agreement constitutes the entire agreement between the Parties with respect to the subject matter discussed herein, and supersedes all other agreements and understandings, oral and written, that may have been reached with respect to that subject matter. This Agreement shall be binding upon each Party and its successors and assigns.
- 14.2 This Agreement shall not be changed or modified except with the consent of the Parties in writing.

#### 15. WAIVER

15.1 The waiver by either Party of a breach of any provision contained herein shall be

in writing and shall in no way be construed as a waiver of any subsequent breach thereof.

#### 16. SEVERABILITY

16.1 If any provision of this Agreement is declared or found to be illegal, unenforceable or void, then both Parties shall be relieved of all obligations arising under such provision, but if the remainder of this Agreement shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law.

## 17. BINDING EFFECT

17.1 The terms and conditions of this Agreement shall be binding upon the successors and assigns of both NVG and Licensee.

#### 18. COUNTERPARTS

18.1 This Agreement may be executed in two original or facsimile counterparts, both of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date set forth above.

Brunn Consulting Group, Inc.	New Vision Gaming & Development, Inc.					
By Andy Brunn, President	By: Charles Gent					

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# **ALTMAN & MARTIN**

Intellectual Property Law

Steven K. Martin Tel: 617-523-3515 Fax: 617-523-1872 smartin@altmartlaw.com

June 4, 2009

Mr. Andy Brunn
Brunn Consulting Group, Inc.
380 S. Melrose Drive, Suite 101
Vista, CA 92081

Re:

License Agreement for Baccarat Bonus

\*\*\* VIA EMAIL AND POST \*\*\*

Dear Andy:

According to Paragraph 7.2.4 of the License Agreement of March 9, 2009 between New Vision Gaming & Development, Inc. (NVG) and Brunn Consulting Group, Inc. dba Game-Tec Labs (GTL) for the Bonus Baccarat Game (the "NVG License"), GTL warranted that entering into the NVG License would not breach or violate the terms of any other undertaking or obligation of GTL. We have information that GTL was under a previous obligation to another company in contravention of this warranty. We believe the other company to be either Paradise Group or LT Game Limited ("LT Game").

As we understand it, GTL and LT Game have an agreement (the "GTL/LT Game Agreement") wherein GTL distributes LT Game's games, including a baccarat bonus game, in California. In paragraph 6C of the GTL/LT Game Agreement, GTL "agrees not to engage in the distribution, promotion, marketing or sale of any goods or products that compete or conflict with [LT Game's] products."

Because GTL was obligated under the GTL/LT Game Agreement to refrain from entering into any other agreement to distribute, promote, market, or sell a product that competes or conflicts with LT Game's products, GTL could not enter into the NVG License without breaching or violating the GTL/LT Game Agreement. Consequently, the NVG License is void *ab initio* and is unenforceable.

Because the NVG License was never a valid agreement, GTL is prohibited from making, selling, distributing, or claiming that it has a license to the Bonus Baccarat Game or any game that is covered by U.S. Patent No. 7,451,987.

Any communications regarding this letter or the Bonus Baccarat Game License are to be directed to me.

Sincerely,

**ALTMAN & MARTIN** 

Steven K. Martin

SKM/s

cc: John Feola, New Vision Gaming

www.altmartlaw.com
6 Beacon Street, Suite 600, Boston, Massachusetts 02108

EXHIBIT B

# **CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

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Court Name: USDC California Southern

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Receipt Number: CASO05377 Cashier ID: msweaney

Transaction Date: 09/18/2009

Payer Name: JANNEY AND JANNEY ATTY SVCS

CIVIL FILING FEE

For: BRUNN CONSULTING V J. FEOLA Case/Party: D-CAS-3-09-CV-002046-001

Amount: \$350.00

CHECK

Check/Money Order Num: 249650

Amt Tendered: \$350.00

Total Due: \$350.00 Total Tendered: \$350.00 Change Amt: \$0.00

There will be a fee of \$45.00 charged for any returned check.