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Attorneys for Plaintiffs
David Mahon; Intellectual Properties
Holding, LLC; Jackpot Productions,
LLC; Full Color Games, Inc.; and
Full Color Games, N.A., Inc.

DISTRICT COURT

CLARK COUNTY, NEVADA

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

Plaintiffs,

vs.

RICHARD H. NEWMAN, an individual;
NEWMAN LAW, LLC, a Nevada limited
liability company; COOPER BLACKSTONE,
LLC, a Nevada limited liability company;
HOWARD & HOWARD ATTORNEYS,
PLLC, a Michigan limited liability company;
DOES I through V; and ROE
CORPORATIONS I through V, inclusive,

Case No. A-18-779686-C
Dept. No. Department 24

COMPLAINT

Plaintiffs David Mahon, Intellectual Properties Holding, LLC, Jackpot
Productions, LLC, Full Color Games, Inc., Full Color Games, N.A., Inc. complaint
against Defendants Richard H. Newman, Newman Law, LLC, Cooper Blackstone, LLC,

Howard & Howard Attorneys, PLLC, Does I through V and Roe Corporations I through V as follows:

JURISDICTION AND PARTIES

1. This Court has subject matter jurisdiction pursuant to Section 6 of Article 6 of the Nevada Constitution.

2. This Court has personal jurisdiction over the each of the defendants pursuant to NRS 14.065 because each of the defendants transact business in this Judicial District or did transact business in this Judicial District with respect to the activities alleged in the Complaint.

3. Venue is proper in this Judicial District under NRS 13.010(2) because this action involves a dispute concerning defendants' agreements and relationships with Nevada businesses and entities doing business in Nevada.

4. Plaintiff David Mahon ("Mahon") is an individual who resides in Clark County, Nevada.

5. Plaintiff Intellectual Properties Holdings, LLC ("IPH") is a limited liability company formed under the laws of State of Nevada, and is, or was at all relevant times, doing business in Clark County, Nevada.

6. Plaintiff Jackpot Productions, LLC ("JPL") is a limited liability company formed under the laws of State of Nevada, and is, or was at all relevant times, doing business in Clark County, Nevada.

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

1 8. Upon information and belief, Defendant Richard H. Newman
2 (“Newman”) is an individual who resides in or does business in Clark County, Nevada.

3 9. Upon information and belief, Defendant Newman Law, LLC (“Newman
4 Law”) is a limited liability company organized under the laws of the State of Nevada,
5 which is, or was at all relevant times, doing business in Clark County, Nevada.
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7 10. Upon information and belief, Defendant Cooper Blackstone, LLC
8 (“CBL”) is a limited liability company organized under the laws of the State of Nevada,
9 which is, or was at all relevant times, doing business in Clark County, Nevada.
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11 11. Upon information and belief, Defendant Howard & Howard Attorneys,
12 PLLC (“H2”) is a professional limited liability company organized under the laws of the
13 State of Michigan, which is, or was at all relevant times, doing business in Clark County,
14 Nevada.

15 12. Plaintiffs are ignorant or unaware of the true names and capacities of
16 defendants designated as Does I through V and Roe Corporations I through V, and
17 therefore sues these defendants by their fictitious names. Plaintiffs are informed and
18 believe that each such defendant is responsible in some manner for the events and
19 happenings that is the subject matter of this litigation and proximately caused the
20 injuries and damages alleged herein. Plaintiffs will amend this Complaint to allege their
21 true names and capacities when they are ascertained.
22

23 13. Plaintiffs are informed and believe, and thereon allege, that each of the
24 defendants designated by a fictitious name is the principal, servant, and/or agent of each
25 of the other defendants and all defendants have ratified the actions of the other, after full
26 knowledge thereof.
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1 publications of his IPR. After months of the initial investor's promises to get a
2 Practitioner hired and paid and form their licensing companies, all to no avail, Mahon
3 was forced to take action on his own in order to protect the rights and claims as the "first
4 inventor" as required by law.
5

6 16. On December 8, 2008, Mahon retained Practitioner Daniel Cislo, Esq., of
7 Cislo & Thomas, LLC of Santa Monica, California "Cislo".

8 17. On May 7, 2009, Cislo filed three patents, (A) Multi-Play Bingo™ 75
9 USPTO provisional patent application number 61/215,684 ("MBP75"); (B) Multi-Play
10 Bingo™ 90 USPTO provisional patent application number 61/215,695 ("MBP90") and
11 (C) the Full Color® Gaming System USPTO provisional patent application number
12 61/215,768 ("FCGS").
13

14 18. The initial investors failed to ever follow through on their investment
15 funds leaving Mahon in debt with over \$30,000 owed to Cislo and worse, it left Mahon
16 with the inability to afford to pay to convert the provisional applications into non-
17 provisional patent applications and completion of the prosecution of application all the
18 way through to patent issuance. As a result, Mahon was forced to file his non-
19 provisional patent applications to protect his IPR by May 7, 2010 or forever lose his
20 rights as a result of the breaches of trust with the initial investors.
21
22

23 HISTORY- MARCH 2010 – APRIL 2010 – NEWMAN, H2 & THE AGRI

24 19. On or about March 17, 2010, a few months after he had moved to Las
25 Vegas, Nevada, still grappling with the debt and concerns about losing the IPR rights
26 with the USPTO if he didn't get his three non-provisional patents filed by May 7, 2010,
27 Mahon was referred to Newman as a local Practitioner that could file them.
28

1 20. At all time between March of 2010 and ending On or about October 21,
2 2014, Newman was employed as an attorney for H2.

3 21. H2's website advertised Newman as an attorney licensed to practice in
4 New York (2000).

5 22. H2's website advertised Newman as an attorney licensed to practice in
6 Connecticut (2000).

7 23. H2's website advertised Newman as an attorney licensed to practice in
8 Nevada (2008).

9 24. H2's website advertised Newman as an attorney licensed to practice
10 before the USPTO (1997).

11 25. H2's website advertised "Newman specializes in providing strategic
12 intellectual property counseling services that help clients obtain a competitive edge and
13 achieve their business goals."

14 26. H2's website advertised that Newman "has over 10 years of experience
15 working with clients of all types (such as large corporate entities, start-ups, emerging
16 and established businesses as well as investors) to develop, acquire and enforce
17 worldwide patent, trademark, copyright and trade secret rights, negotiating
18 collaborations and transactions involving intellectual property, preparing patentability,
19 invalidity, clearance and non-infringement opinions, evaluating patent portfolios,
20 providing design-alternative advisement, and performing due diligence for mergers and
21 acquisitions. Mr. Newman draws on his considerable experience to provide the guidance
22 and protection plans that will best address the client's particular situation and needs."

23 27. H2's website advertised that "[p]rior to joining Howard & Howard, Mr.
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1 Newman was in-house counsel for a major gaming product supplier in Las Vegas where
2 he was involved in handling worldwide intellectual property matters. Mr. Newman also
3 optimized and administered an invention submission program, worked with product
4 developers, engineers and business managers to develop a strategic portfolio of
5 worldwide patents, trained and supervised a patent agent team, conducted intellectual
6 property due diligence, advised company executives on potential mergers and
7 acquisitions, and obtained worldwide trademark protection for the company's marks.”

9 28. The major gaming product supplier in Las Vegas for which Newman was
10 in-house counsel was the multi-billion dollar corporation and single largest casino table
11 gaming manufacturer in the world, Shufflemaster.

13 29. 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 IPR for 4 ½ hours.

17 30. Newman was mesmerized by the unique and revolutionary nature of what
18 Mahon had invented and informed Mahon that he could easily obtain copyright,
19 trademark and patent protection on all of his intellectual property because there was
20 nothing like it on earth. Newman further informed Mahon that he could easily assist
21 Mahon in getting his games and products worldwide distribution if Newman were to
22 represent MAHON in all capacities.

24 31. Mahon advised Newman that he could not currently afford to pay any
25 legal fees and explained his entire story of his financial struggles caused by the initial
26 investors

28 32. Mahon further informed Newman that his patents pending were about to

1 expire and the most he could afford to pay for the foreseeable future was the hard costs
2 of the USPTO fees to convert his provisional patents into non-provisional applications.

3 33. Newman was so impressed with Mahon's inventions that Newman told
4 Mahon that he would be willing to do all of his USPTO and USCO work at no upfront
5 legal cost to Mahon if Mahon was willing to pay the "hard costs" in filing fees with the
6 governmental agencies, the Copyright Office and the USPTO in exchange for 5%
7 interest in the net profits from the IPR.
8

9 34. Newman informed Mahon that he had never worked on a sweat equity
10 deal for legal services for any else before but told Mahon he would be interested in
11 working for a sweat equity deal now on Mahon's IPR because his inventions in the Full
12 Color® Gaming System alone was so revolutionary that he believed it could disrupt the
13 trillion-dollar casino gaming industry with its creative and financial potential unlike
14 anything he'd ever seen before.
15

16 35. On March 17, 2010, at 12:05pm PST, Mahon sent Newman a follow up
17 email acknowledging their meeting whereby Mahon gave Newman login access into the
18 online gaming website Mahon had used for part of his demonstration the day before with
19 the specific details of the plans for the future and a copy of the Cislo filed 61/215,768
20 provisional patent to evaluate.
21

22 36. On March 17, 2010, at 2:33pm PST, Newman replied to Mahon a follow
23 up email acknowledging their meeting and affirming their intent to move forward on a
24 sweat equity deal.
25

26 37. Between March 17 and March 24, 2010, Mahon, Newman and Mahon's
27 corporate attorney at the time Mark J. Richardson, Esq. ("Richardson") spoke on the
28

1 phone and began to agree to terms, conditions of what sweat equity deal would look like.

2 Richardson negotiated the deal on behalf of Mahon directly with Newman.

3 38. On March 24, 2010 at 12:45pm PST, Mahon sent Newman a draft copy
4 of an Assignment of Gross Revenue Interests (“AGRI”) agreement to Newman’s
5 rnewman@howardandhoward.com email address at H2.
6

7 39. On March 24, 2010 at 2:30pm PST, Newman sent Mahon an email from
8 his private email of richarnew@gmail.com directing some of the emails to go there. In
9 this email Newman discloses that he has “potential conflicts of interest to consider.”
10

11 40. On March 24, 2010 at 3:20pm PST, Mahon responded to Newman’s
12 private email and acknowledged Mahon’s understanding that Newman had cleared the
13 conflicts of interest with Richardson, and that they were able to move forward with the
14 contract along with express details of Mahon’s intentions, limitations and expectations
15 for their relationship.
16

17 41. On March 30, 2010 at 2:25pm PST, Mahon, Richardson and Newman
18 cleared all the conflicts, along with all the final terms and conditions of the agreement,
19 and Richardson sent Newman the final redline to the AGRI for signature.

20 42. On or about April 1, 2010, Mahon and Newman fully executed the AGRI.
21

22 HISTORY- APRIL 2010 – SEPTEMBER 2010 –
23 NEWMAN & H2 TAKE OVER THE IP WORK

24 43. Although the AGRI speaks for itself, the agreement ensures H2 and
25 Newman will perform all necessary legal representation to obtain, prosecute, execute
26 and defend Mahon’s IPR that includes but is not limited to the copyright, trademark and
27 patent work in perpetuity in order for the 5% assignment of gross revenue interests and
28

1 tag-a-long rights to Mahon's IPR.

2 44. On April 6, 2010, at 2:05pm PST, Newman emails Mahon notifying him
3 that he is drafting a patent application.

4 45. On April 8, 2010, at 11:01am, PST, Newman emails Mahon and informs
5 him that he has filed a provisional patent 61/321,971. Newman sent him an H2
6 efilinAck7375841 1_pdf.pdf notice from the USPTO validating it.

7 46. H2 does not have any oral or written retainer agreement with any of the
8 Plaintiffs.

9 47. H2 does not have any oral or written engagement agreement with any of
10 the Plaintiffs.

11 48. H2 does not have any oral or written representation agreement with any
12 of the Plaintiffs.

13 49. H2 did not obtain a signed declaration from Mahon prior to filing
14 application 61/321,971 with the USPTO.

15 50. H2 did not obtain a signed power of attorney ("POA") from Mahon prior
16 to filing application 61/321,971 with the USPTO.

17 51. On May 4, 2010, at 2:38pm PST, Amy Galenski, an intellectual property
18 paralegal at H2 ("Galenski"), emails Mahon confirming the USPTO filing of the
19 "provisional" application 61/321,971.

20 52. On May 6, 2010, H2 mailed a billing invoice on H2 letterhead to Mahon
21 for Client Matter #060857-00001-348498 through the U.S.P.S in the amount of \$110.00.

22 53. On May 7, 2010, at 5:50 PST, Galenski emailed Mahon proof of the
23 USPTO filing of non-provisional application 12/776,273 claiming priority to the Cisto
24

1 filed USPTO provisional application 61/321,971 FCGS on the last day before its
2 expiration.

3 54. H2 did not obtain a signed declaration from Mahon prior to filing
4 application 12/776,273 with the USPTO.
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6 55. H2 did not obtain a signed power of attorney (“POA”) from Mahon prior
7 to filing application 12/776,273 with the USPTO.

8 56. On May 7, 2010, at 5:50 PST, Galenski emails Mahon proof of the H2
9 USPTO filing of non-provisional application 12/776,336 claiming priority to the Cislo
10 filed USPTO provisional application 61/215,684 MPB75 on the last day before its
11 expiration.
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13 57. H2 did not obtain a signed declaration from Mahon prior to filing
14 application 12/776,336 with the USPTO.
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16 58. H2 did not obtain a signed power of attorney (“POA”) from Mahon prior
17 to filing application 12/776,336 with the USPTO.

18 59. On May 7, 2010, at 5:50 PST, Galenski emails Mahon proof of to the
19 USPTO filing of non-provisional application 12/776,342 claiming priority to the Cislo
20 filed USPTO provisional application 61/215,695 MPB90 on the last day before its
21 expiration.
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23 60. H2 did not obtain a signed declaration from Mahon prior to filing
24 application 12/776,342 with the USPTO.

25 61. H2 did not obtain a signed power of attorney (“POA”) from Mahon prior
26 to filing application 12/776,342 with the USPTO.
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NEWMAN & H2 BEGIN THEIR TRAIL OF
MALPRACTICE, BUT CONCEAL IT FROM MAHON

62. On May 19, 2010, the USPTO sent H2 a notice rejecting the H2 application 12/776,273 pursuant to 37 CFR 1.53(b), "The oath or declaration is unsigned." In the same USPTO notice, Mahon is fined a surcharge due to H2's negligent filing for \$65 in additional fees as a result of their failure to obtain the oath and declaration.

63. On May 20, 2010, unbeknownst to Mahon, the USPTO sent H2 a notice rejecting the H2 application 12/776,336 pursuant to 37 CFR 1.53(b), "The oath or declaration is unsigned." In the same USPTO notice, Mahon is fined a surcharge due to H2's negligent filing for \$65 in additional fees as a result of their failure to obtain the oath and declaration.

64. On May 20, 2010, unbeknownst to Mahon, the USPTO sent H2 a notice rejecting their application 12/776,342 pursuant to 37 CFR 1.53(b), "The oath or declaration is unsigned." In the same USPTO notice, Mahon is fined a surcharge due to H2's negligent filing for \$65 in additional fees as a result of their failure to obtain the oath and declaration.

65. On May 26, 2010, at 2:20pm PST, six days after the USPTO notices were sent to H2, H2'S Galenski sent Mahon a request to sign a "Combined Declaration and Power of Attorney for United States Patent Application" for United States Application Serial No. 12/776,273; attorney docket number 060857.00002

66. On May 26, 2010, at 2:20pm PST, six days after the USPTO notices were sent to H2, H2'S Galenski sent Mahon a request sign a "Combined Declaration and

1 Power of Attorney for United States Patent Application” for United States Application
2 Serial No. 12/776,336; attorney docket number 060857.00003.

3 67. On May 26, 2010, at 2:20pm PST, six days after the USPTO notices were
4 sent to H2, H2’S Galenski sent Mahon a request to sign a “Combined Declaration and
5 Power of Attorney for United States Patent Application” for United States Application
6 Serial No. 12/776,342; attorney docket number 060857.00004.

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8 68. On May 27, 2010, at 9:06pm PST, Mahon, signed the combined
9 Declaration and POA forms for all three non-provisional applications 12/776,273,
10 12/776,336 and 12/776,342 and emailed it back to Newman.

11
12 69. On June 3, 2010, H2 mailed a billing invoice on H2 letterhead to Mahon
13 for Client Matter #060857-00002-350456 through the U.S.P.S in the amount of \$462.00
14 for the USPTO non-provisional filing of 12/776,273.

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16 70. On June 3, 2010, H2 mailed a billing invoice on H2 letterhead to Mahon
17 for Client Matter #060857-00003-350460 through the U.S.P.S in the amount of \$682.00
18 for the USPTO non-provisional filing of 12/776,336.

19
20 71. On June 3, 2010, H2 mailed a billing invoice on H2 letterhead to Mahon
21 for Client Matter #060857-00003-350464 through the U.S.P.S in the amount of \$572.00
22 for the USPTO non-provisional filing of 12/776,342.

23
24 72. On June 24, 2010, H2 files the Full Color™ trademark with the USPTO
Serial Number 85070534 on behalf of Mahon.

25
26 73. On July 8, 2010, H2 mailed a reminder statement invoice on H2
27 letterhead to Mahon for Client Matter #060857-00002-350456 through the U.S.P.S in
28 the amount of \$462.00 for the USPTO non-provisional filing of 12/776,273.

1 74. On July 8 2010, H2 mailed a reminder statement invoice on H2 letterhead
2 to Mahon for Client Matter #060857-00003-350460 through the U.S.P.S in the amount
3 of \$682.00 for the USPTO non-provisional filing of 12/776,336.
4

5 75. On July 8, 2010, H2 mailed a reminder statement invoice on H2
6 letterhead to Mahon for Client Matter #060857-00004-350464 through the U.S.P.S in
7 the amount of \$572.00 for the USPTO non-provisional filing of 12/776,342.
8

9 76. On July 8, 2010, H2 mailed a new billing invoice on H2 letterhead to
10 Mahon for Client Matter #060857-00005-353551 through the U.S.P.S in the amount of
11 \$325.00 for the USPTO trademark filing for Full Color™ Serial Number 85070534.
12

13 77. On August 2, 2010, at 4:21pm PST, Galenski sent Mahon “a copy of an
14 Updated Official Filing Receipt from the United States Patent and Trademark Office for
15 the above-mentioned application. Please note that the updated portion of this Receipt is
16 the newly identified Power of Attorney as Howard & Howard Customer Number 27305,
17 Domestic Priority data has been added and the Projected Publication Date of
18 11/11/2010” for USPTO non-provisional application 12/776,273.
19

20 78. On August 2, 2010, at 4:28pm PST, Galenski sent Mahon “a copy of an
21 Updated Official Filing Receipt from the United States Patent and Trademark Office for
22 the above-mentioned application. Please note that the updated portion of this Receipt is
23 the newly identified Power of Attorney as Howard & Howard Customer Number 27305,
24 Domestic Priority data has been added and the Projected Publication Date of
25 11/11/2010” for USPTO non-provisional application 12/776,336.
26

27 79. On August 2, 2010, at 4:38pm PST, Galenski sent Mahon “a copy of an
28 Updated Official Filing Receipt from the United States Patent and Trademark Office for

1 the above-mentioned application. Please note that the updated portion of this Receipt is
2 the newly identified Power of Attorney as Howard & Howard Customer Number 27305,
3 Domestic Priority data has been added and the Projected Publication Date of
4 11/11/2010” for USPTO non-provisional application 12/776,342
5

6 80. On August 9, 2010, H2 mailed a new billing invoice on H2 letterhead to
7 Mahon for Client Matter #060857-00002-355366 through the U.S.P.S in the amount of
8 \$65.00 for the surcharge of USPTO non-provisional filing of 12/776,273 for failing to
9 filing the declaration and POA.
10

11 81. On August 9, 2010, H2 mailed a new billing invoice on H2 letterhead to
12 Mahon for Client Matter #060857-00003-355367 through the U.S.P.S in the amount of
13 \$65.00 for the surcharge of USPTO non-provisional filing of 12/776,336.
14

15 82. On August 9, 2010, H2 mailed a new billing invoice on H2 letterhead to
16 Mahon for Client Matter #060857-00004-355368 through the U.S.P.S with the new
17 amount of \$65.00 for the surcharge of USPTO non-provisional filing of 12/776,342.
18

19 83. On August 9, 2010, H2 mailed a reminder statement invoice on H2
20 letterhead to Mahon for Client Matter #060857-00005-353551 through the U.S.P.S in
21 the amount of \$325.00 for the USPTO trademark filing for Full Color™ Serial Number
22 85070534.
23

24 84. On September 7, 2010, H2 mailed a reminder statement invoice on H2
25 letterhead to Mahon for Client Matter #060857-00002 through the U.S.P.S in the amount
26 of \$527.00 including the \$65.00 for the surcharge of USPTO non-provisional filing of
27 12/776,273 for failing to filing the declaration and POA.
28

85. On September 7, 2010, H2 mailed a reminder statement invoice on H2

1 letterhead to Mahon for Client Matter #060857-00003 through the U.S.P.S in the amount
2 of \$747.00 including the amount of \$65.00 for the surcharge of USPTO non-provisional
3 filing of 12/776,336.

4
5 86. On September 7, 2010, H2 mailed a reminder statement invoice on H2
6 letterhead to Mahon for Client Matter #060857-00004 through the U.S.P.S in the amount
7 of \$637.00 including with the new amount of \$65.00 for the surcharge of USPTO non-
8 provisional filing of 12/776,342.

9
10 87. On September 7, 2010, H2 mailed a reminder statement invoice on H2
11 letterhead to Mahon for Client Matter #060857-00005-353551 through the U.S.P.S in
12 the amount of \$325.00 for the USPTO trademark filing for Full Color™ Serial Number
13 85070534.

14 88. For the previous two years and from its inception, Mahon had been the
15 sole source of funding for the IPR, including but not limited to funding of all the
16 software, hardware, legal, mathematical and production work and it was time to
17 formalize it all in legal corporate structures as Mahon was going to raise private funds
18 through the sale of securities through an a United States Securities Exchange (“SEC”)
19 regulated Private Placement Memorandum (“PPM”) that Richardson and Mahon had
20 created in order to sell securities pursuant to SEC Rule 506d.
21
22

23 HISTORY – SEPTEMBER - OCTOBER 2010 - NEWMAN &
24 H2 CORPORATE FORMATION & REPRESENTATION OF IPH, JPL, FCGL

25
26 89. From August thru September of 2010, Mahon worked on the formation of
27 a new games manufacturing and distribution company, Full Color Games, LLC
28 (“FCGL”) that would take in a significant investment based on a comprehensive

1 licensing agreement between Mahon and IPH, a prospective new holding company to be
2 formed and JPL, another prospective new production company, and FCGL.

3 90. From August thru September of 2010, Newman & H2 provided IPR legal
4 counsel for the Company formations, licensing and SEC regulated investment
5 agreements.
6

7 91. On or about September 20, 2010, Mahon caused \$5,000 to be wired into
8 H2'S client trust account in order for H2 to have the funds to pay for the corporation
9 formations through Boss Business Services with the Nevada Secretary of State as lead
10 counsel on the corporation formations and IPR licensing.
11

12 92. On September 22, 2010, Newman and H2 caused IPH to be formed as a
13 single member limited liability company with the Nevada Secretary of State (NVSOS)
14 on behalf of Mahon.
15

16 93. On September 22, 2010 formation of IPH, Newman and H2 crafted a
17 Master Licensing Agreement ("MLA") between Mahon and IPH whereby Mahon
18 assigned Mahon's individual intellectual property rights related to the Multi-Play IP and
19 the FCG-IP as defined in the MLA.
20

21 94. Newman & H2 represented and warranted the perfect standing and
22 integrity of copyright, trademark and patent applications, status and standing of the
23 Multi-Play IP and the FCG-IP to both parties and presided over the execution of the
24 MLA on behalf of MAHON and IPH.

25 95. On September 22, 2010, Newman and H2 caused JPL to be formed as a
26 single member limited liability company with the Nevada Secretary of State (NVSOS)
27 on behalf of Mahon.
28

1 96. On September 22, 2010, Newman and H2 crafted a Sub-Licensing
2 Agreement (“SLA”) between IPH and JPL whereby JPL also became a sub-licensee of
3 the MLA.

4 97. On September 22, 2010, Newman & H2 represented and warranted the
5 perfect standing and integrity of copyright, trademark and patent applications, status and
6 standing of the Multi-Play IP and the FCG-IP to both parties and presided over the
7 execution of the SLA on behalf of IPH and JPL.

8 98. On September 22, 2010, Newman and H2 caused FCGL to be formed as
9 a two member limited liability company with the Nevada Secretary of State (NVSOS)
10 on behalf of IPH and the new investor as the two members.

11 99. On September 22, 2010, Newman and H2 crafted a Limited License
12 Agreement (“LL”) between JPL and FCGL whereby FCGL also became a sub-licensee
13 of the SLA’S sublicense of the MLA.

14 100. On September 22, 2010, Newman and H2 represented and warranted the
15 perfect standing and integrity of copyright, trademark and patent applications, status and
16 standing of the Multi-Play IP and the FCG-IP to both parties and presided over the
17 execution of the LL on between of JPL and FCGL.

18 101. On or about September 22, 2010, Newman used his personal credit card
19 to pay Boss Business Services (“BOSS”) \$465.00 to pay the Nevada Secretary of State
20 for a 24 hour expedite fee for the corporation formations due to the compressed time
21 schedule and the in person meetings scheduled while waiting for Mahon’s client trust
22 funds to clear the H2 account and not delay the process. Newman would get reimbursed
23 directly from H2 out of Mahon’s client trust fund upon receipt from BOSS’S
24
25
26
27
28

1 completion.

2 102. On or about September 23, 2010, Mahon's client trust funds cleared and
3 Newman and H2 directed BOSS to immediately form the three entities that would each
4 cost \$995.00, plus an additional \$995.00 for their annual corporate Registered Agent
5 service for a total of \$3,990.00. H2 paid BOSS directly from the Mahon client trust
6 account from the original \$5,000.00 advance.
7

8 103. On September 23, 2010, Newman, Richardson, Mahon and the new
9 investors met at H2's offices in the Wells Fargo Tower in Las Vegas and executed all
10 three corporation formations, MLA, SLA and LL documents after months of intense
11 negotiations between Mahon, IPH, JPL, FCGL and the new investment group led by
12 Newman and H2 based on the integrity Newman's and H2's certifications of the IPR.
13

14 NEWMAN & H2 MALFEASANCE IN
15 COMMUNICATION FAILURES SPREAD TO TRADEMARKS
16

17 104. On or about September 29, 2010, the USPTO sent H2 and Newman
18 notices of rejections on the Full Color™ trademark application, but Mahon was never
19 notified. Indeed, H2 and Newman failed to adequately communicate any the notices
20 sent by the USPTO. Newman and H2 generally failed to provide proper communication
21 to Mahon on both trademarks and patent applications.
22

23 105. On September 30, 2010, Mahon emailed Newman a copy of the \$465.00
24 invoice from BOSS so Newman could get directly reimbursed from H2 for the advance
25 Newman made on or about September 22, 2010.
26

27 106. On or about October 8, 2010, H2 mailed in the USPS to Mahon, a new
28 billing invoice with the bill number Client Matter #060857-00999-359904 in the amount

1 of \$4,445.00 (\$3,990.00 + \$465.00) leaving a credit balance of \$555.00 to be returned to
2 Mahon.

3 107. On or about October 15, 2010, H2 mailed Mahon a refund of the
4 remaining \$555.00 credit retainer for FCGL for the corporation formation services
5 completing the transactions leaving a \$0.00 balance in the client trust fund account for
6 FCGL.
7

8 108. On September 29, 2010, the USPTO sent H2 and Newman notices of
9 rejections on the Full Color™ trademark application 85070534, but again failed to notify
10 Mahon.
11

12 109. On September 30, 2010, at 4:09pm PST, Mahon notifies Newman that he
13 is causing a full payment in the amount of \$2,236.00 to be made to pay all outstanding
14 H2 invoices.
15

16 110. On October 4, 2010, at 5:45pm PST, Newman and H2 File notice with
17 the USPTO to Change Mahon's address.

18 111. On October 8, 2010, H2 mailed a new billing invoice on H2 letterhead to
19 Mahon for Client Matter #060857-00999-359904 through the U.S.P.S with the amount
20 of \$4,445.00 for the hard costs in the formation of IPH, JPL and FCGL with a credit
21 balance of \$555.000 owed to FCGL.
22

23 112. On October 11, 2010, Newman and H2 sent Mahon a copy of a
24 provisional patent Serial # 61/389,642 filed with the USPTO on October 4, 2010.

25 113. On October 11, 2010, at 5:15pm, Galenski confirms that all
26 communications and notices concerning their work for Mahon and his companies are to
27 now be sent to david@fullcolorgames.com.
28

1 114. On or about October 15, 2010, H2 mailed Mahon a refund of the
2 remaining \$555.00 credit retainer in the Client Matter#060857-00006 for the corporation
3 formation services completing the transactions leaving a \$0.00 balance in the client trust
4 fund account.
5

6 115. On October 21, 2010, at 1:00pm PST, Galenski emailed Mahon a notice
7 from the USPTO acknowledging that they have received a new provisional application
8 61/389,642 in an Official Filing Receipt.
9

10 HISTORY - OCTOBER - DECEMBER 2010 - NEWMAN'S NEW
11 FIDUCIARY ROLES AS COO, IP LEGAL COUNSEL OF FCGL WHILE @H2
12

13 116. On October 27, 2010, at 2:23pm PST, Newman approves his new FCGL
14 business cards and identifying him to the world as the official Chief Operating Officer
15 (“COO”) of FCGL and IP Legal Counsel.
16

17 117. On October 8, 2010, H2 mailed a new billing invoice on H2 letterhead to
18 Mahon for Client Matter #060857-00006-361862 through the U.S.P.S with the amount
19 of \$110.00 for the hard costs USPTO provisional patent application 61/389,642.
20

21 118. On November 11, 2010, Newman was paid \$1,000.00 in royalties from
22 IPH in Check #1002 per the AGRI.
23

24 119. On December 21, 2010, at 11:37am PST, Galenski emails Mahon and
25 notices him that Newman has received notice from the USTPO that the Applications
26 have been published for 12/776,273, 12/776,336 and 12/776,342.
27

28 ALL OF MAHON'S COPYRIGHTS SUBMITTED BY NEWMAN ARE REJECTED

 120. In the week of December 10, 2010, H2 files 7 different copyright

1 applications with the U.S. Copyright offices, for 7 different variations of Full
2 Color® Cards. All of them are ultimately rejected due to H2 and Newman's
3 incompetence in their filings and failure to properly prosecute the applications.
4

5 121. At some time after January 2011, Newman became a full partner and
6 shareholder of H2. On information and belief, Newman would have been required to
7 disclose his relationship, contracts, agreements and business relationships with Mahon to
8 all H2 partners and equally, including the AGRI. .

9 122. On January 6, 2011, H2 mailed a reminder statement invoice on H2
10 letterhead to Mahon for Client Matter #060857-00006- 361862 through the U.S.P.S in
11 the amount \$110.00 for the provisional application 61/389,642.
12

13 123. On January 6, 2011, H2 mailed a reminder statement invoice on H2
14 letterhead to Mahon for Client Matter #060857-00007- 364248 through the U.S.P.S in
15 the amount \$35.00 for the USCO copyright application entitled "Copyright Full Color®
16 Cards Non-Casino & Games."
17

18 124. On January 6, 2011, H2 mailed a reminder statement invoice on H2
19 letterhead to Mahon for Client Matter #060857-00008-364249 through the U.S.P.S in
20 the amount \$35.00 for the USCO copyright application entitled "Copyright Full Color®
21 Cards Standard."
22

23 125. On January 6, 2011, H2 mailed a reminder statement invoice on H2
24 letterhead to Mahon for Client Matter #060857-00009-364250 through the U.S.P.S in the
25 amount \$35.00 for the USCO copyright application entitled "Copyright Full Color®
26 Cards Speed Deck."
27

28 126. On January 6, 2011, H2 mailed a reminder statement invoice on H2

1 letterhead to Mahon for Client Matter #060857-00010-364251 through the U.S.P.S in
2 the amount \$35.00 for the USCO copyright application entitled "Copyright Full Color®
3 Cards Speed Deck Alternate."

4
5 127. On January 6, 2011, H2 mailed a reminder statement invoice on H2
6 letterhead to Mahon for Client Matter #060857-00011-364252 through the U.S.P.S in
7 the amount \$35.00 for the USCO copyright application entitled "Copyright Full Color®
8 Cards Universal Deck."

9
10 128. On January 6, 2011, H2 mailed a reminder statement invoice on H2
11 letterhead to Mahon for Client Matter #060857-00012-364253 through the U.S.P.S in
12 the amount \$35.00 for the USCO copyright application entitled "Copyright Full Color®
13 Cards Patterned Version."

14
15 129. On January 6, 2011, H2 mailed a reminder statement invoice on H2
16 letterhead to Mahon for Client Matter #060857-00013-364254 through the U.S.P.S in
17 the amount \$35.00 for the USCO copyright application entitled "Copyright Full Color®
18 Cards Rear Face."

19
20 130. On January 6, 2011, H2 mailed a reminder statement invoice on H2
21 letterhead to Mahon for Client Matter #060857-00014-364255 through the U.S.P.S in
22 the amount \$35.00 for the USCO copyright application entitled "Copyright Full Color®
23 Cards One Number Version."

24
25 131. On January 11, 2011, MAHON pays H2'S bills for all of the U.S.
26 Copyright filings for Client Matters 060857-00006, -00007, -00008, -00009, -00010, -
27 00011, -00012, -00013, -00014 in the amount of \$390.00 in check #1022.

28 132. Between March 16, 2011 and April 7, 2011, Mahon prepared black and

1 white drawings of Full Color™ Slots, Full Color™ Poker and Full Color™ Solitaire to
2 be used with PCT filings.

3 133. On April 8, 2011 at 2:15pm, Newman sent Mahon written request for a
4 blind Declaration and POA.
5

6 134. On April 8, 2011 at 2:30pm, Mahon signs the blind declaration and the
7 POA and emails it back.

8 135. On April 8, 2011, at 4:40pm PST, Galenski emails Mahon notice of a
9 USPTO filing and receipt of acknowledgement for 13/083,408 in the Client Matter
10 060857-00015.
11

12 136. On April 11, 2011, at 10:52am PST, Natalya DeVries (“DeVries”), a
13 patent specialist at H2, emails Mahon notice of the PCT/US11/31836 filing in the Client
14 Matter 060857-00016.

15 137. On April 11, 2011, at 10:59am PST, DeVries emails Mahon notice of the
16 PCT/US11/31826 filing in the Client Matter 060857-00017.
17

18 138. On April 28, 2011, at 4:42pm PST, Galenski notifies Mahon of
19 NEWMAN’s receipt of filing from the USPTO for the patent filing of 13/083,408 in the
20 Client Matter 060857-00015.
21

22 139. On May 6, 2011, H2 mailed a new billing statement invoice on H2
23 letterhead to Mahon for Client Matter #060857-00015-375299 through the U.S.P.S in
24 the amount \$462.00 for the USPTO non-provisional application 13/083,408.

25 140. On May 6, 2011, H2 mailed a new billing statement invoice on H2
26 letterhead to Mahon for Client Matter #060857-00016-375300 through the U.S.P.S in
27 the amount \$4,784.00 for the USPTO PCT application PCT/US11/31836.
28

1 141. On May 6, 2011, H2 mailed a new billing statement invoice on H2
2 letterhead to Mahon for Client Matter #060857-00016-375301 through the U.S.P.S in
3 the amount \$5,354.00 for the USPTO PCT application PCT/US11/31826.

4
5 142. On July 7, 2011, H2 mailed a new billing statement invoice on H2
6 letterhead to Mahon for Client Matter #060857-00005- 379755 through the U.S.P.S in
7 the amount \$100.00 for the Full Color™ trademark application 85070534.

8
9 HISTORY JULY 2011 - H2 & NEWMAN REPRESENT
10 MAHON & FCGL'S LICENSING OF FCG-IP TO MUNGER

11 143. On July 19, 2011, at 4:43pm PST, Galenski and Newman sent a potential
12 investor, Mark Munger, ("Munger") an email that includes confidential and privileged
13 information of Mahon's individual ownership of all the intellectual property, its
14 licensing structures to IPH and the FCGL PPM.

15
16 144. On or about July 27, 2011, H2 and Newman filed for the Double Ball
17 Roulette™ trademark with the USPTO.

18 145. On or about August 12, 2011, H2 and Newman entered into a similar or
19 identical AGRI or common stock ownership deal for sweat equity intellectual property
20 work before the USPTO and USCO with the founders of Vegas Game Point, LLC
21 ("VGP") and served as their Director, Registered Agent and Chief Legal Officer.

22
23 146. Both H2 and Newman failed to disclose their conflicts of interest and the
24 fact that VGP directly competed against Mahon, IPH, JPL and FCGL.

25
26 147. On or about August 25, 2011, H2 and Newman files the Double Ball
27 Roulette™ patent with the USPTO.

28 148. On or about August 19, 2011, H2 and Newman stop prosecuting and

1 abandoned the 1st of Mahon's IPR in USPTO PCT application PCT/US11/31836.

2 149. On or about August 31, 2011, H2 and Newman stop prosecuting and
3 abandoned the 2nd of Mahon's IPR in USPTO PCT application PCT/US11/31826.

4 150. H2 and Newman fail to notify Mahon, IPH or FCGL of the
5 abandonments of USPTO patent applications and prosecutions of PCT/US11/31836 and
6 PCT/US11/31826 without their full knowledge or written consent.
7

8 HISTORY OCTOBER 2011- APRIL 2012 – MAHON
9 PAYS BILLS & THE FULL COLOR® TRADEMARK IS ISSUED
10

11 151. On or about October 4, 2011, Mahon causes FCGL to pay the H2's bills
12 for the invoices of Patent Applications 13/083,408, PCT/US11/31836,
13 PCT/US11/31826, Trademark of Full Color™ Serial Number 85070534 for all matters
14 of 060857-00015, -00016, -00017 and -00005 in the amount of \$10,700.00 with check
15 #1002.
16

17 152. On November 8, 2011, H2 and Newman notifies Mahon that the Full
18 Color® trademark is formally registered with the USPTO and is available for use with
19 the (R) registered mark.
20

21 153. On December 26, 2011, H2 and Newman files the Color Solitaire™
22 trademark with the USPTO on behalf of Mahon.

23 154. On December 29, 2011 Newman was paid an additional \$1,736.85 in
24 royalties from IPH in Check #1002 per the AGRI.

25 155. In the evening of February 14, 2012, during and after an FCGL meeting
26 in the H2 conference room with Newman at 3800 Howard Hughes Parkway, Las Vegas,
27 NV offices, the third party investors in FCGL engaged in a series of violations that
28

1 created a material breach of contracts with FCGL that threatened to shut the entire
2 company down.

3 156. Between February 14 and March 16, 2012, H2 and Newman provided
4 legal counsel and advised Mahon, IPH, JPL & FCGL on their legal recourse and
5 prepared to send a 30 day notice to cure the defects to the third party investor.
6

7 157. On or about February 21, 2012, Mahon paid H2'S outstanding invoiced
8 bills for the invoice Trademark of Full Color™ Serial Number, 85070534 for all matters
9 of 060857-00015, -00016, -00018 in the amount of \$325.00 in FCGL check #1152.
10

11 158. Between April 1, 2010 and April 17, 2012, Mahon caused H2 to be paid
12 \$13,761.00 in fees (actual total of \$13,762.39 including the cost of a \$1.39 for a money
13 order) for all the copyrights, trademark and patent applications, all the secret and
14 undisclosed overcharges, fees, abandonments, delays that H2 billed Mahon for the work
15 they did on his IPR and the formations of IPH, JPL and FCGL.
16

17 159. On or about February 24, 2012, H2 and Newman sent a letter out on H2
18 Letterhead confirming again that H2 represents Mahon and FCGL'S interests as their
19 attorney of record when FCGL had to terminate a sub-contractor named Keri-Lynn
20 Mitoff.
21

22 160. On or about March 17, 2012, Newman and H2 provided legal
23 representation on behalf of Mahon, IPH, JPL & FCGL in sending out the 30 day notice
24 to cure the defects to the third party investor in FCGL.

25 161. On April 6, 2012, H2 and Newman provided legal representation for
26 Mahon and FCGL when they filed a police report with the Las Vegas Metropolitan
27 Police Department over the grand larceny and embezzlement of company funds by a
28

1 former subcontractor Ryan Schulhauser (“Schulhauser”) from FCGL. Schulhauser was
2 ultimately arrested, indicted, prosecuted and convicted of criminal charges, including a
3 felony, and was forced to pay a civil restitution to FCGL.

4
5 162. On or about April 17, 2012, H2 and Newman provided legal
6 representation for Mahon, IPH, JPL & FCGL to send out the termination notice to the
7 third party investor in FCGL. The third party investor did not comply with their notice
8 to cure and as a result, FCGL was dissolved with the Nevada Secretary of State, and H2
9 and Newman provided additional legal representation in terminating the sub-licenses
10 between JPL and FCGL and IPH and JPL after FCGL’s ceasing operations.

11
12 163. Mahon subsequently shuts down FCGL effective April 17, 2012,
13 terminating its sub-licenses JPL to FCGL and IPH to JPL and ceased operations.

14
15 HISTORY APRIL 2012 – MARCH 2013 H2 &
16 NEWMAN’S & FCGI’S LIMITED LICENSE OF IP

17 164. On or about April 18, 2012, H2 and Newman provided legal counsel and
18 representation for Mahon to form a new wholly owned entity called Full Color Games,
19 Inc., a Nevada Corporation (“FCGI”).

20
21 165. On April 18, 2012, H2 and Newman provided legal counsel and
22 representation between IPH & FCGI as the two entities executed a Limited License as a
23 condition of the formation with of FCGI and the issuance of 100% of its shares to IPH.

24 166. H2 and Newman provided legal counsel and representation certifying the
25 integrity of Mahon’s intellectual property portfolio that was part of the Limited License
26 as attached in its Exhibits A and B.

27
28 167. On June 29, 2012, at 8:15pm PST, Mahon emails Munger and Newman

1 details about Munger “pledging \$10,000” to FCGI as a “Kickstarter” to launch Full
2 Color® Solitaire.

3 168. H2 and Newman provided legal representation on behalf of FCGI,
4 Munger and Munger’s partner Jeremiah Rutherford (“Rutherford”) in legal contracts.
5 Newman and H2 were deeply involved in all the contracts and business dealings with
6 Munger, and H2 and Newman were copied on the emails between FCGI and Munger.

7
8 169. On July 6, 2012, at 12:32pm PST, DeVries emails Mahon about the PCT
9 filings.

10
11 170. On July 23, 2012, at 11:30am PST, Galenski emails Mahon about an
12 Acknowledge Receipt filing for the PCT filings.

13 171. On July 30, 2012, at 12:18am PST, H2 and Newman provide legal
14 representation between FCGI, Munger and his business partner Rutherford when they
15 agree to loan \$100,000 to FCGI through an Assignment of Net Profit Interests
16 agreement. (“ANPI”).

17
18 172. On July 30, 2012, at 9:04pm PST, H2 and Newman provide legal
19 representation for FCGI on the ANPI contract.

20 173. On August 9, 2012, H2 mailed a new billing statement invoice on H2
21 letterhead to Mahon for Client Matter #060857-00002-411108 through the U.S.P.S in
22 the amount \$75.00 for the USPTO application 12/776,273.

23
24 174. On August 9, 2012, H2 mailed a new billing statement invoice on H2
25 letterhead to Mahon for Client Matter #060857-00004-411109 through the U.S.P.S in
26 the amount \$635.00 for the USPTO application 12/776,342 for a “Request for Extension
27 of Time to respond to an outstanding Office communication.”
28

1 175. On September 10, 2012, H2 mailed a reminder statement invoice on H2
2 letterhead to Mahon for Client Matter #060857-00002-411108 through the U.S.P.S in
3 the amount \$75.00 for the USPTO application 12/776,273.

4 176. On September 10, 2012, H2 mailed a reminder statement invoice on H2
5 letterhead to Mahon for Client Matter #060857-00004-411109 through the U.S.P.S in
6 the amount \$635.00 for the USPTO application 12/776,342 for the “Request for
7 Extension of Time to respond to an outstanding Office communication.”

8 177. On September 19, 2012, at 7:23am PST, DeVries emails MAHON about
9 the PCT filings.

10 178. On September 19, 2012, at 8:47am PST, Newman emails Mahon saying
11 he will follow up about the PCT and handle it. Newman never does follow up.

12 EXHIBIT 158

13 179. On October 8, 2012, H2 mailed a reminder statement invoice on H2
14 letterhead to Mahon for Client Matter #060857-00002-411108 through the U.S.P.S in
15 the amount \$75.00 for the USPTO application 12/776,273.

16 180. On October 8, 2012, H2 mailed a reminder statement invoice on H2
17 letterhead to Mahon for Client Matter #060857-00004-411109 through the U.S.P.S in
18 the amount \$635.00 for the USPTO application 12/776,342 for a “Request for Extension
19 of Time to respond to an outstanding Office communication.”

20 181. On or about October 30, 2012, FCGI published its PPM identifying
21 Newman’s roles as the FCGI’S attorney and Newman’s roles as the IP-Counsel for all
22 things related to the FCG-IP showing his fiduciary duties to FCGI, to investors and
23 more.

H2 & NEWMAN'S MALFEASANCE,
MALPRACTICE & TRADEMARK ABANDONMENTS BEGIN

182. On November 1, 2012, the USPTO sent H2 and Newman an official notice of the abandonment of Mahon's Color Solitaire™ trademark Serial Number 85503833 due to H2 and Newman's & H2'S "Failure to Respond to Office Action."

183. H2 and Newman fail to notify Mahon, IPH or FCGI of the Color Solitaire™ abandonment.

184. On November 9, 2012, H2 mailed a reminder statement invoice on H2 letterhead to Mahon for Client Matter #060857-00002-411108 through the U.S.P.S in the amount \$75.00 for the USPTO application 12/776,273.

185. On November 9, 2012, H2 mailed a reminder statement invoice on H2 letterhead to Mahon for Client Matter #060857-00004-411109 through the U.S.P.S in the amount \$635.00 for the USPTO application 12/776,342 for the "Request for Extension of Time to respond to an outstanding Office communication".

186. On December 10, 2012, H2 mailed a reminder statement invoice on H2 letterhead to Mahon for Client Matter #060857-00002-411108 through the U.S.P.S in the amount \$75.00 for the USPTO application 12/776,273.

187. On December 10, 2012, H2 mailed a reminder statement invoice on H2 letterhead to Mahon for Client Matter #060857-00004-411109 through the U.S.P.S in the amount \$635.00 for the USPTO application 12/776,342 for the "Request for Extension of Time to respond to an outstanding Office communication."

188. On January 23, 2013 at 3:05pm PST, Galenski sent Mahon an email requesting Mahon to sign a Declaration & POA for Client Matters 060857-00019.

1 189. H2 had already filed the Declaration and the POA in Client Matters
2 060857-00019 making it a false statement and fraudulent filing with the USPTO as the
3 one H2 filed was dated May 26, 2010, which is nearly 3 years old and clearly has
4 nothing to do with the new filing in Client Matter 060857-00019.
5

6 190. On March 7, 2013, H2 mailed a new billing invoice on H2 letterhead to
7 Mahon for Client Matter #060857-00002-425267 through the U.S.P.S in the amount
8 \$285.00 for the USPTO application 12/776,273 for another “Request for Extension of
9 Time to respond to an outstanding Office communication.”
10

11 191. On March 7, 2013, 2012, H2 mailed a reminder statement invoice on H2
12 letterhead to Mahon for Client Matter #060857-00004-411109 through the U.S.P.S in
13 the amount \$635.00 for the USPTO application 12/776,342 for the “Request for
14 Extension of Time to respond to an outstanding Office communication.”
15

16 192. H2 and Newman abandoned the 12/776,342 patent just 2 weeks later
17 without any notice to Mahon, IPH or FCGI.

18 193. H2 and Newman abandoned the 12/776,273 patent just 2 ½ months later
19 without any notice to Mahon, IPH or FCGI.

20 194. On or about March 19, 2013, new investors came into FCGI and wanted
21 to form a Board of Advisors for FCGI (“BOA”) upon their investment. As a result,
22 Mahon formed the new BOA and appointed Newman as one of five members of the
23 BOA formally expanding his roles and taking on the fiduciary roles beyond his ongoing
24 IP Legal Counsel duties.
25

26 195. On or about March 19, 2013 Newman became a member of the FCGI
27 BOA.
28

HISTORY MARCH 2013 – OCTOBER 2014 H2
& NEWMAN ABANDON MAHON’S PATENTS

196. On or about March 22, 2013, H2 and Newman abandoned of Mahon’s original USPTO filed patent application 12/776,336 for “Failure to Respond to Office Action.”

197. On or about March 22, 2013, H2 and Newman abandoned of Mahon’s original USPTO filed patent application 12/776,342 for “Failure to Respond to Office Action.”

198. H2 and Newman’s abandonment of USPTO patent applications 12/776,336 and 12/776,342 occurred not even 3 days Newman was appointed to the FCGI Board of Advisors and certified to all investors that Mahon’s IPR was in perfect order and made no mention whatsoever of the abandonments to date.

199. H2 and Newman fail to notify Mahon, IPH or FCGI of the abandonments USPTO patent applications 12/776,336 and 12/776,342 making these the 3rd and 4th abandoned application without their knowledge or consent.

200. On or about May 3, 2013, H2 and Newman abandoned of Mahon’s original USPTO filed patent application 12/776,273 for “Failure to Respond to Office Action.”

201. H2 and Newman fail to notify Mahon, IPH or FCGI of the abandonment of the USPTO patent application 12/776,273 making this the 5th abandoned application without their knowledge or consent.

202. On May 6, 2013, at 9:46am PST, FCGI’s largest outside investor, KGN Holdings, LLC filed a UCC-1 Financing Statement on Public Record with the Nevada

1 Secretary of State laying claim to the Limited License as the security in his Secured
2 Convertible Note (“C-Note”) in declaring in “Section 4. This FINANCING
3 STATEMENT covers the following collateral: LICENSING RIGHTS TO
4 INTELLECTUAL PROPERTY GENERALLY KNOWN AS FULL COLOR GAMES.”
5

6 203. On or about September June 6, 2013, H2 and Newman represented
7 Mahon and JPL by providing a comprehensive legal analysis and opinion on The
8 Jackpot™ Project for Mahon and JPL.

9 204. On or about September July 2, 2013, H2 and Newman finished its legal
10 representation of FCGL when the State of Nevada vs. Ryan Schulhauser court case
11 concluded and Schulhauser was found guilty of felony embezzlement and a gross
12 misdemeanor of grand larceny and simultaneously required to pay FCGL restitution in
13 the amount of \$2,653.63.
14

15 205. On October 9, 2013, H2 mailed a reminder statement invoice on H2
16 letterhead to Mahon for Client Matter #060857-00002-411108 through the U.S.P.S in
17 the amount \$360.00 for the USPTO application 12/776,273 for the “Request for
18 Extension of Time to respond to an outstanding Office communication.”
19

20 206. On October 9, 2013, H2 mailed a reminder statement invoice on H2
21 letterhead to Mahon for Client Matter #060857-00004-411109 through the U.S.P.S in
22 the amount \$635.00 for the USPTO application 12/776,342 for the “Request for
23 Extension of Time.”
24

25 207. On October 9, 2013, H2 mailed a reminder statement invoice referencing
26 new bills on H2 letterhead to Mahon for Client Matter #060857-00015-437679 through
27 the U.S.P.S in the amount \$700 for the USPTO application 13/083,408 for “Extension 3
28

1 months.”

2 208. On October 9, 2013, H2 mailed a reminder statement invoice referencing
3 new bills on H2 letterhead to Mahon for Client Matter #060857-00019-432817 through
4 the U.S.P.S in the amount \$800 for the USPTO application 13/747,727 for the filing fees
5 and surcharges for failing to file the application properly.
6

7 209. On November 8, 2013, H2 mailed a reminder statement invoice on H2
8 letterhead to Mahon for Client Matter #060857-00002 through the U.S.P.S in the amount
9 \$360.00 for the USPTO application 12/776,273 for the “Request for Extension of Time
10 to respond to an outstanding Office communication.”
11

12 210. On November 8, 2013, H2 mailed a reminder statement invoice on H2
13 letterhead to Mahon for Client Matter #060857-00004-411109 through the U.S.P.S in
14 the amount \$635.00 for the USPTO application 12/776,342 for the “Request for
15 Extension of Time.”
16

17 211. On November 8, 2013, H2 mailed a new billing invoice referencing new
18 bills on H2 letterhead to Mahon for Client Matter #060857-00015- 447356 through the
19 U.S.P.S in the amount \$700 for the USPTO application 13/083,408 for “Request for
20 Continuing Examination” from October 23, 2013 filing asking for a time extension.
21

22 212. On November 8, 2013, H2 mailed a reminder statement invoice
23 referencing new bills on H2 letterhead to Mahon for Client Matter #060857-00019-
24 432817 through the U.S.P.S in the amount \$800 for the USPTO application 13/747,727
25 for the filing fees and surcharges for failing to file the application properly.
26

27 213. On or about November 21, 2013, Mahon causes FCGI to pay the H2’s
28 bills for the invoices in the Client Matters of 060857-0002, -00004, -00015 and -00019

1 in the amount of \$3,195.00 in FCGI check #7026.

2 214. On or about January 28, 2014, FCGI published a new version 1.1 of its
3 investor pitch decks showing Newman as the Chief Operating Officer (“COO”) and IP
4 Attorney for FCGI.
5

6 215. On February 26, 2014, at 12:14pm, Mahon emails Art Rogers, the
7 managing partner of H2 (“Rogers”), a confirmation for an in person meeting at H2’s
8 office for The Jackpot™ Project.
9

10 216. The meeting with Rogers was to continue on with The Jackpot™ Project
11 with Rogers as H2 had recently completed the legal analysis on and Rogers was
12 interested in how to exploit it with H2 and his H2Gaming entity. The meeting was for
13 March 21, 2014, but got cancelled and rescheduled for April 4, 2014.
14

15 217. On April 4, 2014, at 12:15pm PST, Rogers using his H2 email,
16 aor@h2law.com signs up in FCGI’s Testflight App.
17

18 218. Rogers used Testflight to download tools for his Apple devices to get Full
19 Color® Solitaire, Full Color® Video Poker and other available apps downloaded on his
20 mobile devices.
21

22 219. On April 4, 2014, at 12:16pm PST, Rogers using his H2 email,
23 aor@h2law.com adds his Apple devices to get Full Color® Solitaire, Full Color® Video
24 Poker.
25

26 220. Rogers was intimately aware of Mahon, IPH, JPL, FCGI and Mahon’s
27 IPR as he was in meetings, legal counsel, use of Mahon’s inventions that H2
28 represented. On information and belief, Rogers, the managing partner of H2, was aware
of the AGRI relationship that Newman had with Mahon.

1 221. On or about April 22, 2014, H2 and Newman files for The Jackpot™
2 trademark with the USPTO.

3 222. The Jackpot™ USPTO trademark filing used Mahon’s original artwork
4 that is on already file with the Writer’s Guild of America (WGA) as part of the
5 copyright to the TV show scripts, format and business plans that are registered with the
6 WGA.
7

8 223. On or about April 22, 2014, H2 erroneously files for The Jackpot™
9 trademark with the USPTO with JPL as the owner rather than Mahon.
10

11 224. On May 9, 2014, at 11:47am PST, Carmela De La Cruz (“Delacruz”) of
12 H2’S accounts payable department sent through the H2’s internet email system, an
13 “April Billing Invoice -2578311” that consists of a new billing invoice referencing new
14 bills on H2 letterhead to Mahon for Client Matter #060857-00020-462110 in the amount
15 \$275.00 for the USPTO Trademark application for The Jackpot™ Serial Number
16 86258846.
17

18 225. On May 9, 2014, at 11:47am PST, Delacruz sent through the H2’s
19 internet email system, an “April Billing Invoice -2578311” that consists of a new billing
20 invoice referencing new bills on H2 letterhead to Mahon for Client Matter # 060857-
21 00999-462111 in the amount \$140.00 for the USCO Copyright applications of Full
22 Color® Cards - Bingo Edition, Full Color® Cards - Poker Edition, Full Color® Cards –
23 Money Edition, Full Color® Cards – Solitaire Edition.
24

25 ////

26 ////

27 ////
28

1 MAHON'S BREAKTHRU IN PERFECTING THE MATH FORMULA FOR
2 FULL COLOR® GAMES VERSION OF BLACKJACK CALLED 21 OR NOTHING®

3
4 226. On May 12, 2014, at 3:51am PST, Mahon emails Newman informing him
5 that he is ready to begin to file the new patent application for 21 or Nothing™ and
6 inquires when they can meet.

7 227. Between May 12, 2014 and May 20, 2014, Mahon invents a FCGS
8 version of baccarat and calls it Full Color® Baccarat and seeks to get that patented as
9 well.
10

11 228. On May 20, 2014, at 1:33pm PST, Newman emails Mahon sending him a
12 draft of a provisional application for 21 or Nothing™ and Full Color® Baccarat.

13 229. On May 27, 2014, at 10:10am PST, Newman sent confirmation that both
14 the 21 or Nothing™ and Full Color® Baccarat provisional patents have been filed with a
15 receipt from the USPTO under 62/003,468.
16

17 230. On or about June 9, 2014, H2's accounts payable department, mails a
18 new billing invoice referencing new bills on H2 letterhead to Mahon through the USPS
19 for Client Matter # 060857-00021-464579 in the amount \$130.00 for the USPTO
20 provisional application 62/003,468.
21

22 231. On or about June 9, 2014, H2's accounts payable department, mails a
23 new billing invoice referencing new bills on H2 letterhead to Mahon through the USPS
24 for Client Matter # 060857-000999-462111 in the amount \$140.00 for the USCO
25 Copyright applications of Full Color® Cards for Bingo, Poker, Money and Solitaire
26 editions.
27

28 232. On or about July 10, 2014 H2's accounts payable department, mails a

1 reminder billing invoice on H2 letterhead to Mahon through the USPS for Client Matter
2 #060857-00020-462110 in the amount \$275.00 for the USPTO Trademark application
3 for The Jackpot™ Serial Number 86258846.

4
5 233. On or about July 10, 2014, H2's accounts payable department, mails a
6 reminder billing statement invoice referencing new bills on H2 letterhead to Mahon
7 through the USPS for Client Matter # 060857-00021-464579 in the amount \$130.00 for
8 the USPTO provisional application 62/003,468.

9
10 234. On or about July 10, 2014, H2's accounts payable department, mails a
11 reminder billing statement invoice on H2 letterhead to Mahon through the USPS for
12 Client Matter # 060857-000999-462111 in the amount \$140.00 for the USCO Copyright
13 applications of Full Color® Cards for Bingo, Poker, Money and Solitaire editions.

14
15 235. On or about July 24, 2014, H2 files the 21 or Nothing™ trademark with
16 the USPTO Serial Number 86346485.

17
18 236. On or about July 31, 2014, NEWMAN formally files a new single
19 member limited liability company called Cooper Blackstone, LLC ("CBL") with the
20 Nevada SOS.

21
22 237. On August 7, 2014 at 6:29pm PST, Galenski sent through the H2's
23 internet email system an "July Billing Invoice -2652124" that consists of a new billing
24 invoice referencing new bills on H2 letterhead to Mahon for a NEW BILLING
25 statements for the Client Matters 060857-00022-469922 in the amount of \$325.00 for
26 the USPTO trademark application of 21 or Nothing™.

27
28 238. On August 7, 2014 at 6:29pm PST, Galenski, sent through the H2's
internet email system, an "July Billing Invoice -2652124" reminder billing invoice on

1 H2 letterhead to Mahon through the USPS for Client Matter # 060857-00021-464579 in
2 the amount \$130.00 for the USPTO provisional application 62/003,468.

3 239. On August 7, 2014 at 6:29pm PST, Galenski, sent through the H2's
4 internet email system, an "July Billing Invoice -2652124" reminder billing invoice on
5 H2 letterhead to Mahon through the USPS for Client Matter # 060857-000999-462111
6 in the amount \$140.00 for the USCO Copyright applications of Full Color® Cards for
7 Bingo, Poker, Money and Solitaire editions.
8

9 240. On August 7, 2014 at 6:29pm PST, Galenski, sent through the H2's
10 internet email system, an "July Billing Invoice -2652124" reminder billing invoice on
11 H2 letterhead to Mahon through the USPS for Client Matter #060857-00020-462110 in
12 the amount \$275.00 for the USPTO Trademark application for The Jackpot™ Serial
13 Number 86258846.
14

15 241. On or about September 8, 2014, H2's accounts payable department, mails
16 a reminder billing statement invoice on H2 letterhead to Mahon through the USPS for
17 Client Matter #060857-00020-462110 in the amount \$275.00 for the USPTO
18 Trademark application for The Jackpot™ Serial Number 86258846.'
19

20 242. On or about September 8, 2014, H2's accounts payable department, mails
21 a reminder billing statement invoice on H2 letterhead to Mahon through the USPS for
22 for Client Matter # 060857-00021-464579 in the amount \$130.00 for the USPTO
23 provisional application 62/003,468.
24

25 243. On or about September 8, 2014, H2's accounts payable department, mails
26 a reminder billing statement invoice on H2 letterhead to Mahon through the USPS for
27 the Client Matters 060857-00022-469922 in the amount of \$325.00 for the USPTO
28

1 trademark application of 21 or Nothing™

2 244. On or about September 8, 2014, H2's accounts payable department, mails
3 a reminder billing statement invoice on H2 letterhead to Mahon through the USPS for
4 Client Matter # 060857-000999-462111 in the amount \$140.00 for the USCO Copyright
5 applications of Full Color® Cards for Bingo, Poker, Money and Solitaire editions.
6

7 245. On or about September 28, 2014, H2 and Newman permits the USPTO to
8 abandon another one of MAHON'S patents application 13/747,727 for "Failure to
9 Respond to Office Action."
10

11 246. H2 and Newman fail to notify Mahon, IPH or FCGI of the abandonment
12 of the USPTO patent application 13/747,727 making this the 6th abandoned application
13 without their knowledge or consent.

14 247. On or about October 9, 2014, H2's accounts payable department, mails a
15 reminder billing statement invoice on H2 letterhead to Mahon through the USPS for
16 Client Matter #060857-00020-462110 in the amount \$275.00 for the USPTO
17 Trademark application for The Jackpot™ Serial Number 86258846.'

18 248. On or about October 9, 2014, H2's accounts payable department, mails a
19 reminder billing statement invoice on H2 letterhead to Mahon through the USPS for for
20 Client Matter # 060857-00021-464579 in the amount \$130.00 for the USPTO
21
22 provisional application 62/003,468.
23

24 249. On or about October 9, 2014, H2's accounts payable department, mails a
25 reminder billing statement invoice on H2 letterhead to Mahon through the USPS for the
26 Client Matters 060857-00022-469922 in the amount of \$325.00 for the USPTO
27 trademark application of 21 or Nothing™
28

1 250. On or about October 9, 2014, H2's accounts payable department, mails a
2 reminder billing statement invoice on H2 letterhead to Mahon through the USPS for
3 Client Matter # 060857-000999-462111 in the amount \$140.00 for the USCO Copyright
4 applications of Full Color® Cards for Bingo, Poker, Money and Solitaire editions.
5

6 HISTORY – OCTOBER 2014 – JULY 2015 – NEWMAN
7 LEAVES H2 WITHOUT NOTICE & FORMS NEWMAN LAW
8

9 251. On or about October 20, 2014, Newman notices Mahon, completely out
10 of the blue, that he has terminated his working relationship with H2 and that Mahon
11 must transfer all of his legal representation of IPH, JPL, FCGI and the FCG-IP over to
12 his new company, Newman Law.
13

14 252. Newman claimed that Rogers is shady, unethical and untrustworthy
15 lawyer and he can no longer tolerate the things Rogers is asking him to do at H2.
16 Newman painted H2 as a company that Mahon cannot work with. Mahon was not
17 happy about this at all in any way shape or form.
18

19 253. Newman assured Mahon his IPR is safe with him as a solo practitioner.
20 Despite the fact that Newman has no offices, no employees, no support staff of any kind,
21 no infrastructure, no planning of any kind or any sort, Newman aggressively reassures
22 Mahon everything is just fine. Mahon's patent portfolio is now over 6 years old and not
23 a single patent has been issued. Mahon wants to stay with H2 because he wants the
24 protection of what he believed was a major law firm with a full staff and support but has
25 absolutely no choice in the matter but to agree to discharge H2 and ask to transfer all of
26 his files due to the AGRI agreement. Unbeknownst to Mahon or any of his entities, both
27 H2 and Newman had already caused grave and irreparable harm to his inventions and
28

1 businesses due to the abandonments of his IPR that have already occurred to date.

2 254. On October 21, 2014, at 4:01pm PST, Newman begs Mahon to help him
3 set up his new company and asks him to create a new logo for Newman Law, LLC,
4 design and build him a website and layout his business cards, letterheads and corporate
5 stationary.
6

7 255. Over the following week, Mahon completes the corporate formation of
8 Newman Law's new corporate identity, email, website and business tools to operate
9 with.
10

11 256. On October 27, 2014, at 12:53pm PST, Newman and Newman Law sent
12 out a mass mail to all of Newman's clients, including Mahon announcing his new law
13 firm and website (that Mahon created) from his new email address
14 rich@newmanlawlv.com and attaches a PDF entitled "Directive for File Transfer.pdf" to
15 be sent to H2 so that they may turn over all of the client files to Newman and Newman
16 Law.
17

18 257. On or about October 27, 2014, Mahon executes the Directive for File
19 Transfer and sent to H2. However, H2 would not accept it and demanded that Mahon
20 authorize them on H2's letterhead to release all of Mahon's intellectual property work
21 and files to Newman.
22

23 258. On October 28, 2014, at 1:07pm PST, Kimberly Konie ("Konie"), an
24 employee of H2, emails Mahon a formal H2 file transfer directive notice from James R.
25 Yee, the senior intellectual property rights attorney and licensed Practitioner before the
26 USPTO ("Yee"), with specific details of all copyright, patent and trademark applications
27 with their H2 Matter No. next to the title of each file with the demand to formally
28

1 executes their directive releasing H2 from “professional liability” as detailed in the
2 letter.

3 259. Mahon signed the H2 release letter and prepared to send it to Barbara
4 Dunn, an employee at H2 (“Dunn”) and required by Newman to transfer all of his
5 intellectual property work performed by Newman and H2 to Newman’s new firm,
6 Newman Law.

7
8 260. On October 28, 2014, at 8:02pm PST, Mahon executed the H2 document
9 and sent it back to Dunn at H2 all the while not even knowing that 6 of Mahon’s patent
10 applications and 1 of his trademarks had already been fully abandoned by H2 and
11 Newman.

12
13 261. Mahon trusted that the H2 letter was accurate and it would include all
14 files and that H2 would release not only the files but all matters. Further, Mahon trusted
15 that Newman would ensure that 100% of all files were transferred as well, since he had
16 worked on 100% of all of them.

17
18 262. H2 failed to transfer Mahon’s Client Matters 060857: 00002, 00003,
19 00004, 00016, 00017, 00018, 00999.

20 263. Newman and Newman Law failed to ensure receipt of Mahon’s Client
21 Matters 060857: 00002, 00003, 00004, 00016, 00017, 00018, 00999.

22
23 264. Newman and Newman Law failed to verify the receipt of Mahon’s client
24 matters and further failed to inform Mahon.

25 265. On October 27, 2014, Newman formed Newman Law, LLC as a single
26 member limited liability company with the Nevada Secretary of State.

27 266. Newman Law does not have any oral or written engagement agreement
28

1 with any of the Plaintiffs.

2 267. Newman Law does not have any oral or written legal representation
3 agreement with any of the Plaintiffs.

4 268. Newman Law does not have any oral or written retainer agreement with
5 any of the Plaintiffs.

6 269. Newman Law does not obtain any signed POA agreements with Mahon or
7 any of the Plaintiffs.

8
9
10 HISTORY - NOVEMBER 2014 - JULY 2015 – NEWMAN
11 FAILS TO PROPERLY SETUP LAW FIRM, TRANSFER & OPERATE

12 270. On or about November 24, 2014, nearly a month after Newman received
13 Mahon's Client Matters from H2, Newman notices the USPTO of his change of address,
14 change of attorney and a new POA on Mahon's trademark of Full Color® on behalf of
15 Mahon™.

16 271. On or about November 24, 2014, nearly a month after Newman received
17 Mahon's Client Matters from H2, Newman notices the USPTO of his change of address,
18 change of attorney and a new POA on Mahon's trademark of Full Color® on behalf of
19 JPL, the listed owner of the trademark, The Jackpot™.

20 272. All filings that Newman and Newman Law made with the USPTO that
21 required any of the Plaintiffs' signed declarations or POA are false and fraudulently filed
22 from October 27, 2014 until January 25, 2016.

23 273. On December 19, 2014, at 12:35pm PST, in an email, Newman admits
24 that he has no POA from Mahon.

25 274. Mahon does not have any record of ever signing any blank POA that
26
27
28

1 Newman had sent him.

2 275. On or about March 2, 2015, the USPTO abandons JPL'S trademark
3 application The Jackpot™ trademark due to a "Failure to Respond to Office Action."

4 276. On April 1, 2015, at 5:4pm PST, Newman emails Mahon a complete list
5 of Mahon's current IPR list.
6

7 277. Mahon's current IPR list was issued for Jennifer Post, Esq., the SEC
8 attorney ("POST") who representing FCGI and all of the securities documents that
9 would be going out to all investors to meet full disclosure requirements. Newman,
10 Newman Law and Post prepared all of the legal documents to create FCGI'S new
11 uniform CNOTE restructuring and in preparation to change FCGI'S corporate mandate
12 by way of its Bylaws to become a real money casino gaming company.
13

14 278. Newman and Newman Law failed to disclose all of Mahon's abandoned
15 patents and trademark applications.
16

17 279. Newman and Newman Law failed to disclose the status of Mahon's
18 USCO application status of 12 different sets of Full Color® Cards.

19 280. On April 29, 2015, at 8:40am PST, Newman emails Mahon an
20 ambiguous message telling Mahon he would need "\$200 in trademark fees; \$800 in
21 patent fees and copyright fees to be determined" in May.
22

23 281. On April 29, 2015, at 9:02am PST, Mahon emails Newman to ensure that
24 his 21 or Nothing™ and Full Color® Baccarat inventions would be filed with stand-
25 alone separate USPTO patent applications.

26 282. On April 29, 2015, at 10:04am PST, Newman emails Mahon and
27 confirms that a separate stand-alone patent applications. Newman further quotes Mahon
28

1 \$2,000 for an expedited patent application.

2 283. On April 29, 2015, at 3:02pm PST, Mahon emails Newman back and
3 affirms he wants a standalone patents and he wants it expedited and asks what Newman
4 needs from Mahon to accomplish it.
5

6 284. On April 29, 2015, at 4:26pm PST, Newman emails Mahon and responds
7 with "Just \$\$\$."

8 285. On April 29, 2015, at 4:31pm PST, Mahon emails Newman back
9 confirms the total amount and how to best get Newman the money.
10

11 286. On May 1, 2015, at 9:45am PST, Newman emails Mahon and responds
12 that a total of \$3,000 is needed and a check is fine.

13 287. On or about May 1, 2015, before Mahon leaves the country issues from
14 FCGI, check #9258 to Newman for \$3,000 to cover the new FCG-IP fees.

15 288. On May 4, 2015, at 4:56pm EDT, unbeknownst to Mahon, Newman, less
16 than 72 hours after he received the \$3,000 check, wrongfully uses client trust funds to
17 pay for the revival of The Jackpot™ trademark that Newman's misfeasance caused to be
18 abandoned.
19

20 289. On May 5, 2015, at 2:35pm EDT, unbeknownst to JPL, Newman updates
21 the POA and correspondence address on The Jackpot™ the next day, one of which he
22 doesn't have.
23

24 290. On May 5, 2015, at 11:01 pm EDT, the USPTO, pursuant to the TSDR,
25 did in fact revive The Jackpot™ trademark.

26 291. On May 6, 2015, at 9:29am EDT, Newman, immediately after reviving
27 The Jackpot™ trademark Newman secretly suspends the application without Mahon or
28

1 JPL'S knowledge or consent.

2 292. On June 25, 2015, at 4:49pm PST, Mahon caused FCGI to pay \$17,000 to
3 Cislo's agent, Sequoia Financial Services ("Sequoia") to pay all outstanding debts own
4 to Cislo for all the very original IPR filings in 2008 and 2009.
5

6 293. Mahon had no knowledge of H2 and Newman's abandonments of the
7 trademark and patent applications prior the \$17,000 payment.

8 294. Between April 2014 and August 2014 Mahon and FCGI prepared and
9 finalized the change to its corporate mandate in order to enter the highly regulated
10 market of real money casino gaming. Newman and Newman Law provided all of the
11 "cancelation, termination and repurchase agreement language" in what would become
12 the cornerstone to protecting the Plaintiffs and all of their investors from any "bad
13 actors" in order to ensure real money casino gaming licensing suitability at all times and
14 pre-disposed legal recourse and disposition of matters in the event of any non-
15 compliance events or "causes" that related to any matters of suitable before any casino
16 gaming governing body that was an authority having jurisdiction.
17

18 295. As a result, FCGI was forced to evolve from being a startup and
19 consolidate the myriad of profit sharing contracts, investor agreements, stock grants and
20 outstanding agreements and create a single set of uniform documents that placed all
21 investors under one CNOTE agreement and one Stock Incentive Plan. As a result of
22 over 4 months of work, including the Newman's April 1, 2015 IPR update, the necessary
23 documents were prepared and completed by Post and Newman and ready for execution
24 with everyone.
25

26
27
28 ////

HISTORY - AUGUST 2015 - DECEMBER 2015 –
TERMINATION OF THE AGRI & NEWMAN OBTAINS SHARES OF STOCK

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

297. On or about August 1, 2015, as part of the evolution, Mahon and Newman voluntarily terminated the AGRI agreement and exchanged it with 5% equivalent of IPH’S original 20 million shares in FCGI which equaled a distribution to Newman of 1,000,000 shares of FCGI and was documented in a new fully executed SIA and SRA with Newman, which also included a new Mutual Non-Disclosure Agreement (“MNDA”) and a Voting Trust Agreement (“VTA”) assigning 100% of Newman’s voting rights in the new SIA to Mahon.

298. On or about August 1, 2015, in tandem with all other events that occurred in the changing of the corporate mandate to real money gaming, when Mahon and Newman agreed to terminate the AGRI and issue out common stock shares of FCGI to Newman, Newman agreed to the identical terms and conditions of the SIA, SRA, MNDA and VTA that all other common stock shareholders did in FCGI. However, Newman agreed to continue to do all the legal work and protect all the FCG-IP like he had promised to do in the original AGRI as detailed Recital A in the SIA or there would have been no purpose in terminating the AGRI as not a single patent had been issued in 5 years.

1 299. On or about August 1, 2015, Newman further wanted his FCGI shares to
2 be issued in the name of his alter ego, “Cooper Blackstone, LLC” (“CBL”) and they
3 were in fact issued to CBL.
4

5 300. On or about August 1, 2015, Newman further entered into an additional
6 Non-Disclosure and Confidentiality Agreement with FCGI of the same date of August 1,
7 2015.
8

9 301. On or about August 4, 2015, the USPTO issued the 21 or
10 Nothing® registered trademark
11

12 302. On or about September 22, 2015, FCGI printed Newman’s new business
13 cards identifying him to the world as IP & General Legal Counsel one week before the
14 largest land based casino gaming convention of the year, the Global Gaming Expo
15 (“G2E”) started at the Sands Convention Center.
16

17 303. As a result of a very successful G2E show, Mahon’s revolutionary
18 inventions in 21 or Nothing® and Full Color® Gaming on top of his tireless efforts to
19 build out Full Color® Games, FCGI was able to attract the largest online casino gaming
20 distributors in the world, including Microgaming, as well as major operators agreed to
21 distribute and market Mahon’s IPR to the global marketplace once FCGI had the product
22 ready to release however it would require significant additional resources. One specific
23 operator that was met during G2E however, wanted to invest in FCGI.
24

25 304. On or about October 7, 2015, Sebastian J. Bastian, (“Bastian”) owner of
26 62 casinos in the Bahamas under his brand of IslandLuck.com signed an MNDA as a
27 follow up to his offer to invest \$1 million into Mahon’s FCG-IP.
28

 305. On October 15, 2015, at 2:43am PST, Martin Linham (“Linham”) the

1 Chief Financial Officer (“CFO”) of FCGI, in preparation to begin to apply for real
2 money casino gaming licenses, requested that Newman produce a certified list of the
3 licensed FCG-IP details to comply with the due diligence necessary complete United
4 Kingdom Gambling Commission (“UKCG”) license applications related in order to
5 apply for the real money casino gaming licenses.
6

7 306. On November 9, 2015, at 10:50am PST, Mahon, after Newman had failed
8 to provide a complete IPR list update for Linham, sent Newman an iMessage and put
9 Newman on notice that he’s causing injury to him the FCG-IP and FCGI. It became
10 clear that the 21 or Nothing® and Full Color® Baccarat expedited patent had not been
11 filed yet, and Mahon was livid over Newman’s delays and misrepresentation that the
12 expedited patents had not even been filed. Such delays could have drastic consequences.
13 At that time, Mahon made it unequivocally clear that there is liability that Newman was
14 creating as a result of his delays.
15

16 307. Newman responded by reassuring Mahon and FCGI that everything will
17 be fine with an exact quote “*I’ll be coming in with that so we can get it filed and to do a*
18 *lot of other things as well, including making sure that fcg and you personally avoid*
19 *liability and can maintain licensure in the gaming industry.*”
20

21 308. On or about November 10, 2015, not even one day after Newman
22 promised Mahon that neither Mahon nor FCGI would have any liability over his
23 apparent failures, the Courthouse News Service and Lexis Nexus’ Law360 published the
24 results of an epic lawsuit that Newman was deeply engaged as not only an owner of
25 VGP, a Director of VGP, the CLO of VGP but also their IP Legal Counsel, published a
26 news report that also revealed Newman Law was attempting to sue JP Morgan Chase
27
28

1 and Wells Fargo and place liability on them for the embezzlement of \$157,375.90 of
2 funds from AGS by his business partner in VGP and client Tim Shelburn.

3 309. Newman failed to make full and timely disclosures to any of the Plaintiffs
4 about his embezzlement exposures and liabilities he had with VGP.
5

6 310. Newman failed to make these disclosures because Newman knew his
7 suitability would come into question and would likely be forced to resign all of his
8 positions with the Plaintiffs and sale or forfeit his stock pursuant to the terms and
9 conditions of the SRA as the Plaintiffs as Newman was the UBO of CBL which held
10 more than 3% of FCGI's common stock.
11

12 311. Pursuant to the in the License Conditions and Code Practice ("LCCP") of
13 the UKGC Gambling Act of 2005 requires all shareholders with any significant duties,
14 control or 3% or more of any licensing applicant to be found suitable by filing for a
15 Personal Management License application ("PML").
16

17 312. Any controversy would delay the licensing and jeopardize and or cause
18 an application to be refused due to lack of an Applicant's suitability. In this case, any
19 delay would cause FCGI to run out of money based on its inability to get to the
20 marketplace and obtain legitimate revenue streams, not to mention the additional
21 expenses for the UKGC complete its investigation and clear the Applicant's controversy.
22

23 313. On information and belief, Newman also knew that additional
24 investigations into Newman's undisclosed wrongful abandonments of Mahon's IPR
25 would create further non-compliance events that would result in an inescapable
26 unsuitability problem for Newman.
27

28 314. On or about November 10, 2015, Mahon, on behalf of FCGI signs a \$1

1 million dollar term sheet with Bastian.

2 315. On November 20, 2015, at 6:55am PST, Bastian emails Mahon (and
3 others at FCGI) a formal request for the due diligence on FCGI and Mahon's IPR that
4 he'd be investing into through FCGI.
5

6 316. On or about November 17, 2015, Bastian changed his mind and wanted
7 to make his investment into a foreign company so he could avoid paying USA taxes on
8 his anticipated profits. Bastian's request would require assigning the LIMITED
9 LICENSE to foreign entity and would further require changing the entire structure of
10 FCGI and forming a new foreign entity. Moving to a tax free online casino gaming
11 friendly country was a natural path of evolution in FCGI's plans but would be anything
12 but an easy or a quick process. The upside of Bastian's investment that would make it
13 worth it was rooted in his guaranteed release on his 62 casinos making it worth it
14 exploring how to make it legally happen based on the existing LIMITED LICENSE,
15 expanding it into a commercial license.
16
17

18 317. During these negotiations, Newman was under extraordinary pressure to
19 provide a full disclosure of all of Mahon's IPR, which would require him to finally
20 disclose all of his abandonments, misfeasance and malpractice at both H2 and Newman
21 Law. As a result, Newman began to actively conceal his incompetence and malpractice
22 his duties in getting a single patent issued in nearly over 5 ½ years.
23

24 318. Newman began to prepare and file all subsequent applications concealing
25 them in the non-public provisional applications of 62/003,468, 62/033,563 and further in
26 the USPTO Private PAIR filings system utilized by attorneys only through their
27 accounts, between, for non-provisional applications of 14/723,440, 15/006,113,
28

1 15/067,022. Although attorneys often use this system which allows them to complete
2 filings without publication to the public, it also puts a greater onus on the attorney to
3 keep their clients informed and makes it easier for the attorney to conceal their work.
4 The true nature of what Newman filed collectively through H2 and Newman Law is still
5 unknown to this date in time as it's still locked up in Private Pair to this day, in addition
6 to the missing Client Matter files that H2 failed to transfer and Newman failed to
7 receive.
8

9 319. On December 6, 2015, at 10:01pm PST, Newman began preparing a draft
10 version of what a new commercialization license between IPH and FCGI might look
11 like. Newman was deeply involved in all of the intellectual property issues relating to
12 FCGI and the Limited License and knew that the most important aspect would be the
13 Appendix A that would include the actually FCG-IP that was to be licensed for
14 commercial use and what was in Mahon's IPR portfolio. Newman was the only person
15 in control of and complete knowledge of with regards to the true legal IPR status of the
16 copyrights, trademarks and patent applications, issuances, registrations.
17

18 320. On December 8, 2015, at 8:10pm, PST, Newman emailed Mahon and
19 noticed him that Newman was ready to file the 21 or Nothing® patent and needed a
20 Declaration signed. The application was not even remotely complete and Mahon did not
21 sign it and send it back.
22

23 321. On December 12, 2015, at 2:33am PST, Newman's emailed Mahon his
24 draft of the 21 or Nothing® patent.
25

26 322. After Newman was terminated in 2016, an audit of Newman's draft,
27 revealed for the first time what is now known as a secret USPTO Private PAIR
28

1 application number of 14/723,440 claiming priority 62/033,563. To this day, no such
2 application can be found and if it does exist it must be locked up in Newman's USPTO
3 Private PAIR account as Mahon has no access to it, no knowledge of it and never has
4 other than the "mention of it" in Newman's draft.
5

6 NEWMAN DRAFTS ALL LICENSING AGREEMENTS,
7 CORPORATION FORMATIONS & CERTIFIES STATUS OF ALL FCG-IP
8

9 323. On or about December 17, 2015, Bastian changed his investment terms
10 and agreed to put in \$2 million into an investment vehicle that would include \$1 million
11 in cash and \$1 million in cash-in-kind but it would require a complete change of FCGI's
12 corporate structure and a full commercial license to all of Mahon's FCG-IP, including
13 all known and unknown inventions. Further, the investment would have to be in a new
14 company entitled Full Color Games Ltd in the Isle of Man ("FCGLTD") that is one of
15 the most famous, desired and friendly tax free online casino gaming jurisdictions in the
16 world. Mahon agreed to Bastian's terms pending investor, legal, tax counsel approvals
17 related to the outstanding SEC requirements FCGI was obligated to comply with
18

19 324. On December 30, 2015 at 1:13pm PST, Mahon forwards Newman a copy
20 of Linham's draft of a license agreement letter that he believed could be adjusted to
21 work in the IOM. Newman was intimately involved in the drafting of the new
22 documents and was aware of the importance of the progress of the IPR in this process
23 since the IPR would need to be included and attached to any new licensing agreements.
24

25 325. On December 31, 2015 at 5:29pm PST, Newman sent Mahon a copy of a
26 "package of docs" that was his formal draft new licensing agreements would occur.
27 This was all put together without any tax counsel for the purpose of having an in person
28

1 meeting with Bastian who was in Las Vegas for the holiday weekend.

2 326. On January 1, 2016 at 6:27pm PST, Munger sent Mahon an iMessage
3 confirming he would get Bastian picked up and dropped off over to FCGI'S offices to
4 meet with Newman and Mahon for a review of the complete package of licensing
5 agreements.
6

7 327. On or about January 2, 2016, Bastian, Mahon and Newman met for about
8 4 hours at FCGI'S office to go through the first drafts of the business deal and the
9 framework of the new corporations of FCGLTD and a new IPR management company
10 on behalf of IPH entitled Intellectual Properties Holding Ltd in Isle of Man
11 ("IPHLTD"). All parties agreed to the first draft and cleared it to go into international
12 tax and SEC consequence and compliance committees that took over two months to
13 complete. Mahon photographed the meeting.
14

15 328. On or about January 11, 2016 Mahon publishes a new FCGI pitch deck
16 that shows Newman as the CLO and a member of the Board of Advisors being published
17 to the world.
18

19 329. On or about January 21, 2016, Linham caused FCGLTD to be filed and
20 formed with the Isle of Man Companies Registry.
21

22 330. On or about January 22, 2016, IPHLTD to be filed and formed with the
23 Isle of Man Companies Registry.

24 331. On January 22, 2016, at 11:33pm PST, Newman, a solid 8 months late from
25 when the expedited patent was to be filed for another review and asked Mahon to sign
26 the declaration.
27

28 332. On January 22, 2016, at 2:06pm PST, Mahon, who was out of the

1 country, blindly signed the Declaration blindly trusting Newman who acknowledges
2 receipt of it at 2:14pm.

3 333. After Mahon sent Newman the Declaration back, Mahon did not receive
4 any USPTO filing receipts or any further information on the patent 14/723,440 filing.
5 Ever. Even to this day, Mahon has knowledge of what it consists of or its actual
6 existence because it's all in USPTO Private PAIR, if it even exists at all and it cannot be
7 seen online through any public USPTO search.
8

9 334. Mahon directed Linham to obtain a Directors & Officers ("D&O")
10 insurance policy that would cover FCGI in the USA and the proposed FCGLTD
11 transactions. Mahon wanted to ensure that the investors were protected in all executive
12 decisions being made for both companies and wanted to act in an abundance of caution
13 because Linham who had only been the CFO of FCGI for 3 months, and Lee Murphy
14 ("Murphy") who was going to become a Director of FCGLTD was also someone he had
15 never even as a referral from Linham. Mahon's fears were allowing others to get into
16 control of \$1-2 million dollars of investor cash and engaging in any malfeasance.
17 Mahon could not allow the decisions to just hinge on good faith, there had to be some
18 safety nets of some sort which was the purpose of the D&O insurance.
19
20

21 335. As a result, Linham was directed in November of 2015 to move forward
22 and obtain a policy that would cover both the USA matters of FCGI and its anticipated
23 changes related to FCGLTD in the IOM.
24

25 336. On or about January 29, 2016, Linham completed the acquisition of
26 Directors & Officers insurance (D&O) for FCGI designed to protect FCGI in the USA
27 and all of its future interests in FCGLTD in Isle of Man.
28

1 337. On February 2, 2016, the first formal FCGLTD Board of Directors
2 (“BOD”) meeting was held and dealt with the corporate structuring. It was resolved that
3 the D&O insurance was acquired and formal appointments of all things related to the
4 D&O surrounding the epic changes in the corporate structure in the proposed changes in
5 all things, from moving the FCGI’s investment interests secured in the USA to a foreign
6 territory, to the triggering of a corporate event that would cause a conversion of a
7 CNOTE to common stock, the IPR-MA, SA, SIA, SAA and the CLA. It was further
8 resolved with the formal appointments of Munger as the Chief Technical Officer
9 (“CTO”), Newman as the Chief Legal Officer (“CLO”), Linham as the Chief Financial
10 Officer (“CFO”) and Mahon as the Chief Executive Officer (“CEO”) of FCGLTD.
11 Further, it resolved to appoint Newman, Mahon, Linham and Murphy as the bank
12 signatories and Directors of FCGLTD.
13

14 338. On or about February 3, 2016, Newman, while in London, England, who
15 was facing extraordinary lawsuits problems with VGP, PlayAGS, JP Morgan, Wells
16 Fargo and others in regards to the embezzlement of PlayAGS’s funds. Newman failed
17 to disclose to the Plaintiffs about his exposure or that Newman Law was also the law
18 firm of record as well as a party to the action as he was liable as the CLO and IP counsel
19 for VGP.
20

21 339. On February 11, 2016, at 6:14pm PST, Newman as Chief Legal Officer
22 of FCGI as well as the IP-counsel for Mahon, IPH and IPHLTD was solely responsible
23 for the FCGI securities and licensing contracts and transactions between FCGI and
24 FCGLTD, received the first draft of an investor update going out to FCGI investors
25 seeking their approval to trigger the CNOTE. The proposal draft allowed the legal
26
27
28

1 changes Newman has provided the legal counsel on in mutually terminating the Limited
2 License in exchange for a full commercial license that would be issued as a result of the
3 \$2 million Bastian investment and guaranteed launch. Newman continued to opine on
4 the licensing and certify the integrity of the FCG-IP that he was in charge of managing
5 and prosecuting.
6

7 340. On February 12, 2016, at 12:20am PST, Newman received the second
8 draft of an investor update based on his counsel that would be going out to FCGI
9 investors seeking their approval to trigger the CNOTE.
10

11 341. On February 12, 2016, at 3:08am PST, Newman receives the third draft
12 of the investor update based on his counsel that would be going out to FCGI investors
13 seeking their approval to trigger the CNOTE that is now redlined by Linham.

14 342. On February 12, 2016, at 4:36am PST, Glen Howard (“Howard”), the
15 President of FCGI, emailed Mahon to confirm that Newman had approved the
16 Amendment No. 2 that would trigger the corporate event, convert the CNOTE early by 6
17 months turning all security debt into common stock shares and allow the Limited
18 License to be terminated, then reissued as part of a full Commercial License Agreement
19 (“CLA”) that Bastian has approved for his \$2 million dollar investment and guaranteed
20 release.
21
22

23 343. On February 13, 2016, at 12:35pm PST, Newman emails Mahon and let’s
24 Mahon see the final draft of Amendment No. 2 to ensure that everyone agrees before it
25 gets sent out and Howard starts to seek formal written approvals from at least 50% of the
26 FCGI investors. Turns out FCGI obtained a 100% approval rate with 89.49% of all
27 CNOTE holders responding.
28

1 NEWMAN'S SECRETLY FILES A NEW PATENT 15/067,022 WITH THE USPTO

2
3 344. On March 10, 2016, at 7:08pm PST, NEWMAN, without Mahon's
4 knowledge or consent, abandoned all of Mahon's previously known patents and then
5 secretly submitted patent application 15/067,022 it in the USPTO Private PAIR as he
6 prepared the final full disclosure of Mahon's IPR for the CLA.
7

8 345. A review of the Declaration page and POA on file with the USPTO for
9 15/067,022 reveals that Newman forged falsely filed the declaration, and forged the
10 POA for the new secret application Newman filed. Newman uses a forged document
11 that he dated December 19, 2014 which, even if it wasn't forged, it was one year and 4
12 months old, making it unequivocally clear it is not approved for the new secret filing.
13

14 346. The 15/067,022 patent is the last known USPTO filing by Newman and
15 Newman Law filed on behalf of Mahon before Newman and Newman Law was formally
16 terminated. As a result, it is clear that Newman never filed for an expedited priority
17 examination on 21 or Nothing® patent. It is in disputable that Newman received \$2,000
18 on May 1, 2015 for expedited examination filings. It is indisputable that Newman never
19 returned those funds and as a result, it is indisputable that Newman has embezzled
20 \$2,000 of FCGI'S funds.
21

22 NEWMAN CITES RAY SMITH CASE, FAILS AT ITS
23 URGENCY & THEN ABANDONS MORE OF MAHON'S PATENTS
24

25 347. On March 13, 2016, at 6:37 am PST, Newman emails Mahon an excerpt
26 from a USPTO case entitled In re: Ray Smith, Amanda Tears Smith tried by USPTO
27 Practitioner, Mark A. Litman, Esq., ("Litman") arguably, the world's leading authority
28

1 on casino gaming patents with over 1,000 patents issued, informed Mahon that also the
2 Litman USPTO patent application 12/912,410 was denied by the Court of Appeals for
3 the Federal Court (“CAFC”), but Litman got the USPTO to concede on record in a
4 published opinion that patent applications that used a “new or original deck of cards”
5 could overcome the Alice case rejections that others without such could not.
6

7 348. This was obvious to MAHON from Day 1, which is why he was willing
8 to invest his life’s work and life’s savings into getting his IPR protected by the USPTO
9 and USCO as a new, unique and proprietary deck of cards was the basis of every single
10 patent filing he sought to have issued. Mahon didn’t have the problem other inventors
11 have because Mahon’s inventions didn’t rely on a 600 year old deck of traditional
12 playing cards that were exhausted in the argument of creating new and substantive
13 material that was patentable. All of Mahon’s inventions are based on his new, unique
14 and proprietary decks of cards, specifically including but not limited to Full Color®
15 Cards and all of their new derivatives. NEWMAN never once, in the 6 years of
16 representing Mahon ever mentioned the “Ray Smith” case or how or why it could be
17 delaying the issuance of Mahon’s patents until this day.
18

19 349. As further proof of Newman’s fraud, incompetence, ineptitude,
20 misfeasance and malpractice, Newman failed, over the next 5 months after his Ray
21 Smith email and before he was terminated to contact the USPTO and immediately
22 prosecute the patents citing the Ray Smith case.
23

24 350. On March 29, 2016 at 9:52am PST, Newman uploads the final licensing
25 agreements for IPH, IPHLTD, FCGI, FCGLTD for the IPR-MA, SIA, SAA and CLA
26 for final edits.
27
28

1 351. On or about April 4, 2016, Newman, without Mahon's knowledge or
2 consent, lets a 7th USPTO patent application 13/083,408 become abandoned, without
3 any notification or communication.

4 352. On April 4, 2016, at 10:10pm PST, after receiving clearance from
5 Newman, Howard notifies all FCGI investors to save the date of April 11, 2016 the
6 official day that the company wide meeting will occur to finalize the Amendment No. 2
7 corporate event, the conversion of the CNOTE.

8 353. On April 6, 2016, at 4:00pm PST, Newman sent out Appendix A, the
9 single most important investor document that is attached to the IPR-MA and the CLA
10 which lists all the current IPR and its status that is owned by Mahon, licensed to IPH and
11 will soon formally end the LIMITED LICENSE and become the IPR licensed to
12 FCGLTD through IPHLTD in the CLA.

13 354. On April 7, 2016, at 8:22pm PST, Newman receives from Howard the
14 final docs that are going to be mailed out to all investors for their final approval on
15 Amendment No. 2 including the disclosures.

16 355. On April 9, 2016, at 9:14am PST, Newman sent out the final sign off to
17 Howard and copies Mahon.

18 356. On April 11, 2016 at 1:00pm PST, Newman joins the FCGI conference
19 call and talks about the good standing of all the FCG-IP and the Ray Smith case, and
20 how it will allow Mahon's patents to finally be issued as a result. Newman, however,
21 knew the information he was providing about the status of the IPR patent application he
22 was making was false. Newman knew at the time that most of the patents had been
23 abandoned.

1 357. As a result of Amendment No. 2 being signed all of the licensing of the
2 FCG-IP changed as well as the corporate structure. FCGI ended its Limited License but
3 regained all of its original rights to the revenue streams back while infinitely expanding
4 its rights by obtain commercial rights to all of the FCG-IP pursuant to the new CLA.
5 FCGI became a passive shareholder and non-operating entity at the conclusion.
6

7 358. On April 11, 2016, after the Amendment No. 2 was approved by FCGI'S
8 requisite CNOTE holders and the SAA was executed by Newman on behalf of FCGI
9 signing as the CLO and signed by Mahon on behalf of his entity and Master Licensor,
10 IPH.
11

12 359. On April 11, 2016, after the SAA was executed by Newman on behalf of
13 FCGI signing as the CEO and Mahon on behalf of his entity and Master Licensor, IPH,
14 FCGI was issued 100% ownership shares in FCGLTD.
15

16 360. On April 11, 2016, after the Amendment No. 2 was approved by the
17 requisite CNOTE holders was affirmed, IPR-MA between Mahon, IPH and IPHLTD
18 was executed. Appendix A was attached listing 15/067,022 and 15/006,113 were the
19 only two patents mentioned.
20

21 361. On April 11, 2016, after the IPR-MA was executed, the CLA was
22 executed. Appendix A was attached listing 15/067,022 and 15/006,113 were the only
23 two patents mentioned.
24

25 362. On April 20, 2016, at 8:52pm PST, Mahon emails out all the completed
26 documentation that proves the completion of the Amendment No 2, SAA, SIA, SA, IPR-
27 MA and CLA have completed along with BASTIAN'S documents so they may
28 complete the \$2 million dollar investment. This included Newman's APPENDIX A and

1 Newman is copied on the emails.

2 363. On or about May 3, 2016, Newman fails to disclose a default judgment is
3 entered against VGP by Lazeroso Gaming, LLC in the amount of \$10,196.00. Newman
4 and his alter ego that was either managing or owned part of VGP were also named as
5 defendants and were dismissed from the case, yet Newman allows a casino gaming
6 judgment to be entered against a corporation he was the CLO of, a Director of and a co-
7 owner.
8

9 364. As a result of all of Newman's lawsuits with VGP and its embezzlement
10 of funds from PlayAGS, Newman, whose legal practice of Newman Law was also
11 located in VGP's offices was forced to vacate the offices at 365 E. Pilot Road in Las
12 Vegas.
13

14 365. On May 5, 2016, at 2:35pm EDT, Newman and Newman Law updated
15 his correspondence address with the USPTO on behalf of Mahon's registered trademark
16 of 21 or Nothing® with a false statement and fraudulent declaration to the USPTO
17 claiming POA control of the correspondence of Mahon's mark that ended upon its
18 registration, despite not having a signed POA to file such a declaration.
19

20 366. On May 5, 2016, at 2:35pm EDT, a review of the USPTO'S TSDR site
21 reveals that Newman and Newman Law updated his correspondence address with the
22 USPTO on behalf of MAHON'S registered trademark of Full color® with a false
23 statement and fraudulent declaration to the USPTO claiming POA control of the
24 correspondence of Mahon's mark that ended upon its registration, despite not having a
25 signed POA to file such a declaration.
26

27 367. On May 31, 2016, Mahon on behalf of FCGLTD and Bastian, on behalf
28

1 of his new Isle of Man entity, Davinci Holdings Ltd, execute the \$2 million dollar
2 investment contracts in person in Las Vegas. Bastian is expected to wire transfer the \$1
3 million in cash within a few days. Mahon and Munger photographed the event.

4
5 368. On June 6, 2016, at 8:20am PST, for the first time ever, Newman finally
6 certifies who he represents in a requirement of the UKGC and his PML applications.
7 NEWMAN doesn't describe the work he does for them, but DEQ, Zitro and Galaxy
8 Gaming are definite conflicts of interest. Newman fails to disclose his representation of
9 Spin Games, LLC ("Spin") which ends up being an epic conflict of interest in the end.

10
11 369. On or about June 20, 2016 at 17:00 UTC+1, the FCGLTD BOD, which
12 includes Newman, approves the formation of Full Color Games, N.A., Inc., ("FCGNA")
13 a 100% wholly owned subsidiary of FCGLTD to provide services with or contract with
14 so FCGLTD can maintain its 100% tax free status in Isle of Man, but more importantly
15 be in full compliance with the USA IRS laws so that the company can run in a tax
16 neutral status.

17
18 370. On or about June 22, 2016, after the last of the restitution was received by
19 SCHULHAUSER an Affidavit of Non-Operation by FCGL filed, was accepted and
20 recorded with the Nevada Secretary of State approving the official dissolution date of
21 FCGL as April 17, 2012. As a result of the dissolution of FCGL, Newman's duties as
22 the COO and IP Legal counsel for FCGL ceased after the final restitution was paid and
23 the Affidavit was filed.

24
25 371. On or about July 22, 2016 at 11:04am PST, Boss Business Services forms
26 FCGNA is formed as a Nevada corporation wholly owned by FCGLTD.

27
28 372. Once FCGNA was formed and obtained \$500,000 in funds from Bastian,

1 Newman began to demand that he get paid \$10,000 a month as an employee of FCGNA
2 and further be given offices spaces for his Newman Law practice for the work he was
3 doing for Mahon, FCGTLD and FCGNA despite the fact that he had obtained 1,000,000
4 shares of common stock in FCGI and an allotment of 1,556,239 of FCGLTD upon a
5 successful Series A raise.
6

7 373. No one in the FCGNA, not even Mahon, the founder and the largest
8 shareholder as a UBO, as Chairman of the Board, CEO and sole Director of FCGI;
9 Chairman of the Board, CEO and Director of FCGLTD; Chairman of the Board, CEO
10 and Director of FCGNA was getting paid a salary from any of these entities. The
11 highest paid business supporting contractor of any of the companies was only getting
12 \$5,000 making Newman's demand for \$10,000 a month in a salary financially
13 impossible, and simply unconscionable.
14

15 374. Newman was claiming a financial crisis (without disclosing his legal
16 liabilities at VGP) and demanded that FCGNA pay him or he could or would not
17 continue any work progressing the companies forward despite the fact that he had a legal
18 obligation in his stock ownership and allotments to do so. It was the beginning of the
19 foreshadowing of what was about to come in a "do it or else" situation that Newman was
20 creating (as a hidden effect of his VGP crisis that no one knew the extent of).
21
22

23 375. The rest of the FCGLTD BOD met and agreed they were in a "no choice
24 situation" and authorized the hard cash pay for contract work to Newman Law, but, with
25 specific contract work for cash, comes specific contract duties and hard deadlines.
26

27 376. On or about July 29, 2016, Newman was paid \$10,000 in check #2018
28 from FCGNA for a specific set of contract work to be performed.

1 377. On August 16, 2016, at 3:47pm PST, Mahon discovered that Newman
2 was not going to complete his work because he was suddenly on vacation immediately
3 after FCGNA paid him \$10,000.00.

4 378. In or around August 17, 2016, around 1am Vegas time zone and 9am
5 London time, FCGLTD submitted RSGL Application #3949 to the UKGC with Mahon,
6 Linham, Newman, Munger and Murphy's attached PML and they paid £8,196.00.
7 These applications included Newman as an officer of FCG LTD and a shareholder of
8 FCGI.
9

10 379. After the UKGC applications were submitted, Linham contacted Mahon
11 and began pressing him extremely hard on what the status of the FCG-IP was as it was
12 needed for due diligence matters for the PPM and major investors that were interested in
13 engaging in a Series A investment that were requesting it.
14

15 380. On August 18, 2016, at 2:59pm PST, when Newman failed to deliver any
16 of the contract work by its deadline date, three weeks after he had been paid \$10,000, he
17 was confronted by Linham who put him on notice over his failures.

18 381. On August 19, 2016, at 7:34am PST, a day later, Newman responded to
19 Linham's notice with the insanity of making a demand to get paid \$10,000 on the first of
20 every month. Considering that Newman had been paid \$10,000 on July 29, 2016 not
21 even 21 days before his email, Newman's unexpected response forced Mahon to look
22 more closely at Newman's activities for the last 6 years.
23

24 382. On August 19, 2016, as a result of Newman's defiance and extortionist
25 like stance, Mahon was forced to stop blindly trusting Newman and do an audit on his
26 FCG-IP protection work. By the end of the night, Mahon had taught himself how to
27
28

1 work through the USPTO TESS and PAIR search engines in the USPTO and discovered
2 the worst possible scenario, the abandonment 5 patent applications of 12/776,273,
3 12/776,336, 12/776,342, 13/083,408, 13/747,727, and the end of 2 PCT applications
4 PCT/US11/31836, PCT/US11/31826, the abandonment of two trademark applications of
5 85503833, 86258846 and the inexplicable suspension of 86258846. A public search of
6 the USCO also revealed failures equally as bad as H2 and Newman had further failed to
7 obtain a single copyright on any of the 12 Full Color® Cards applications, setting off an
8 intellectual property crisis of unparalleled proportions for Mahon and his entities.
9

10
11 383. On August 25, 2016 at 18:00 UTC+1, Mahon, Linham and Murphy after
12 a series of emergency FCGLTD BOD meetings were forced to conclude that they must
13 immediately terminate Newman, in all ways, shapes and forms in every capacity he had
14 with Full Color® Games, the FCG-IP and the UKGC license application. FCGI did the
15 same. The nightmare of submitting the UKGC application less than 48 hours before the
16 discovery was now a problem as FCGLTD would instantly have to either withdraw it or
17 spend months trying to explain it, and deal with the removal of Newman and FCGLTD
18 had no choice but to take swift and final action.
19

20 384. On August 25, 2016 at 9:07pm PST, Mahon emailed Newman and
21 explicit termination letter notifying Newman that he was terminated from all of his roles
22 and duties at FCGLTD. A specific demand was made upon Newman to turn over all the
23 IPR files Newman and Newman Law obtained from H2 with explicit details.
24

25 385. On August 25, 2016 at 11:59pm PST, Newman emailed the entire
26 FCGLTD BOD with delusional demands that could not be considered.
27

28 386. On August 26, 2016 at 4:09am PST, Linham responded to Newman's

1 email in crystal clear clarity of the wrongdoings of Newman and how he was unsuitable
2 and that there was no cure once the abandonments were discovered as you cannot
3 unwind a clock much more how Newman willfully abandoned the Multi-Play Bingo™
4 family of patents and fraudulently claimed them as a priority to the 12/776,273 non-
5 provisional patent and all subsequent patent filings.
6

7 387. Mahon, as the inventor declared that the Multi-Play Bingo™ family of
8 patents and the FCGS family of patents have nothing to do with each other. Mahon as
9 an inventor declared (as evidenced in filing separate patents in May of 2009 before even
10 meeting Newman or H2) that the two different families have nothing to do with each
11 other and H2 and Newman as Practitioners cannot invent claims an inventor and then
12 (falsely) declare them, prosecute them and see a patent for false claims from the USPTO
13 and ask them to issue a patent on it that which doesn't exist. H2 and Newman's claims
14 of priority are literally and metaphorically "patently fraudulent".
15
16

17 388. On August 26, 2016 at 12:19pm PST, Mahon sent Newman a second
18 notice and demand to turn over all of the H2 files and all of his Newman Law FCG-IP
19 property as time is of the essence to attempt to discover the full extent of, address and
20 fix the copyright, trademark and patent failures Newman had created.
21

22 NEWMAN BEGINS HIS EXTORTION, RANSOM OF CLIENT
23 FILES & TOTAL DESTRUCTION OF MAHON'S IP PORTFOLIO

24 389. On August 27, 2016 at 4:04pm PST, Newman sent a 2-page email that
25 demanded a cash payment in order for Mahon to get his intellectual property files used
26 for the copyright, trademark and patent filings.
27

28 390. In the email, Newman demanded cash payment or threatened to "lien"

1 Mahon's FCG-IP assets. Given the nature of the relationship, the indisputable history
2 and inescapable facts, the Plaintiffs believed the threat to lien Mahon's IPR were an act
3 of extortion considering that Newman received 1,000,000 shares of stock in FCGI and
4 had failed to obtain a single patent or a single registered copyright and at best, only two
5 trademarks registered on top of his allotment of 1,556,239 in FCGLTD upon a
6 successful Series A raise.
7

8 391. Newman sent Mahon and all of his entities a "Confidential Settlement
9 Agreement" with a full and final release against ever pursuing any action against
10 Newman and his companies. Newman's agreement, is impossible on its face. Mahon
11 has a fiduciary duty to his shareholders not to do such unilaterally and more so, is
12 prohibited from such an agreement because of the damage Newman has caused would
13 prevent other relief others are entitled to. Mahon cannot sign away their rights.
14

15 392. Newman knew that he could exploit the Plaintiffs and if they didn't settle
16 with him and Newman further knew that he could hold up FCGLTD'S licensing
17 application for years on end in dispute and attempted to extort the Plaintiffs and their
18 investors with his tactic.
19

20 393. The Plaintiffs were put into an impossible situation that required them to
21 obtain legal counsel, and reverse course on a great many things, all of which could put
22 FCGI, FCGLTD, IPH, IPHLTD & JPL out of business.
23

24 394. Newman ultimately succeed at putting FCGI, FCGLTD, FCGNA and
25 IPHLTD out of business causing investor losses well over \$3,000,000 in cash
26 investments alone causing over \$1,000,000 in subcontractor debts to go unpaid.
27

28 395. Newman's demands at that point were deemed to be criminal in nature

1 and the Plaintiffs were forced to seek legal counsel and take further action by filing an
2 insurance claim with its agent and D&O insurance carrier as the Newman nightmare
3 came to full fruition.

4
5 396. On August 27, 2016 at 4:47pm PST, Mahon asks Newman to send him a
6 copy of the “employment contract” he was claiming he is owed money on, one of which
7 he knows does not exist.

8 397. On August 27, 2016, at 5:52pm PST, Newman continues his attempted
9 extortion of money from FCTLD by claiming he is an employee by way of his self-
10 written, self-signed employment contract that he claims is “ratified by the PPM.”
11

12 398. On August 27, 2016 at 6:23pm PST, Mahon emails Newman asking him
13 to send him a copy of the “retainer agreements” that show the “engagements terms and
14 conditions for all of the entities Newman and Newman Law has done legal work for.
15 Newman failed to produce any such documents.
16

17 399. On August 29, 2016 at 10:39pm PST, Mahon, after not speaking to
18 anyone at H2 for nearly two years, but in crisis mode to get any copies of his original
19 files, emailed Galenksi at H2 and notified her that Mahon had just discovered that H2
20 and Newman had abandoned 6 patents and two trademarks while under the
21 representation of H2 and they would be sued over it as a result of it. Mahon sent
22 Galenski a follow up email after their phone call providing a list of patents that were
23 abandoned by Newman while employed at H2 that they were representing on behalf of
24 Mahon.
25

26 ///

27 ///
28

FCGLTD ENGAGES IN DAMAGE CONTROL TO
UKGC LICENSE DUE TO NEWMAN MALFEASANCE

400. On August 30, 2016 at 2:49am PST, after Mahon had terminated Newman and Newman Law and discovered that his copyrights for the 30,000 decks of physically printed and G2E distributed Full Color® Cards had not been filed for or issued. As a result, Mahon was forced to stop his work and teach himself how to file a copyright and immediately submitted an online application with an expedited review.

401. On August 30, 2016 at 5:34am PST, Linham emails the UKGC and notifies them of the fact that Newman has been removed from PML and the RSGL applications.

402. On or about August 31, 2016, unbeknownst to Mahon at the time or any of his entities, Newman and CBL caused VGP to be dissolved with the Nevada Secretary of State.

403. On August 31, 2016 at 7:23am PST, Linham response to Mahon's inquiries as to the entire history of "FCGLTD" employment claims after NEWMAN makes the false claim that he has an "employment contract" with FCGLTD in the event more things occurred unbeknownst to him. It was confirmed no such facts exist.

404. On or about August 31, 2016 PST, MAHON and HOWARD personally met with Yee and Seaton Curran, Esq., a USPTO licensed Practitioner for H2 ("Curran") at FCGNA'S offices in Las Vegas and went through the entire history of Mahon's relationship with Newman and proved to them their liability they had. Yee and Curran stated that they would have to have their boss, Rogers respond to the matters.

405. On September 3, 2016 at 6:26pm PST, after no timely response back

1 from Rogers or anyone else at H2, Mahon sent Rogers an email putting him on formal
2 notice he would seek legal relief absent a resolution to the allegations of malpractice.

3 406. On September 6, 2016 at 2:34pm PST, Rogers responds with his
4 H2Gaming business card and three words, "I will revert". Rogers never does ever
5 answer Mahon.
6

7 407. On September 6, 2016 Mahon, on his own, obtained a full registration of
8 Full Color® Cards in VA 2-016-156 from the US Copyright Office, a mere 7 days after
9 he filed his application as a layman, yet a company that is over 100 years old with
10 dozens of IP attorneys couldn't get it done in 6 years proving H2, Newman and Newman
11 Law's malpractice, misfeasance and total incompetence.
12

13 408. On September 10, 2016 at 4:36pm PST, Mahon, after no timely response
14 back from Rogers or anyone Mahon sent Rogers a second email putting him on formal
15 notice of an inevitable lawsuit if they do not promptly respond.
16

17 H2 DENIES MAHON'S CLAIMS OF MISFEASANCE
18 & MALPRACTICE WITH ADMISSIONS & DENIALS

19 409. On October 6, 2016 at 12:14pm PST, over a month after being put on
20 notice by Mahon, Brad Rayle, Esq., General Counsel from H2's Michigan corporate
21 office ("Rayle") sent Mahon an official H2 response on their letterhead that Plaintiffs
22 denying H2's representation of Mahon despite the years of invoices and many meetings
23 with many of H2's attorneys and not just Newman.
24

25 410. On or about October 10, 2017, the UKGC acknowledges the full
26 disclosure that Newman had been terminated from his roles and his share allotment in
27 FCGLTD terminated but required more disclosures and proof as quoted:
28

1 *“Shareholding*

2 *As disclosed to the Commission the Personal Management License (PML)*
3 *application for Mr Newman will be disassociated from the gambling software*
4 *application for Full Color and he will be contacted separately, for clarification*
5 *on the continued requirement for a PML. Despite this the Commission notes that*
6 *Mr Newman is still 3% shareholder of Full Color therefore;*

7 5. *Please confirm what plans there are regarding this shareholding and whether*
8 *Mr Newman will continue to hold this. If so, please disclose the circumstances*
9 *surrounding his departure from Full Color.”*

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

13 412. Pursuant to the SRA, FCGI had the right to trigger the cancellation,
14 repurchase and termination of his shares for engaging in a multitude of “non-compliance
15 events”, but FCGI could not do so as FCGI did not have the FUNDS to buy them back
16 based on the current share value. Further, even if it did, Newman had threatened to lien
17 the IPR which would have ensured litigation which would be a non-compliance event
18 within a non-compliance event” causing even greater damage. Newman put the
19 Plaintiffs in an impossible situation and he knew it would be his leverage to his extortion
20 and he was certain he could get the Plaintiffs and their investors to cave in to his
21 demands.

22 413. As a result, Mahon received extraordinary pressure from Bastian as an
23 investor in FCGLTD and other shareholders in FCGI to find a way to settle with
24 Newman. These matters began to plague the FCGLTD and FCGNA until both
25 eventually ran out of money and went out of business as a result of H2, Newman and
26 Newman Law’s collective damage.
27
28

1 414. To make matters worse, Bastian still had not completed his second half of
2 his \$1 Million dollar cash investment and FCGLTD was waiting for the second
3 \$500,000. This caused an epic problem for Bastian as it would instantly mean that
4 Bastian's investment dollars were spent on a settlement matter with Newman instead of
5 going to the originally budgeted product development and release. Newman's actions
6 created cancer inside of FCGLTD and FCGNA and each ultimately died from it as no
7 resolution with Newman could ever be reached. As a final result, the UKGC license was
8 ultimately refused by the UKGC, FCGLTD never launched its casino games and ran out
9 of money as a result of Newman's hostage crisis of Mahon and his USPTO files.
10

11 415. The inescapable problem in a settlement with Newman is that it isn't
12 obvious on its face, that a settlement with Newman for the benefit of FCGLTD and
13 FCGI's investors, would have required Mahon, IPH and IPHLTD to give up their rights
14 to seek relief from the damages H2, Newman and Newman Law caused to Mahon's IPR
15 and further, burden the Plaintiffs with the expenses to refile and resurrect them, not to
16 mention the irretrievable loss of time in life and commercial use for the last 10 years and
17 untold number of years forward while waiting to prosecute the IPR through the USPTO
18 and USCO in order to obtain his patent, trademark and copyright protections a full and
19 final release from Newman further demanded.
20

21 416. The inequity of choosing between Mahon's rights and the FCGI /
22 FCGI /
23 FCGLTD rights as much as the liabilities Mahon could face for choosing one over the
24 other in any claim against him as an Director and Officer of both Companies in a
25 conflicted and unconscionable position that Newman put him in and he knew it and
26 wrongfully exploited it.
27
28

1 417. Mahon could not agree to such, and further, any settlement would require
2 an FCGLTD BOD vote and a sign off from FCGI investors as both were interested
3 parties in the damages done to their rights in the licensed IP that was now discovered to
4 be abandoned by H2, Newman and Newman Law so nothing could be done without
5 investor approval subjecting Mahon and FCGLTD to further delays and worse, potential
6 investor lawsuits (all of which occurred). The time drain, cost and efforts to go through
7 this process were impractical, unreasonable and unbearable and ultimately caused FCGI,
8 FCGLTD, FCGNA, IPHLTD to go out of business and FCGI see their stock value
9 plummet to \$0.00.
10

11 418. Between October 10, 2016, and October 25, Mahon obtains legal counsel
12 from Post on what their options are in dealing with the Newman extortion and crisis.
13 The options were discussed with FCGLTD BOD and with the FCGI BOA as well.
14

15 419. On or about October 25, 2016, LINHAM, on behalf of FCGLTD
16 responded to the UKGC letter attempting to mitigate the Newman problem in a lengthy
17 and detailed response.
18

19 420. On or about November 8, 2016, unbeknownst to Mahon, the USPTO
20 emailed Newman and Newman Law a courtesy notice to file the Affidavit of Use of
21 Mahon's Full Color®. Newman and Newman Law who had been terminated by notice
22 from Mahon on August 25, 2017, failed to update all of Mahon's IPR applications with
23 the USPTO. Newman and Newman Law further failed to turn over ALL USPTO
24 information, failed to release the USPTO Private PAIR information or files to Mahon
25 and failed to communicate with Mahon in any way shape or form with his applications
26 and registrations that were still on going with the USPTO and as a result, every single
27
28

1 application and registration but one over the current and still ongoing hostage crisis with
2 NEWMAN is still in control of was abandoned, cancelled or suspended as a final result.

3 421. On or about November 11, 2016, the UKGC continued to seek an update
4 as to the legal disposition of Newman, further delaying the application due to the lack of
5 resolution.
6

7 422. On or about November 17, 2016, Linham, as a Director of FCGLTD sent
8 a formal written notice from Isle of Man to the investors in the USA at FCGI and
9 warned FCGI to remove Newman as an individual shareholder or be removed a whole
10 entity for failing to remove their bad actor and wrongfully causing the delay of
11 FCGLTD'S licensing application.
12

13 423. On November 17, 2016, at 5:50pm, Howard emails Mahon a formal letter
14 noticing him that he and Linham had secret "settlement" talks with Newman. A review
15 of it proves that Newman was holding Mahon and all the Aggrieved Parties hostage with
16 his threat of liens and litigation.
17

18 424. On or about November 30, 2016, Linham, on behalf of FCGLTD
19 responded to the UKGC letter attempting to mitigate the Newman problem seeking an
20 extension of time to resolve it.
21

22 NEWMAN'S RANSOM DEMANDS PUTTING
23 COMPANY'S OUT OF BUSINESS & BASTIAN FORCES SETTLEMENTS

24 425. By the end of February 2017, the Newman crisis was still not resolved.
25 FCGLTD was running out of money as a result of the crisis that Newman had created
26 with his hostage demands because Bastian wanted resolution to the matters and was not
27 releasing the FCG-IP product as required in the FCGLTD and Bastian agreement.
28

1 426. On February 21, 2017 in the afternoon, Bastian had a talk with Mahon
2 and Howard about getting the Newman matter settled. Bastian demanded that Mahon a
3 settlement with Newman if he wanted to move forward as he did not want any lawsuits
4 as he was a licensed casino gaming operator. Mahon advised Bastian that FCGI did not
5 have the funds to enter into any settlement with Newman and that it would bankrupt
6 FCGI and bring down the entire enterprise. Bastian offered \$35,000 to settle with
7 Newman and a maximum of \$50,000 and Bastian had agreed he would pay it.

9 427. Bastian directed Mahon to call Newman and get it resolved if he wanted
10 Bastian to release the product and move forward. Reluctantly, Mahon (with Howard in
11 person listening in) made the call to Newman and Mahon recorded it because he
12 expected it to go way out of control with Newman's explosive personality. Newman
13 was confronted by Mahon and as expected, Newman turned irate and started screaming
14 at the top of his lungs at Mahon as can be heard in the recorded conversation.

16 428. On February 21, 2017, at 9:17pm PST, Newman sent Mahon an email
17 with his \$50,000 settlement demand terms and conditions, ones that would require
18 Mahon to forego all of his rights in a full and final settlement offer. Upon Bastian's
19 demands, Mahon engaged in the consideration of it and forwarded the email to Bastian
20 to review.

22 429. On February 22, 2017, at 12:49pm PST, Mahon emailed Newman
23 acknowledgment of the Settlement proposal by Newman and that he had forwarded it on
24 to Bastian as directed. To make matters worse for Mahon, it was going to force him to
25 sell more of his shares of FCGLTD to raise more money from Bastian in a fire sale in
26 order to pay for it. Mahon was in a lose, lose situation, but agreed to because Mahon
27
28

1 had no choice at this point but to give in to the extortion demands if Bastian was going
2 to pay Newman's extortion demands forcing Mahon to do the fire sale, forego his rights
3 to seek legal malpractice claims against H2, Newman and Newman Law and be forced
4 into it for the sake of keeping the companies alive and more importantly to avoid an
5 investor lawsuit, or so he thought.

7 430. On February 23, 2017, at 6:56pm PST, Mahon sent Bastian the full
8 proposal of their newly agreed "fire sale" of additional FCGLTD stock to raise
9 additional capital from Bastian to pay off Newman's ransom to avoid litigation
10 including Newman's Settlement Proposal and Stock Sale docs to Bastian. The
11 additional funds would also be necessary for FCGLTD and FCGNA to survive.

13 431. On February 24, 2017, at 1:26am PST, Linham updates Murphy on the
14 status of Bastian's agreement to put another \$500,000 into FCGLTD in order to settle
15 the Newman USPTO FCG-IP hostage crisis and ransom demands.

17 432. On February 28, 2017, at 10:28am PST, Newman emails Mahon for an
18 update since the expiration date has expired on his Newman's terms.

19 433. On February 28, 2017, at 10:55am PST, Mahon responds to Newman
20 confirming that his offer is with Bastian and he is going to have to wait for them to
21 reply. It is beyond Mahon's control.

23 NEWMAN'S BEGINS TO HARASS MAHON &
24 INCREASES THE RANSOM AMOUNT TO \$75K

25 434. On March 8, 2017, at 1:41am PST, Newman emails Mahon and begins to
26 harass him over the delays in getting his money. Newman then changes all the terms
27 and conditions to the proposed Bastian settlement.
28

1 435. On March 8, 2017, at 4:28am PST, Mahon forwards Newman's new
2 harassing email to Bastian.

3 436. On March 19, 2017, at 2:57pm PST, Newman "pings" Mahon in an email
4 wanting to settle the matters still.

5 437. On March 19, 2017, at 3:12pm PST, Mahon emailed Newman letting him
6 know that he was confirmed to see BASTIAN in person in Bahamas in two days and
7 advised him that Bastian had affirmed he would agree to pay Newman's original \$50K
8 demands.

9 438. Between March 19, 2017, at 3:36pm PST, and March 31, Newman's
10 psychotic, hostile, harassing and explosive behavior resurfaces in a flurry of emails
11 saying Mahon is "full of shit". Unbeknownst to Newman, Mahon had been on the
12 longest trip of his lifetime out of the USA to 6 different countries for 31 days straight
13 and to prove it, Mahon sent him proof of his itinerary to attempt to get Newman to stop
14 the harassment.

15 439. On March 31, 2017, at 8:51am EST, Dirk Simmons ("Simmons"),
16 Bastian's CFO, emails Mahon, who was in the Bahamas with Simmons and Bastian his
17 written confirmation of that Bastian was going to comply with the UKGC requirement
18 of explaining the second million dollars to complete his original investment of the \$1
19 million in cash in kind, the IslandLuck.com launch plans, as well as confirmed the
20 second \$500K investment and the settlement to Newman so FCGLTD could finally
21 move forward.

22 440. On March 31, 2017, at 3:53pm EST, Mahon was truly in the office with
23 Bastian in the Bahamas and he had agreed to talk to Newman on the phone and get it
24

1 settled. Mahon forwarded a copy of Newman's vCARD contact information in a
2 WhatsApp Message.

3 441. On March 31, 2017, at 4:32pm EST, Mahon emails Newman confirming
4 that Bastian had his number now and that he was too busy to talk on the phone and that
5 is why he texted him instead. The rest was between Newman and Bastian at that point.
6

7 442. On or about April 4, 2017, FCGLTD was running on financial fumes
8 waiting for Bastian to complete his investment, resolve the Newman crisis he had
9 committed to paying and demanded a full accounting of where his first \$1,000,000 was
10 spent. Mahon asked Linham to forward over to him and Linham revealed he didn't have
11 any accounting done beyond a one page excel summary file. As a CFO, a former
12 accountant from KPMG it was both unconscionable and incompetence, on an equal
13 proportion of Newman's. Mahon began an audit of the accounting and all of Linham's
14 activities in the Isle of Man. Linham abruptly resigned as CFO and DIRECTOR. Upon
15 departing, Linham embezzled approximately \$10,000 out of corporate funds and
16 disappeared compounding the Newman crisis.
17

18 443. On April 19, 2017, at 10:00am PST, Mahon has a company-wide investor
19 call and informs the investors of the Newman crisis, the financial crisis created as a
20 result of it, Linham's resignation and all the other seemingly insurmountable problems
21 FCGI was facing as a result of it all in an attempt to find resolution. Mahon makes it
22 unequivocally clear in how Newman is holding the company hostage, further preventing
23 the product from being released and causing the UKGC license to be delayed and most
24 likely refused and that they need to band together and come up with the money to file a
25 lawsuit against H2, Newman and Newman Law.
26
27
28

1 444. A small group of investors were angry beyond words and hostile as ever
2 to discover that they stood to not only lose their entire investments over the news but
3 were also being asked to put up good money after bad to file suit against Newman.
4

5 445. On information and belief, Munger, who was on the call, discovered an
6 opportunity and motive to engage in a total hostile takeover of the company because of
7 secret business dealings going on his life that the investors knew nothing about and as a
8 result, he immediately took action as he had a motive along with the time, chance and
9 opportunity to “frame Mahon” and turn his less than 1% ownership interest in FCGLTD
10 and billions of dollars of expected profits from Mahon’s inventions in the IPR and job as
11 the CTO to turn into a 10-20% interest and become the CEO if he could oust Mahon in a
12 hostile takeover. Newman’s inciting events that were delaying the UKGC casino
13 gaming license, the progressive complications that were occurring, created the perfect
14 conflict for him and the failure of the company would be the perfect climax that Munger
15 could provide the perfect resolution to, if he could simply recruit enough other (bad
16 actors) angry investors and interested parties to “buy into” his story since there was no
17 one in the Company closer to Mahon than Mahon and Newman over the past 6 years and
18 as a result, Munger seized his opportunity.
19
20

21 446. Unknown to all of the Plaintiffs (and even all of the Defendants) is that
22 Munger had already engaged in potentially criminal activity to the detriment of the
23 Plaintiffs when Munger was recruited by Bastian and Simmons who then recruited
24 Linham to engage in a single act of billing fraud, wire fraud, money laundering to
25 commit securities fraud on behalf of Bastian on June 6, 2016, upon the funding of the
26 first \$500,000 that was wired into FCGLTD’S bank account for the sole purposes of
27
28

1 helping Bastian avoid paying \$120,000 in Bahamian Investment Tax by creating a
2 fraudulent commercial invoice to FCGLTD for Bastian to pay to conceal his purchase of
3 FCGI'S interests in FCGLTD's Isle of Man shares.

4
5 447. This potentially criminal activity is fully documented in the ARCC
6 Report of Mark Munger dated May 27, 2017 that was discovered after Mahon
7 terminated Munger on May 5, 2017 but had happened nearly a year before.

8
9 448. On information and belief, Munger, Bastians, Simmons and Linham
10 actions demonstrate that Munger had breached his fiduciary duties to the Plaintiffs long
11 before he engaged in any other acts to sabotage the companies he worked for and
12 conspire to wrongfully take Mahon's IPR and the Plaintiff's property as detailed in the
13 ARCC Reports. Munger's setup was simple.

14
15 449. What the angry investors did not know at the time was that Munger, had
16 been secretly engaged in business with Newman and Newman Law with VGP and its
17 partners of Scott Walker ("Walker") and his entities in TBG Enterprises Ltd, ("TBG").

18 450. Walker was a former lawyer and partner with Newman at H2.

19
20 451. The angry investors also did not know that Newman, Newman Law,
21 Munger, Walker and TBG had all secretly began a casino gaming startup of their own
22 called Gambling with the Stars ("GWTS") that would directly compete with Mahon's
23 IPR, FCGI and its interests in FCGLTD in a new "live dealer" online casino enterprise.

24
25 452. On information and belief, Munger had a huge interest in protecting his
26 business relationships with his other secret partners and as a result of the aftermath of
27 the investor update call that revealed the angry investors, Munger, breached his fiduciary
28 duties to the Plaintiffs and their investors and notified Newman, Newman Law, Walker,

1 TBG and GWTS that notified them all of Mahon's intent to file suit against Newman,
2 threatening their own secret plans.

3 453. On information and belief, Munger, Newman, Newman Law, Walker,
4 TBG and GWTS then conspired with each other to circumvent Mahon's proposed
5 litigation as he was trying to protect the FCGI and FCGLTD's investors and stage a
6 hostile takeover of Mahon's IPR, FCGI, FCGLTD, IPH and IPHLTD through a series of
7 extortionate activity events that was eventually detailed in the ARCC Report dated May
8 29, 2017.
9

10 454. Munger, in order to save his partnership with Newman, recruited
11 Newman to maintain hostage control of Mahon's IPR in order to prevent Mahon from
12 gaining access to it. Newman promised to prosecute the IPR once they extorted it from
13 Mahon after FCGLTD failed.
14

15 455. Munger had already engaged in criminal activity with Linham so it was
16 easy to recruit Linham to falsely accuse Mahon of embezzlement of FCGLTD and
17 FCGNA funds to publicly and privately destroy Mahon's reputation and licensing
18 suitability. This guarantee the ability to further fuel his false narrative misuse of
19 corporate funds as the real reason why FCGLTD was out of money instead of the truth,
20 all of which would guarantee a full revolt by the already angry investors especially since
21 Mahon had already refused to turn over the Company's records he had.
22

23 456. On information and belief, Munger recruited 10 of the investors whom he
24 saw as the most upset to join the hostile takeover plans that he could get funded by
25 Bastian if they would join in.
26

27 457. On information and belief, Munger convinced Bastian to delay the release
28

1 FCGLTD'S games and ensure the FCGLTD and FCGNA would go out of business by
2 not obtaining any revenues and cause FCGLTD UKGC license to get refused so they
3 could blame it all on Mahon.

4
5 458. On information and belief, Munger convinced all others he had all of
6 Mahon's confidential math formulas and certifications and knowledge of how to
7 implement them after spending 7 years to complete the full circle of how they could
8 collectively pull it all off and get away with it because they would financially destroy
9 Mahon, destroy his reputation and make sure he could never get a casino gaming license
10 by all lying together and drive Mahon so insane, he would commit suicide as the final
11 twist in their crimes.
12

13 459. But like all conspiracies to commit the "perfect crime," Munger and his
14 racketeering syndicate made a mistake along the way. They underestimated one person
15 that they were all convinced would join them in the end, a guy who had over \$500,000
16 invested into it between himself and all of his family and friends as investors in FCGI
17 and FCGLTD and that was the failed recruit of FCGI and FCGNA investor and
18 President Glen Howard, which explains why they also included him in their ongoing
19 frivolous and vexatious filing of the Lawsuit A-17-758962-B which is in and of itself.
20
21

22 460. On or about April 20, 2017, as Munger had begun recruiting investors to
23 push Mahon out, Mahon began a full audit of Linham's company emails and files,
24 discovered that Linham had permanently deleted over 3,000 company files, had also
25 embezzled nearly \$10,000 in cash at the same time that Linham had resigned making it
26 clear that Murphy was in on it all, Mahon confronted Murphy and demanded answers.
27
28 Murphy aware of his wrongdoings, instantly resigned as Director and Registered Agent

1 of FCGLTD and IPHTLD.

2 461. On April 21, 2017, at 6:25am PST, the UKGC emails Mahon a final
3 notice to comply in full with the UKGC application of have its applications permanently
4 refused.
5

6 *"As per my email below dated April 7 2017 we have not received a response to*
7 *the information requested. Please can you provide a full response by the*
8 *28/04/2017. If a full response is not received we shall refuse the application."*

9 462. On April 22, 2017, at 2:22am PST, Mahon, in an email to every single
10 investor in FCGI, gives explicit details on how to deal with the Newman crisis, his
11 ransom, how it was affecting the solvency of all companies, and the UKGC license
12 application and three options in how to deal with it and the consequences if they don't.

13 463. On April 28, 2017, Bastian had failed to launch FCG-IP, complete his
14 cash-in-kind agreement, failed to put the \$500K into FCGLTD and failed to make the
15 Newman payment causing the failure to comply with the rest of the UKGC licensing
16 requirements.
17

18 464. As a result of FCGLTD'S failed to respond in full to the UKGC
19 application the FCGLTD RSGL Application #3949 and its attached PML applications
20 was automatically refused.
21

22 465. Once an applicant is refused a license by the UKGC, it is permanently
23 refused and is forever barred from ever applying again.

24 466. By May 3, 2017, Mahon, as Mahon was closing down the offices and
25 auditing the inventory, Mahon had discovered that Munger stole two company
26 computers.
27

28 467. On May 5, 2017, Mahon got a notice in the mail from the Nevada Labor

1 Commission (“NLC”) with a final judgment against FCGI for two contractors that
2 Munger had hired was entrusted to get paid did not. An investigation into the matters
3 revealed that Munger and his girlfriend Ruth Matthews engaged in a \$2,000
4 embezzlement while Mahon was out of the country for 31 days. The result of the NLC
5 report forced Mahon to file a 155 page full criminal report with the Las Vegas
6 Metropolitan Police Department seeking criminal prosecution.

8 NEWMAN CONTINUES TO ABANDON MORE OF
9 MAHON’S USPTO APPLICATIONS WHILE HOLDING IT HOSTAGE

10
11 468. On May 5, 2017, another Newman non-public, non-published, PRIVATE
12 PAIR application 15/067,022 he had secretly filed was abandoned while continuing to
13 hold Mahon hostage with his USPTO files because Mahon would not pay \$75,000 in
14 ransom demands for access to his USPTO files. Newman was and still is in control of
15 Mahon’s IPR.
16

17 469. On May 5, 2017, as a result of the investigation into Munger, he shut off
18 all of Munger’s computer access, email and Google Drive cloud access and quickly
19 discovered the problems reached all the way back to June 6, 2016 uncovering a full
20 blown racketeering enterprise that was going on within his own company. MAHON
21 began a SuperAdmin forensic analysis of all of the corporate emails and computer files
22 of Linham, Munger and Newman’s fullcolorgames.com email accounts.
23

24 470. Mahon discovered that on June 6, 2016, on the very first transaction that
25 had ever been slated to occur in FCGLTD that Munger, Linham, Simmons and Bastian
26 had all engaged in an act of billing fraud, wire fraud, money laundering and securities
27 fraud for the sole purposes of engaging in a tax evasion of \$120,000 that Bastian owed
28

1 the Bahamian government for a Bahamian Investment Tax for his purchase of FCGLTD
2 Stock. It explained perfectly why Bastian wanted all of his money outside of the
3 Bahamas as much as the USA because he was deeply engaged in tax evasion with all of
4 his foreign business enterprises from the Cayman Islands, Belize, Jamaica all the way
5 into the Mediterranean sea islands of Malta.
6

7 471. Beginning on May 5, 2017, the Audit, Risk and Compliance Committee
8 (“ARCC”) of FCGI and FCGLTD began a comprehensive investigation to uncover the
9 racketeering enterprise of Munger, Linham, Simmons and Bastian and a rogue group of
10 investors that formed after the April 19, 2017 company-wide investor call. As a result of
11 the ARCC investigations, a multitude of reports were created.
12

13 472. In the interim, Mahon began to seek ways to get control of his USPTO
14 filings, with none other than Mark A. Litman, Esq., the man who argued the Ray Smith
15 case.
16

17 473. On May 24, 2017, at 8:59am PST, Mahon emailed Litman details on H2,
18 Newman and Newman Law’s USPTO malpractice matters in an attempt to retain him as
19 new competent legal counsel licensed to practice before the USPTO.
20

21 474. On May 27, 2017, the ARCC Report of Mark Munger dated May 27,
22 2017 concluded that Munger must be terminated in all of his roles and his shares
23 cancelled, terminated and repurchased.

24 475. On May 29, 2017, the ARCC Report of the Racketeers dated May 29,
25 2017 concluded that the group of rogue investors must be terminated in all of their roles
26 and all of their shares cancelled, terminated and repurchased.
27

28 476. On May 31, 2017, as a result of the ARCC Reports, FCGLTD and

1 IPHLTD mutually terminated the CLA.

2 477. On June 1, 2017, as a result of the ARCC Reports and the mutually
3 terminated the CLA, IPHLTD and IPH mutually terminated the IPR-MA reverting 100%
4 of all of IPH'S rights that had been assigned via the IPR-MA back to the USA and
5 confirming that 100% of all licensing rights reverted back to IPH in the USA.
6

7 478. On June 5, 2017, the ARCC Reports led to all of Newman / CBL'S
8 shares being cancelled, terminated and repurchased and further action be taken against
9 him as a result of the damage his actions have caused to Mahon and all the Aggrieved
10 Parties.
11

12 479. On June 14, 2017, at 9:01am PST, Boss Business Services filed on behalf
13 of FCGNA, the full dissolution with the Nevada Secretary of State proving the ultimate
14 destruction that Newman had caused through his extortion, ransom and racketeering.
15

16 LITMAN IS HIRED AS NEW USPTO PATENT
17 ATTORNEY TO ATTEMPT TO FIX NEWMAN NIGHTMARES

18 480. On August 5, 2017, at 6:16am PST, Litman emails Newman that he has
19 been engaged by Mahon and makes demands to turn over all of Newman files since
20 Newman had filed everything in PRIVATE PAIR and Litman could not access what he
21 needed.
22

23 481. On August 9, 2017, at 10:04pm PST, Newman finally responds to Litman
24 but fails to turn over all the files and Litman is forced to make more demands for the
25 secret PRIVATE PAIR info on the missing patent data. Newman, despite being
26 informed of Mahon's new USPTO counsel, refuses to step down and release his POA on
27 all of Mahon's other trademark matters, all unbeknownst to Mahon.
28

1 482. On August 10, 2017, at 8:23am PST, Newman emails Mahon and he
2 finally gets access to some of his patent applications that Newman secretly filed.

3 483. On August 16, 2017, at 9:42am PST, Litman emails Mahon his USPTO
4 receipt of filing and properly requests permission for use of POA for future matters,
5 something Newman never did. Mahon grants it to him.
6

7 484. On August 16, 2017, at 11:57am PST, Litman emails Mahon his USPTO
8 receipt of filing that makes the amendments to the claims that Newman screwed up.

9 485. On August 22, 2017, Mahon causes Litman to be paid \$15,000 to begin
10 to attempt to revive and refile the abandoned patents by H2, Newman and Newman
11 Law.
12

13 RACKETEERS FILE FRIVOLOUS LAWSUIT AGAINST MAHON
14 DISGUISED AS A DERIVATIVE LAWSUIT IN CHARACTER ASSISINATION PLOT
15

16 486. On or about August 17, 2017, Munger and the Racketeers follow through
17 with their extortion plans and threats to create a tortuous litigation against MAHON and
18 his entities in an attempt to get him to commit suicide as detailed in the POLLOCK
19 letter by filing a Complaint in Nevada District Court in case A-17-758962-B
20

21 487. On August 28, 2017, at 8:29am PST, Litman emails Mahon a
22 copy of the lawsuit by Munger that Munger, Newman and their lawyers began to harass
23 him with as a result of Neman's actions. Newman was behind this harassment because
24 no one knew about Litman being hired and retained by Mahon other than Newman.
25 This clearly violated Newman's MNDA agreements creating further ethical violations
26 on his par.
27

28 488. On or about September 1, 2017, LITMAN emails MAHON a copy of the

1 Notice of Publication of Application in less than a month.

2 489. On or about September 27, 2017, LITMAN emails MAHON a copy of
3 the Notice of Publication of Application in less than a month.

4 490. On or about October 9, 2017, eShares Valuation, Inc. provides FCGI a
5 certified valuation of \$0.00 proving NEWMAN has successfully killed FCGI with his
6 ransom and hostage crisis situation he perpetrated.

7 491. On or about October 10, 2017, Full Color Games Ltd is struck of the
8 Companies Register in the Isle of Man proving its company value is zero.

9 492. On or about October 10, 2017, Intellectual Properties Holding Ltd is
10 struck of the Companies Register in the Isle of Man proving its company value is zero.

11 493. On or about February 21, 2018, NEWMAN files a false statement and
12 declaration with the USPTO claiming he has withdrawn as the POA on Mahon's
13 trademark of 21 or Nothing®. Newman does not notify Mahon of his release nor does
14 Newman follow through with his statutory requirements on communications or a
15 withdrawal of representation as required by the USPTO. Out of the blue, Newman
16 finally releases the POA but fraudulently renames himself as the new correspondent,
17 using his own name, and his own emails to ensure that Mahon never receives any
18 notices from the USPTO, creating a fraudulent "change of no change."

19 494. On or about February 21, 2018, Newman files a false statement and
20 declaration with the USPTO claiming he has withdrawn as the POA on MAHON'S
21 trademark of Full Color®. Newman does not notify Mahon of his release nor does
22 Newman follow through with his statutory requirements on communications or a
23 withdrawal of representation as required by the USPTO. Out of the blue, Newman
24
25
26
27
28

1 finally releases the POA but fraudulently renames himself as the new correspondent,
2 using his own name, and his own emails to ensure that MAHON never receives any
3 notices from the USPTO, creating a fraudulent “change of no change”.

4
5 495. On or about June 18, 2018, Newman’s extortion, hostage taking and
6 ransom of Mahon’s FCG-IP with the USPTO causes Mahon’s Full Color® Trademark
7 to get cancelled Application Serial: 85070534 with USPTO Registration NUMBER:
8 4053769 due to Newman’s “FAILURE TO FILE SEC. 8 (6-yr)”.

9
10 496. On or about July 7, 2018, MAHON receives an unsolicited piece from a
11 USPTO monitoring service in the USPS mail notifying him that his FULL COLOR®
12 registration had been cancelled.

13 497. On or about July 7, 2018, Mahon emails Litman seeking help on how to
14 restore the nightmare of having his most important trademark of FULL
15 COLOR® cancelled. Newman responds with an email detailing the problems Newman
16 has caused.

17
18 498. Between July 7 and July 10, MAHON went into crisis mode and
19 researched the entire USPTO websites to find out how to restore his wrongfully
20 cancelled trademark.

21
22 499. On or about July 10, 2018, MAHON filed with the USPTO, a “2.146
23 Petition to the Director” seeking reinstatement as detailed in the Petition.

24 500. NEWMAN still, to this day, wrongfully remains the POA and USPTO
25 counsel on Mahon’s patent and trademark applications.

26 501. Over the course of 4 ½ years, over 16 different known people at H2
27 worked on the Plaintiff’s IPR and Client Matters extensive list of attorneys, partners and
28

employees of Howard & Howard, PLLC that include but are not limited to:

Richard H. Newman, Esq.; A USPTO Practitioner, employee & partner of H2
Arthur O. Rogers, Esq.; An Attorney, employee & partner of H2, PLLC
James R. Yee, Esq.; An Attorney & Licensed USPTO Practitioner for H2
Seaton Curran, Esq.; An Attorney & Licensed USPTO Practitioner for H2
Linda Norcross, Esq.; An Attorney & Licensed USPTO Practitioner for H2
Brad Rayle, Esq.; An Attorney & General Counsel for H2
Amy Galenski, An Individual and employee of H2
Natalya Devries, An Individual and employee of H2
Carmela De La Cruz, An Individual and employee of H2
Kimberly Konie, An Individual and employee of H2
Barbara Dunn, An Individual and employee of H2
Donette Trost, An Individual and employee of H2
Phillip J. Gallero, Jr., An Individual and employee of H2
Anne L. Kubit, An Individual and employee of H2
Inge Bluford, An Individual and employee of H2
Kellie Piet, An Individual and employee of H2
Amy Whartfield, An Individual and employee of H2

502. Over the course of 4 ½ years, over 20 different attorney's showed up on
signed declarations for H2 before the USPTO on filings of Mahon's IPR:

AMBURN, Dean W. #46,517
ANDRZEJAK, Christopher S. #57,212
BINKOWSKI, Matthew #58,530
DEGRAZIA, Gregory D. #48,944
ENGLISH, Trent K. #56,951
FRANCIS, Christopher M. # 59,511
HAIDLE, Samuel J. #42,619
HERRINGTON, Brian D. #42,659
HULLIBERGER, Kristopher K. #53,047
KAPP, Julie #55,316;
LAPRAIRIE, David M. #46,295
MCKEE, Michael E. #65,858
MOHAMEDULLA, Saleha R. #57,680
NEWMAN, Richard #41,222
NORCROSS, LINDA, #Unknown
PECK, Randall J. #66, 147
SADOWSKI, Jeffrey A. #29,005 S
COTT, Raymond E. #22,981
SMITH, Michael D. #40, 181
WOOLBRIGHT, Jacob P. # 64,426
YEE, James R. #34,460

1
2 503. As a result of over 30 different people that make up every single position
3 in the company working on the Plaintiff's IPR and Client Matters, it is impossible for
4 H2 to deny their strict liability and attempt to assert claims that they were not aware of,
5 did not participate in or did not facilitate conflicts of interest, engage in racketeering and
6 have no liability for the wrongdoings that they caused the Plaintiffs over the course of 4
7 ½ years, over 20 different attorney's showed up on signed declarations for H2 before the
8 USPTO on filings of Mahon's IPR:
9

10 NEWMAN BREACHES HIS PROFESSIONAL DUTIES TO THE PLAINTIFFS

11 504. H2, Newman and Newman Law, as licensed Practitioners before the
12 USPTO have violated their professional and ethical duties owed to the Plaintiffs and as
13 a result have been forced to file a Grievance with the USPTO Office of Enrollment and
14 Discipline ("OED") in order to seek fee and examination relief pursuant caused by the
15 Defendants egregious violations of twelve different sections of 37 CFR Part 11 Subpart
16 C that include:
17
18

19 37 CFR Part 11 – SUBPART C - Investigations and Disciplinary Proceedings
20 (§§ 11.19 - 11.61-11.99)

- 21 1) § 11.101 Competence.
- 22 2) § 11.102 Scope of representation and allocation of authority between
23 client and practitioner.
- 24 3) § 11.103 Diligence.
- 25 4) § 11.104 Communication.
- 26 5) § 11.105 Fees.
- 27 6) § 11.106 Confidentiality of information.
- 28 7) § 11.107 Conflict of interest; Current clients.
- 8) § 11.108 Conflict of interest; Current clients; Specific rules.
- 9) § 11.109 Duties to former clients.
- 10) § 11.115 Safekeeping property.
- 11) § 11.116 Declining or terminating representation.
- 12) § 11.118 Duties to prospective client.

1
2 NEWMAN BREACHES FIDUCIARY DUTIES TO THE PLAINTIFFS

3
4 505. Between September 23, 2010 and August 25, 2016, NEWMAN was IP
5 Legal Counsel for IPH.

6 506. Between September 23, 2010 and August 25, 2016, NEWMAN was IP
7 Legal Counsel for JPL.

8 507. Between September 23, 2010 and April 17, 2012, NEWMAN was the
9 Chief Operating Officer (“COO”) of FCGL.
10

11 508. Between September 23, 2010 and April 17, 2012, NEWMAN was IP
12 Legal counsel for FCGL.

13 509. Between April 18, 2012 and August 25, 2016, NEWMAN was IP Legal
14 Counsel for FCGL.

15 510. Between March 19, 2013 and August 25, 2016, NEWMAN was a
16 member of the Board of Advisors (“BOA”) for FCGL.
17

18 511. Between December 1, 2015 and August 25, 2016, NEWMAN was the
19 Chief Legal Officer for FCGI Between January 21, 2016 and August 25, 2016,
20 NEWMAN was IP Legal Counsel for IPHLTD.
21

22 512. Between January 21, 2016 and August 25, 2016, NEWMAN was IP
23 Legal Counsel for FCGLTD

24 513. Between January 21, 2016 and August 25, 2016, NEWMAN was Chief
25 Legal Officer for FCGLTD.

26 514. Between February 2, 2016 and August 25, 2016, NEWMAN was
27 signatory on the FCGLTD Nedbank Private Wealth Bank account in Isle of Man
28

1 (“SIGNATORY”) for FCGLTD

2 515. Between July 23, 2016 and August 25, 2016, NEWMAN was Chief
3 Legal Officer for FCGNA.

4 516. On August 17, 2016, NEWMAN filed a Personal Management License
5 (“PML”) as the CLO and Director of FCLTD the Remote Software Gaming License
6 (“RSGL”) for FCGLTD.

7 517. Mahon, IPH, FCGI, and FCGNA have been damaged Defendants’
8 failures, omissions, and actions that caused the abandonment of multiple patents, some
9 of which cannot be recovered, which includes damages for delay in obtaining the patents
10 in the form of lost investment opportunities, lost funding, disgruntled investors, and
11 ongoing litigation, including the attorney fees and costs directly associated with
12 defending other ongoing litigation that was cause in whole or in part by Defendants’
13 omissions, failures, negligence, gross negligence, breach of contract, breaches of
14 fiduciary duties and other tortious conduct.

15 **FIRST CLAIM FOR RELIEF**

16 **(Professional Negligence against Newman, Newman Law, CBL, and H2)**

17 518. Plaintiffs repeat, re-allege, and incorporate by this reference, the
18 allegations contained in each and every preceding paragraph as though set forth fully
19 herein.

20 519. At different times as alleged herein, Plaintiffs had established an
21 attorney-client relationship with Newman, Newman Law, CBL, and H2 to perform legal
22 services in connection with protecting the IPR that Plaintiff Mahon owned and licensed
23 to other Plaintiffs who have licensing and or other contractual rights to commercialize
24

1 the IPR. Among other things, Newman, Newman Law, CBL, and H2 had all agreed to
2 handle and manage Plaintiffs' pending patent applications and additional patent
3 applications before the USPTO.
4

5 520. Defendants, and each of them, failed to adequately respond to the USPTO
6 in order to avoid the abandonment of each of the patent and trademark applications they
7 were commissioned to apply for, prosecute, complete to issuance and maintain at all
8 times thereafter.

9 521. Defendants also failed to keep Plaintiffs informed of the status of the
10 patents, trademarks and copyright applications and prosecutions over the course of eight
11 years and, in fact, took steps to keep Plaintiffs from knowing about the status of the
12 applications.
13

14 522. Defendants' failures to communicate with Plaintiffs, and failures to fulfill
15 the most basic steps in the prosecution of Plaintiffs' pending patents and newly filed
16 patents, trademarks and copyrights amounts to gross professional negligence.
17

18 523. As a direct result of Defendants' gross professional negligence, Plaintiffs
19 have been damaged in an amount in greater than \$15,000 to be determined at trial.

20 524. Defendants' actions as alleged herein were fraudulent, oppressive, and/or
21 malicious and warrant the award of punitive damages.
22

23 525. As a direct result of Defendants' actions Counter-claimants have been
24 forced to defend other lawsuits and litigation, and are entitled to recover the attorney
25 fees and costs from other litigation that has been commenced against them from
26 Defendants.
27

28 526. As a direct result of all of the foregoing, Plaintiffs have been required to

1 retain the services of an attorney to prosecute this claim and are therefore are entitled to
2 reasonable attorney's fees and costs.

3 **SECOND CLAIM FOR RELIEF**

4 **(Breach of Fiduciary against Newman, Newman Law, CBL, and H2)**

5
6 527. Plaintiffs repeat, re-allege, and incorporate by this reference, the
7 allegations contained in each and every preceding paragraph as though set forth fully
8 herein.

9
10 528. By virtue of their role as counsel for each of the Plaintiffs at different
11 times as alleged herein each of the Defendants had fiduciary duties to each of the
12 Plaintiffs, especially with respect to the handling and prosecution of the pending patents,
13 trademarks, copyrights and other intellectual property owned by and or licensed to each
14 of the Plaintiffs.

15
16 529. In addition to the fiduciary duties owed by virtue of their role as counsel
17 and attorneys for each of the Plaintiffs, Newman was also the Chief Operating Officer,
18 Chief Legal Officer, IP Counsel, Director, Board Advisor and bank signatory for some
19 or all of the Plaintiffs.

20
21 530. Defendants, and each of them, have breached their respective fiduciary
22 duties by their acts and omissions, negligence, gross negligence and other failures as
23 alleged herein.

24
25 531. As a direct result of Defendants' breach of their fiduciary duties,
26 Plaintiffs have incurred damages in an amount greater than \$15,000.00, the specific
27 amount to be proven at trial. In addition, Plaintiffs have been forced to defend litigation
28 asserted by others for which Plaintiffs will seek specific damages in the form of

1 attorney's fees, costs, and any liability.

2 532. Defendants' actions as alleged herein were fraudulent, oppressive, and/or
3 malicious and warrant the award of punitive damages.

4 533. As a direct result of all of the foregoing, Plaintiffs have been required to
5 retain the services of an attorney to prosecute this claim and therefore are entitled to
6 reasonable attorney's fees and costs.

7
8 **THIRD CLAIM FOR RELIEF**

9 **(Breach of Contract against Newman, Newman Law, CBL, and H2)**

10 534. Plaintiffs repeat, re-allege, and incorporate by this reference, the
11 allegations contained in each and every preceding paragraph as though set forth fully
12 herein.

13
14 535. Defendants and each of them had agreements with Plaintiffs at different
15 times as alleged herein to perform legal work relating to the protection of the IPR.
16 Specifically, Defendants agreed to handle the patent applications and other applications
17 for protection of intellectual property, including trademarks and copyrights for the IPR
18 in exchange for fees, costs, and other compensation as alleged herein.

19
20 536. Plaintiffs paid all fees, costs, and other compensation required for
21 Defendants to perform legal services relating to managing and prosecuting patent,
22 trademark and copyrights applications and other intellectual property protection for the
23 IPR.

24
25 537. Each of the Plaintiffs either own and or have, and or have had a
26 commercial license in some form to exploit and/or commercialize the IPR.

27 538. Defendants and each of them breached their respective agreements by
28

1 failing to manage, monitor, and/or prosecute both new and pending patents, trademarks
2 and copyrights relating to the IPR and otherwise abandoned, canceled and or suspended
3 each pending and new patent, trademark and or copyright application.
4

5 539. Defendants and each of them breached their respective agreements by
6 failing to submit or properly obtain patent, trademark, copyright and other protections
7 relating to the IPR despite being paid for that work.

8 540. As a result of Defendants' breaches of their respective agreements for
9 legal services, Plaintiffs have been damaged in an amount in excess \$15,000.00 to be
10 proven at trial.
11

12 541. As a direct result of all of the foregoing, Plaintiffs have been required to
13 retain the services of an attorney to prosecute this claim and therefore are entitled to
14 reasonable attorney's fees and costs.
15

16 **FOURTH CLAIM FOR RELIEF**

17 **(Contractual Breach of the Covenant of Good Fair and Dealing)**

18 542. Plaintiffs repeat, re-allege, and incorporate by this reference, the
19 allegations contained in each and every preceding paragraph as though set forth fully
20 herein.
21

22 543. Defendants and each of them had agreements with Plaintiffs at different
23 times as alleged herein to perform legal work relating to the protection of the IPR.
24 Specifically, Defendants agreed to handle the patent, trademark and copyright
25 applications and other applications for protection of intellectual property, for the IPR in
26 exchange for fees, costs, and other compensation as alleged herein.
27

28 544. Plaintiffs paid all fees, costs, and other compensation required for

1 Defendants to perform legal services relating to managing and prosecuting patent,
2 trademark and copyright applications and other intellectual property protection for the
3 IPR.

4
5 545. Each of the Plaintiffs either own and or have, and or have had a
6 commercial license in some form to exploit and/or commercialize the IPR.

7 546. Each of the respective agreements with the Defendants for the
8 performance of legal services include an implied covenant to act in good faith.

9 547. Defendants and each of them breached the implied covenant of good faith
10 and fair dealing by failing to manage, monitor, and/or prosecute both new and pending
11 patents, trademarks and copyrights relating to the IPR and further intentionally
12 concealing the status of the patents, including the abandoned patents from Plaintiffs in
13 an effort to cover up their failures, and other intentional and improper acts alleged
14 herein.
15

16
17 548. As a result of Defendants' breaches of the implied covenant of good faith
18 and fair dealing, Plaintiffs have been damaged in an amount in excess \$15,000.00 to be
19 proven at trial.

20 549. As a direct result of all of the foregoing, Plaintiffs have been required to
21 retain the services of an attorney to prosecute this claim and therefore are entitled to
22 reasonable attorney's fees and costs.
23

24 **FIFTH CLAIM FOR RELIEF**

25 **(Tortious Breach of the Covenant of Good Faith and Fair Dealing)**

26 550. Plaintiffs repeat, re-allege, and incorporate by this reference, the
27 allegations contained in each and every preceding paragraph as though set forth fully
28

1 herein.

2 551. Defendants and each of them had agreements with Plaintiffs at different
3 times as alleged herein to perform legal work relating to the protection of the IPR.
4 Specifically, Defendants agreed to handle the patent, trademark and copyright
5 applications and other applications for protection of intellectual property, for the IPR in
6 exchange for fees, costs, and other compensation as alleged herein.
7

8 552. Plaintiffs paid all fees, costs, and other compensation required for
9 Defendants to perform legal services relating to managing and prosecuting patent,
10 trademark and copyright applications and other intellectual property protection for the
11 IPR.
12

13 553. Each of the Plaintiffs either own or have, or have had a commercial
14 license in some form to exploit and/or commercialize the IPR.
15

16 554. Each of the respective agreements with the Defendants for the
17 performance of legal services include an implied covenant to act in good faith.

18 555. A special relationship of reliance existed between each of the Defendants.

19 556. Defendants and each of them tortiously breached the implied covenant of
20 good faith and fair dealing by, among other things, (i) failing to manage, monitor, and/or
21 prosecute both new and pending patent, trademark and copyright applications relating to
22 the IPR; (ii) further intentionally concealing the status of the patents, trademark and
23 copyright applications, including the abandoned patents, trademarks and copyrights from
24 Plaintiffs in an effort to cover up their failures; (iii) improperly refusing to provide
25 Plaintiffs' files concerning Plaintiffs including, without limitation, all information
26 concerning the IPR and related patents and other intellectual property protection,
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1 without receiving additional payments and compensation, despite not having any
2 grounds for any additional compensation; and (iv) other intentional and improper acts
3 alleged herein.

4
5 557. As a result of Defendants' breaches of the implied covenant of good faith
6 and fair dealing, Plaintiffs have been damaged in an amount in excess \$15,000.00 to be
7 proven at trial.

8 558. Defendants' actions as alleged herein were fraudulent, oppressive, and/or
9 malicious and warrant the award of punitive damages.

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11 559. As a direct result of all of the foregoing, Plaintiffs have been required to
12 retain the services of an attorney to prosecute this claim and therefore are entitled to
13 reasonable attorney's fees and costs.

14 **SIXTH CLAIM FOR RELIEF**

15 **(Intentional Misrepresentation)**

16 560. Plaintiffs repeat, re-allege, and incorporate by this reference, the
17 allegations contained in each and every preceding paragraph as though set forth fully
18 herein.

19
20 561. Defendants made several misrepresentations to Plaintiffs on multiple
21 occasions as alleged herein. Specifically, Newman represented that the IPR and the
22 FGI-IP were fully protected and that the pending patent applications and other
23 intellectual property applications were being properly prosecuted and handled.

24
25 562. These representations were false, and Defendants knew that the
26 representations were false when he made them, as alleged more specifically herein.

27 563. Plaintiffs reasonably relied on the representations made by Defendants on
28

1 several occasions as alleged more specifically herein. Specifically Plaintiffs continued
2 to carry on their business operations, expending funds, and seeking investors, with the
3 understanding that the primary asset upon which all the business operations were based
4 was being prosecuted and properly protected.
5

6 564. Plaintiffs have suffered damages in excess of \$15,000 as a result of
7 Plaintiffs' reliance on the false representations made by Defendants.

8 565. Defendants' actions as alleged herein were fraudulent, oppressive, and/or
9 malicious and warrant the award of punitive damages.
10

11 566. As a direct result of all of the foregoing, Plaintiffs have been required to
12 retain the services of an attorney to prosecute this claim and therefore are entitled to
13 reasonable attorney's fees and costs.

14 **SEVENTH FIFTH CLAIM FOR RELIEF**

15 **(Negligent Misrepresentation)**

16
17 1. Plaintiffs repeat, re-allege, and incorporate by this reference, the
18 allegations contained in each and every preceding paragraph as though set forth fully
19 herein.

20 2. In performing legal services for Plaintiffs under several different
21 agreements over the years, Defendants were acting within their normal business
22 operations and taking actions in which they had a pecuniary interest.
23

24 567. Among other representations alleged herein, Defendants failed to exercise
25 reasonable care or competence in representing that Defendants represented that the IPR
26 and the FGI-IP were fully protected and that the pending patent applications and other
27 intellectual property applications were being properly prosecuted and handled.
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568. These representations were false, and Defendants knew that the representations were false when he made them, as alleged more specifically herein.

569. Plaintiffs reasonably relied on the representations made by Defendants on several occasions as alleged more specifically herein. Specifically Plaintiffs continued to carry on their business operations, expending funds, and seeking investors, with the understanding that the primary asset upon which all the business operations were based was being prosecuted and properly protected.

570. Plaintiffs have suffered damages in excess of \$15,000 as a result of Plaintiffs' reliance on the false representations made by Defendants.

571. Defendants' actions as alleged herein were fraudulent, oppressive, and/or malicious and warrant the award of punitive damages.

572. As a direct result of all of the foregoing, Plaintiffs have been required to retain the services of an attorney to prosecute this claim and therefore are entitled to reasonable attorney's fees and costs.

EIGHTH CLAIM FOR RELIEF

(Fraudulent Concealment)

573. Plaintiffs repeat, re-allege, and incorporate by this reference, the allegations contained in each and every preceding paragraph as though set forth fully herein.

574. As attorney and fiduciary to Plaintiffs as more specifically alleged herein, Defendants owed specific duties to disclose the information available to him concerning the prosecution of patents and other intellectual property protection available to Plaintiffs for the IPR and the FCG-IP.

1 575. As more specifically alleged herein, Defendants actively took steps to
2 conceal the information he had concerning the status of the patent applications and other
3 intellectual property applications. Specifically, Defendants sought to conceal the fact
4 that many patents had been abandoned and other applications had been rejected.
5

6 576. Defendants knew that Plaintiffs relied upon him to disclose all
7 information he had concerning the patents applications and intellectual property
8 protection.
9

10 577. Plaintiffs reasonably relied on the representations made by Defendants on
11 several occasions as alleged more specifically herein. Specifically Plaintiffs continued
12 to carry on their business operations, expending funds, and seeking investors, with the
13 understanding that the primary asset upon which all the business operations were based
14 was being prosecuted and properly protected.
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16 578. Plaintiffs have suffered damages in excess of \$15,000 as a result of
17 Plaintiffs' reliance on the false representations made by Defendants.
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19 579. Defendants' actions as alleged herein were fraudulent, oppressive, and/or
20 malicious and warrant the award of punitive damages.
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22 580. As a direct result of all of the foregoing, Plaintiffs have been required to
23 retain the services of an attorney to prosecute this claim and therefore are entitled to
24 reasonable attorney's fees and costs.

25 WHEREFORE, Counter-claimants pray as follows:

26 1. For an award of compensatory damages against each Defendant on all
27 applicable claims, jointly and severally, in an amount in excess of \$15,000 to be proven
28 at trial.

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2. For an award punitive damages against each Defendant on all applicable claims, jointly and severally, in an amount in excess of \$15,000 to be proven at trial.
3. For an award of attorney’s fees and costs of suit; and
4. For such other and further relief as the Court deems just and proper.

DATED this 17th day of August, 2018.

HUTCHISON & STEFFEN, PLLC

/s/ Todd W. Prall
Mark A. Hutchison (4639)
Todd W. Prall (9154)

*Attorneys for Plaintiffs
David Mahon; Intellectual Properties
Holding, LLC; Jackpot Productions,
LLC; Full Color Games, Inc.; and
Full Color Games, N.A., Inc.*