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LAW OFFICES OF JACK G. CAIRL, APC
JACK G. CAIRL (State Bar No. 105335)
550 South Hope Street, Suite 1000
Los Angeles, CA 90071
Telephone: (213) 347-0290
Fax: (213) 489-4515

Attorneys for Plaintiff
JOSE ABADIN

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2009 JUN -9 PM 12:53
CLERK U.S. DISTRICT COURT
CENTRAL DISTRICT
LOS ANGELES

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

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(C)

CV09-2340 SVW (PSW/x)

JOSE ABADIN, derivatively on behalf of
STAN LEE MEDIA, INC., a Colorado
Corporation,

Plaintiff,

v.

STAN LEE, an individual,

Defendant.

CASE NO.

SHAREHOLDER'S
DERIVATIVE COMPLAINT
FOR: DECLARATORY RELIEF;
INJUNCTIVE RELIEF;
MISAPPROPRIATION OF
CORPORATE OPPORTUNITY;
AND BREACH OF FIDUCIARY
DUTY

DEMAND FOR JURY TRIAL

1 Plaintiff Jose Abadin, in his derivative capacity as a shareholder of Stan Lee
2 Media, Inc., a Colorado corporation (collectively “SLMI”), avers as follows:

3 **JURISDICTION AND VENUE**

4 1. SLMI brings this complaint as a derivative action within the meaning
5 of Rule 23.1 of the Federal Rules of Civil Procedure (the “Federal Rules”) on
6 behalf of itself and all other shareholders of SLMI that are similarly situated.

7 2. SLMI seeks a declaratory judgment, pursuant to 28 U.S.C. §§ 2201
8 and 2202.

9 3. At all times material hereto, the defendant Stan Lee knew that his
10 wrongful actions would cause the damages claimed herein within the Central
11 District of California and abroad, such that it would not offend principles of
12 fairness for this court to exercise jurisdiction over the named defendant.

13 4. This Court has jurisdiction over the copyright infringement claims
14 pursuant to the Copyright Act of 1976, 17 U.S.C. §§ 101 *et seq.*, the Lanham Act
15 claims by virtue of 15 U.S.C. §1121, 28 U.S.C. § 1331 and 28 U.S.C. § 1338(a),
16 and all other claims by virtue of 28 U.S.C. § 1338(b) and pendent jurisdiction.

17 5. Venue in this District is proper under 28 U.S.C. §§ 1391(a) and (c)
18 because a substantial part of the activities and events occurred within this district
19 and the defendant is conducting business, having principal office locations and/or
20 is a resident within this district.

21 **PARTIES**

22 6. Plaintiff Jose Abadin (“Plaintiff”) is a resident of the State of
23 California, County of Los Angeles. Plaintiff was a SLMI shareholder at the time
24 of the defendant’s wrongful acts and transactions averred below, and currently is a
25 SLMI shareholder.

26 7. The instant action is not collusive to confer jurisdiction that this Court
27 would otherwise lack.

28

1 representations, artwork, stories, plots, scripts, episodes,
2 literary property, and the conceptual universe related
3 thereto, including my name and likeness (the 'Property')
4 which will or have been in whole or part disclosed in
5 writing to, published, merchandised, advertised, and/or
6 licensed by [Stan Lee Entertainment, Inc.], its affiliates
7 and successors in interest and licensees (which by
8 agreement inures to [Stan Lee Entertainment, Inc.'s]
9 benefit) or any of them and any copyrights, trademarks,
10 statutory rights, common law, goodwill, moral rights and
11 any other rights whatsoever in the Property in any and all
12 media and/or fields, including all rights to renewal or
13 extensions of copyright and make applications or institute
14 suits therefore (the "Rights")

15 15. The October 15, 1998 Assignment provided, among other things, that
16 Stan Lee would serve as Chairman and Creative Director of SLMI, and required
17 that Stan Lee's services be exclusive to SLMI with only one stated exception:
18 those part-time services provided under a non-exclusive agreement with Marvel
19 Enterprises, Inc., which services could require no more than an average of ten to
20 fifteen hours per week.

21 16. The October 15, 1998 Assignment provided that SLMI was entitled to
22 the benefits and proceeds of all other services performed and intellectual property
23 created by defendant Stan Lee both directly for SLMI and for any other entity.

24 17. The October 15, 1998 Assignment further required that Stan Lee
25 obtain the written consent of the SLMI prior to performing any services of any
26 kind for any other entity. Despite this requirement, at no point in time has SLMI
27 ever provided Stan Lee with any written consent for him to perform any services of
28 any kind for any other entity.

1 18. On information and belief, in return for Stan Lee's assignment of all
2 of his rights of any kind to his creative universe as of October 15, 1998 and into
3 the future, SLM I and its successors in interest conveyed to Stan Lee shares in the
4 companies, agreed to pay and did, in fact, pay to Stan Lee approximately
5 \$250,000.00 per year in salary, bonuses, stock options, expenses, fringe benefits,
6 insurance and other consideration, including over 3.5 million shares in SLM I's
7 stock, which had a market value of over \$100 million in February of 2000, in
8 addition to more than \$750,000 in additional compensation paid on behalf of the
9 company by other shareholders.

10 19. Upon information and belief, Stan Lee continues to own and retain all
11 of the shares that were issued to him and has never tendered them back to SLM I.

12 20. At the time the October 15, 1998 Assignment was executed, Stan Lee
13 had full authority and right to convey all of his rights and claims to Stan Lee
14 Entertainment, Inc.

15 21. SLM I is currently the rightful owner and holder of all properties,
16 rights, claims and assets set forth in the October 15, 1998 Assignment.

17 22. The October 15, 1998 Assignment was ratified by Stan Lee over a
18 year later, on or about October 19, 1999, in an Amendment to the Assignment
19 Agreement. The Amendment contained express representations by Stan Lee that
20 the Amendment was being signed after consultation with his financial consultants
21 and legal counsel. A copy of the Amendment is attached hereto as Exhibit "B."

22 23. At all times material hereto, SLM I and its predecessors in interest
23 fully complied with the terms of the October 15, 1998 Assignment and did all
24 things required of it under the agreement in order to retain exclusive ownership
25 and right to all of the assigned assets, properties and copyrights.

26 24. On January 30, 2001, mere days before SLM I went into bankruptcy
27 on February 12, 2001, Stan Lee sent SLM I a letter purporting to terminate the
28 October 15, 1998 Assignment. Stan Lee did not return to SLM I any of the

1 consideration he received under the October 15, 1998 Assignment. A copy of the
2 letter is attached hereto as Exhibit "C".

3 25. That termination letter was void and unlawful, for a variety of
4 reasons, including that it was a preferential transfer made during a Chapter 11
5 proceeding. Furthermore, the termination letter did not effect any return of the
6 properties and property rights that Stan Lee transferred to SLM I under the October
7 15, 1998 Assignment.

8 26. On or about February 16, 2001, SLM I filed for bankruptcy protection
9 pursuant to Chapter 11 in the Central District of California, Case No. SV-01-
10 11329-KL, and which was jointly administered with Case No. SV-01-11331-KL
11 (the "Bankruptcy Case").

12 27. On April 11, 2002, in what the Bankruptcy Court, the Trustee, the
13 Creditors and Stan Lee Media, Inc.'s shareholders all reasonably believed was a
14 legitimate settlement of the creditors' claims in the Bankruptcy Case, the
15 Bankruptcy Court entered an Order pursuant to a motion brought by Stan Lee in
16 his capacity as Debtor in Possession. The Order confirmed a certain Asset
17 Purchase Agreement (the "APA") under which SLM I would transfer certain
18 properties that SLM I acquired under the October 15, 1998 Assignment would to an
19 independent company for the benefit of SLM I's creditors and shareholders.

20 28. Unbeknownst to all but defendant Stan Lee and his agents, the APA
21 was a sham fraud because "independent" company that was to receive the
22 Properties under the APA did not exist. Rather, Stan Lee never formed the
23 independent company, and instead secretly created another company that he owned
24 and controlled to receive the properties, and then caused the properties to be
25 transferred to that company (the "Surreptitious Transfer"). Thus, through direct
26 and intentional misrepresentation to the Bankruptcy Court and the other parties to
27 the Bankruptcy Case, Stan Lee misappropriated the properties for his own benefit.
28 Because of the efforts of Stan Lee and his agents to conceal Stan Lee's wrongful

1 conduct, the above-described wrongful actions could not reasonably be discovered
2 until the late Fall of 2006.

3 29. On December 6, 2006, SLMI's bankruptcy action was dismissed, but
4 SLMI remained an existing entity.

5 30. On January 20, 2009, in a case pending in the United States District
6 Court, Central District of California (Case No. CV 07-00225), the Hon. Stephen V.
7 Wilson ruled that Stan Lee and his entities did not acquire the rights to the
8 properties by way of the Surreptitious Transfer. Thus, the properties rightfully
9 remain with SLMI. Nevertheless, Stan Lee and his agents continue to contend
10 that the properties no longer belong to SLMI based upon the invalid termination
11 letter of January 30, 2001.

12 31. Contrary to SLMI's ownership rights to the assets, properties and
13 copyrights, Stan Lee has used, marketed, licensed, merchandised, promoted,
14 advertised and otherwise exploited the assets, copyrights and properties for his
15 own financial benefit, and without the participation, authority and consent of
16 SLMI.

17 32. Contrary to SLMI's ownership rights to the assets, properties and
18 copyrights, Stan Lee has not paid to SLMI the income, proceeds and profits from
19 Stan Lee's unauthorized use, marketing, licensing, merchandising, promotion,
20 advertising and exploitation of the assets, properties and copyrights.

21 33. As Stan Lee has received income, proceeds and profits from the use,
22 marketing, licensing, merchandising, promotion, advertising and exploitation of
23 the assets, properties and copyrights, as well as from third parties for services
24 rendered, Stan Lee has a duty to account to and pay to SLMI.

25 34. Stan Lee has wrongfully utilized and wrongfully received income
26 from the use of Stan Lee's name, likeness, persona, and signature slogans, which
27 he cannot utilize for any purpose because he had assigned them to SLMI.
28

1 59. While Stan Lee was acting as a director and officer of SLMI, he
2 intentionally failed to perform his duties as director and officer, so that the assets,
3 properties and copyrights of SLMI were mismanaged, wasted, and diverted, and
4 SLMI's copyright interests were infringed.

5 60. SLMI has thereby suffered great loss, the value of SLMI's stock and
6 dividends has suffered great loss, and SLMI's other shareholders have been
7 similarly damaged.

8 61. Defendant Stan Lee further intentionally permitted SLMI's property,
9 property rights, and contractual rights to be diverted for Stan Lee's personal
10 benefit. Stan Lee has been unjustly enriched as the result of his intentional failure
11 to perform his duties as director and officer of SLMI.

12 62. In committing the above acts and omission, Stan Lee performed
13 willful and wanton conduct, acted with malice by carrying on despicable conduct
14 with a willful and conscious disregard of his duties and the rights of SLMI, and
15 acted with fraud, intentional misrepresentation, deceit or concealment.

16 63. As a result, SLMI is entitled to compensatory and punitive damages.

17 **FOURTH CAUSE OF ACTION FOR BREACH OF FIDUCIARY DUTY**

18 64. SLMI repeats and re-avers each and every allegation contained in
19 paragraphs 1 through 36 above as if fully set forth herein.

20 65. SLMI brings this action against the defendant Stan Lee, who has
21 violated his obligation of duty.

22 66. At all times material to this cause of action, defendant Stan Lee was a
23 director and officer of SLMI.

24 67. At all times material to this cause of action, defendant Stan Lee owed
25 a duty to SLMI to act in the best interest of SLMI, while subordinating his own
26 personal interests to those of SLMI.

27 68. While defendant Stan Lee was purportedly acting in his fiduciary
28 capacity as a director and officer of SLMI, he failed to perform his fiduciary duties

1 as director and officer so that the assets, properties and copyrights of SLMI were
2 mismanaged, wasted, and diverted.

3 69. In committing the above acts and omission, Stan Lee performed
4 willful and wanton conduct, acted with malice by carrying on despicable conduct
5 with a willful and conscious disregard of his duties and the rights of SLMI, and
6 acted with fraud, intentional misrepresentation, deceit or concealment.

7 70. As a result, SLMI is entitled to compensatory and punitive damages.

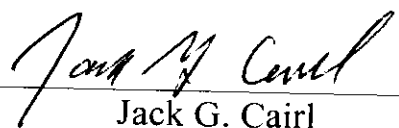
8 **PRAYER FOR RELIEF**

9
10 WHEREFORE, SLMI prays for relief as follows:

- 11 1. On the First Claim for Relief– For declaratory and injunctive relief against
- 12 Stan Lee, and attorneys fees and costs;
- 13 2. On the Second Claim for Relief – For declaratory and injunctive relief
- 14 against Stan Lee, and attorneys fees and costs;
- 15 3. On the Third Claim for Relief – For compensatory and punitive damages
- 16 and attorneys’ fees and costs in an amount to be determined by the Court;
- 17 4. On the Fourth Claim for Relief – For damages in an amount to be
- 18 determined at trial and attorneys fees and costs; and
- 19 5. On all Claims for Relief – For such other legal and equitable remedies that
- 20 this Court may deem just and proper.

21
22 DATED: April 2, 2009

23
24 LAW OFFICES OF JACK G. CAIRL, APC

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28 Jack G. Cairl
Counsel for Plaintiff JOSE ABADIN

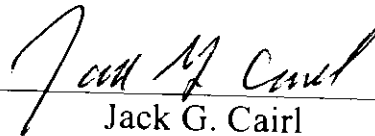
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DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial on any and all issues so triable.

DATED: April 2, 2009

LAW OFFICES OF JACK G. CAIRL, APC



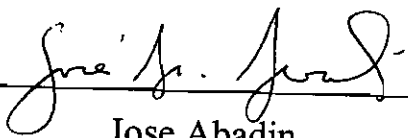
Jack G. Cairl
Counsel for Plaintiff JOSE ABADIN

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VERIFICATION

I, Jose Abadin, am a shareholder of Stan Lee Media, Inc., and I have brought the above-entitled action this action in my derivative capacity as such a shareholder. I have read the foregoing Shareholder's Derivative Complaint and know the averments in the Complaint. The averments are either true based on my knowledge, or allege facts of which I am informed and believe to be true.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this declaration is executed at Los Angeles, California on March 31, 2009.



Jose Abadin

EXHIBIT A

Stan Lee Entertainment Inc.
15821 Ventura Blvd., Suite 675
Encino, CA 91436

October 15, 1998

Mr. Stan Lee
9143 Oriole Way
Los Angeles, CA 90068

Re: Employment Agreement/Rights Assignment

Dear Stan:

Confirming our discussions, this letter, when accepted and agreed by you, shall constitute an agreement between you and Stan Lee Entertainment Inc. (the "Company") relating to the terms of your employment with the Company as set forth below:

1. Stan Lee will serve as Chairman and Chief Creative Officer of Company, based in Los Angeles, for a term commencing as of the date hereof and terminating on the death of Stan Lee.
2. Stan Lee's services shall be exclusive with the exception of those services provided under a lifetime agreement with Marvel Enterprises, Inc., which shall require no more than an average of 10 - 15 hours per week on its behalf. All other services performed and intellectual property created for the Company, or for any other entity, which entity shall be approved in writing by the Company, shall inure to the benefit of the Company to the entire extent your participation provides. Your services to Company shall include, but not be limited to, the following:
 - (a) Serve, and be listed in all directories and publications, as Chairman, Publisher and Chief Creative Officer of the Company, including attending corporate meetings, developing and

Page 2. Employment Agreement/ Stan Lee

supervising development and production of intellectual property in any and all media, directing and guiding the creative staff or staffs of the Company, all subsidiaries and affiliates as reasonably requested by the company.

- (b) Act as Executive Producer or Co-Executive Producer for all media productions and receive customary fees accordingly;
 - (c) Apply your good faith, best efforts to enhance the brand and good will of the company, support and stimulate strategic alliances, joint ventures, sponsors, production partners and all direct and ancillary business of the company,
 - (d) Serve as spokesman for the company to all media and assemblies as reasonably requested by the company.
 - (e) Take all actions and contribute all creative talents within your reasonable capability, pursuant to your good faith determination of your schedule, as may reasonably be required to advance the interests of the company.
3. As compensation to you for all rights and services contributed by you, to the Company hereunder, notwithstanding any disability, the Company agrees to provide the following compensation for your life:
- a) Base Salary - You shall receive a base salary of \$250,000 (Two Hundred Fifty Thousand Dollars) per annum payable in equal monthly installments commencing February 1, 1999, payable to you or any company you so designate in lieu of making payments to you individually.

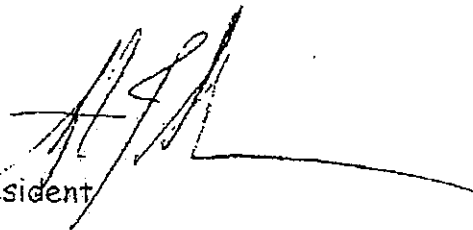
- b) Bonuses - You shall receive bonuses on those projects you personally initiate and/or accomplish with approved entities from your participation as assigned to the company. You shall also receive ten per cent of all net profits after taxes reported by the Company on its Federal Tax Return. The Company will compute, account and pay to you your participation due, if any, on account of said profits, for the annual period ending each January 31 during your life, on an annual basis within a reasonable time after the end of each such period.
- c) Stock Options - The Company agrees to issue to you, in accordance with the Company's Stock Option Plan, as and when it may be adopted, the highest number of options offered to Company executives.
- d) Expenses/Fringe Benefits - You are to receive prompt reimbursement for all ordinary and necessary business expenses incurred by you in connection with your activities on behalf of the Company upon presentation of appropriate documentation, and you shall be permitted your customary style of business travel, which shall be first class with sedan limousine and stay in deluxe hotels.
- e) Insurance - The company shall no later than December 31, 1998, secure a term life insurance policy in the minimum principal sum of two million dollars, providing your designated heir as co-beneficiary with the company on the event of your death.

4. In express consideration for the performance of the foregoing obligations of the Company, you agree as follows:
- a) I assign, convey and grant to the Company forever, all right, title and interest I may have or control, now or in the future, in the following: Any and all ideas, names, titles, characters, symbols, logos, designs, likenesses, visual representations, artwork, stories, plots, scripts, episodes, literary property, and the conceptual universe related thereto, including my name and likeness (the "Property") which will or have been in whole or part disclosed in writing to, published, merchandised, advertised, and/or licensed by Company, its affiliates and successors in interest and licensees (which by agreement inures to Company's benefit) or any of them and any copyrights, trademarks, statutory rights, common law, goodwill, moral rights and any other rights whatsoever in the Property in any and all media and/or fields, including all rights to renewal or extensions of copyright and make applications or institute suits therefor (the "Rights").
 - b) Subject to a material breach of this agreement, I hereby agree to execute upon request from Company any documents it deems reasonably necessary to effect the purposes of this agreement,
 - c) Subject to a material breach of this agreement, I will never file with the U.S. Copyright or Patent and Trademark Office or any governmental or public agency, and will never assert or assist others in asserting on my behalf or in claiming rights through me, any claim to ownership of the Rights in the Property, or in making any objection to Company's complete and unrestricted right to use and exploit said Property or Rights in any form, manner or medium Company may desire.

5. This Agreement, including the assignment set forth herein, shall be binding upon the parties hereto, their affiliates and subsidiaries, legal representatives, successors and predecessors in interest, heirs and assigns.
6. The invalidity of any provision or part hereof or obligation hereunder, or the contravention thereby of any law, rule or regulation of any State, the Federal Government or any agency, shall not relieve any party from its obligation under, nor deprive any party of advantages of any other provision of this Agreement.
7. This Agreement will constitute the entire understanding between the parties in connection with Stan Lee's relationship with the Company from the date hereof and may not be amended or modified except by a writing signed by the party charged. This agreement shall be governed by and construed under the laws of the State of California.

Signed at Los Angeles, California this 21st day of October, 1998.

Stan Lee Entertainment Inc.

By: 
President

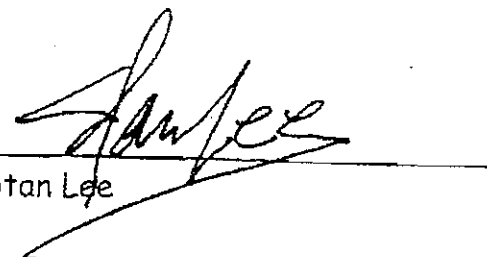

Stan Lee

EXHIBIT B

STAN LEE
9143 Oriole Way
Los Angeles, CA 90068
As of October 8, 1999

Board of Directors of
Stan Lee Media, Inc.
15821 Ventura Boulevard, Suite 675
Encino, CA 91436

Re: Amendment to Employment Agreement/Rights Agreement

Ladies and Gentlemen:

Reference is made to that certain Employment Agreement/Rights Agreement dated as of October 15, 1998 (the "Agreement"), with Stan Lee Media, Inc., as successor-in-interest to Stan Lee Entertainment, Inc. (the "Company").

I have been represented by financial advisors and independent counsel of my own choice throughout all negotiations which have preceded the execution of this letter agreement, and have executed this letter agreement with the consent and upon the advice of such independent advisors, or have knowingly, voluntarily and willingly waived the right to such independent advisors. I represent and warrant to the Company that no person, or any agent or attorney of any person, has made any promise, representation or warranty whatsoever, express or implied, not contained in this letter agreement concerning the subject matter hereof to induce the execution of this letter agreement and acknowledge execution of this letter agreement was not in reliance upon any promise, representation or warranty not contained in this letter agreement. I hereby relinquish all right, title and interest to receive ten percent (10%) of all net profits after taxes reported by the Company on its Federal Tax Return as provided for in Section 3(b) of the Agreement. Except as otherwise amended hereby, the Agreement shall remain in full force and effect.

If you have any questions regarding the foregoing, please feel free to contact the undersigned.

EXCELSIOR!

/s/ Stan Lee
STAN LEE

EXHIBIT B PAGE 19

ACCEPTED AND APPROVED:
Stan Lee Media, Inc.

By: /s/ Gill Champion

Gill Champion,
Chief Operating Officer

Dated: October 22, 1999.

EXHIBIT B PAGE 20

EXHIBIT C

LIEBERMAN & NOWAK, LLP

ATTORNEYS AT LAW

350 FIFTH AVENUE
NEW YORK, NEW YORK 10118
TELEPHONE: (212) 947-0500
TELEFAX: (212) 947-0117
E-MAIL: lp@lieberman-nowak.com

January 30, 2001

Via Facsimile: 818-461-1760

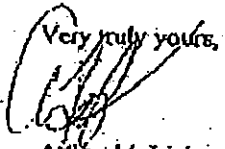
Ken Williams
Chief Executive Officer
Stan Lee Media
15821 Ventura Blvd., Suite 675
Encino, CA 91436

Dear Ken:

I have been authorized by Stan Lee to inform you that he considers his agreement dated October 15th, 1998 with the company to be terminated for Material Breaches. Included are: failure of the company to pay salary and expenses pursuant to Agreement; failure of the company to maintain insurance in the principle sum of \$2,000,000 to his designated heir as co-beneficiary; failure of the company to protect his position as Chief Creative Officer; failure of the company to permit him to serve as spokesman of the company; failure of the company to provide him with first class sedan limousine services; and failure of the company to protect his name from constant forgery.

In the agreement, such material breaches expressly permit Stan to claim rights and ownership in the Properties such as defined in the agreement, which I hereby do on his behalf, including the trademarks, copyrights, and unfiled Intellectual Property of the company.

Notwithstanding such material breaches, he will continue to perform services to the company to assure the equitable distribution of assets to creditors and stockholders alike and to that end waive as much of his claim to rights in this Property as is reasonable under the circumstances as the facts continue to emerge.

Very truly yours,


Arthur M. Lieberman

AML:hc

cc: Stan Lee

THE EMPIRE STATE BUILDING
74th FLOOR

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

ORIGINAL

I (a) PLAINTIFFS (Check box if you are representing yourself <input type="checkbox"/>) JOSE ABADIN, derivatively on behalf of STAN LEE MEDIA, INC., a Colorado Corporation,	DEFENDANTS STAN LEE, an individual
--	--

(b) Attorneys (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.) Law Offices of Jack G. Cairl, APC 550 S. Hope Street, Ste. 1000 Los Angeles, CA 90057	Attorneys (If Known)
--	----------------------

II. BASIS OF JURISDICTION (Place an X in one box only.) <input type="checkbox"/> 1 U.S. Government Plaintiff <input checked="" type="checkbox"/> 3 Federal Question (U.S. Government Not a Party) <input type="checkbox"/> 2 U.S. Government Defendant <input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)	III. CITIZENSHIP OF PRINCIPAL PARTIES - For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant.) <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> <td style="width:40%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> </tr> <tr> <td>Citizen of This State</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business in this State</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business in Another State</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table>		PTF	DEF		PTF	DEF	Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
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IV. ORIGIN (Place an X in one box only.)

1 Original Proceeding
 2 Removed from State Court
 3 Remanded from Appellate Court
 4 Reinstated or Reopened
 5 Transferred from another district (specify):
 6 Multi-District Litigation
 7 Appeal to District Judge from Magistrate Judge

V. REQUESTED IN COMPLAINT: **JURY DEMAND:** Yes No (Check 'Yes' only if demanded in complaint.)

CLASS ACTION under F.R.C.P. 23: Yes No **MONEY DEMANDED IN COMPLAINT:** \$ injunction, dec relief, damages

VI. CAUSE OF ACTION (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)
 Shareholder Derivative action for declaratory relief, injunctive relief, and damages according to proof re ownership and misappropriation of intellectual property rights

VII. NATURE OF SUIT (Place an X in one box only.)

OTHER STATUTES <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Act <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Info. Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes	CONTRACT <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	TORTS PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Fed. Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury-Med Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus-Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	TORTS PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability BANKRUPTCY <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 American with Disabilities - Employment <input type="checkbox"/> 446 American with Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus/Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition FORFEITURE / PENALTY <input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety /Health <input type="checkbox"/> 690 Other	LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act PROPERTY RIGHTS <input checked="" type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
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CV09-2340

FOR OFFICE USE ONLY: Case Number: _____

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET**

VIII(a). IDENTICAL CASES: Has this action been previously filed in this court and dismissed, remanded or closed? No Yes
If yes, list case number(s): _____

VIII(b). RELATED CASES: Have any cases been previously filed in this court that are related to the present case? No Yes
If yes, list case number(s): CV 07-00225 SVW; CV 07; CV 07- 4438 SVW

Civil cases are deemed related if a previously filed case and the present case:

- (Check all boxes that apply) A. Arise from the same or closely related transactions, happenings, or events; or
 B. Call for determination of the same or substantially related or similar questions of law and fact; or
 C. For other reasons would entail substantial duplication of labor if heard by different judges; or
 D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

IX. VENUE: (When completing the following information, use an additional sheet if necessary.)

(a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named plaintiff resides.
 Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District, State, if other than California; or Foreign Country
Los Angeles County	

(b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** named defendant resides.
 Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles County	

(c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which **EACH** claim arose.
Note: In land condemnation cases, use the location of the tract of land involved.

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles County	

* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties

Note: In land condemnation cases, use the location of the tract of land involved.

X. SIGNATURE OF ATTORNEY (OR PRO PER): *John M. Carr* Date April 2, 2009

Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))