

# EXHIBIT 18

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
IN AND FOR THE COUNTY OF KING

1st Technology LLC,  
Plaintiff,

v.

BODOG ENTERTAINMENT GROUP S.A.,  
BODOG.NET, AND BODOG.COM,  
Defendants.

Case No. 07-2-25305-0 SEA

MOTION FOR WRIT OF  
EXECUTION RE REPLACEMENT  
(ADDITIONAL) DOMAIN NAMES

I. INTRODUCTION

1ST Technology LLC ("**1st Technology**") seeks an Order effecting transfer of replacement domain names registered by Bodog Entertainment Group S.A. ("**Bodog**") in contravention of this Court's Order.

1st Technology is the holder of a patent who sued Bodog in the District of Nevada, and obtained a Judgment from the District of Nevada. Bodog is a foreign entity which operates online gambling websites in contravention of Washington (and United States) laws. Bodog has a professed strategy of frustrating its creditors by secreting its assets. Notwithstanding that Bodog has

1 applied for relief from the Judgment entered in the District of Nevada, the Court  
2 should not allow Bodog to continue Bodog's operations in violation of the law.

## 3 II. FACTUAL BACKGROUND

### 4 A. Bodog's Operations

5 Bodog is widely acknowledged to operate a gambling websites,  
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7 including those accessible at www.newbodog.com (the "**Sites**"). Indeed,  
8 Bodog obtained a U.S. service mark registration for the mark "Bodog," and in  
9 the application for the mark described its products and services as follows:

10 Entertainment services, namely, providing sports wagering, event  
11 wagering, casino tournaments, in the nature of online gaming  
12 competitions, and games of chance via the Internet and television, such  
13 games of chance including but not limited to card games, including  
14 blackjack, poker, roulette, bingo, let it ride, war, red dog, baccarat/mini  
15 baccarat, spanish 21, big six, big 2, craps, keno, pai gow tiles, pai gow  
16 poker, sic bo, slot machines, video poker, lottery, blackjack switch, casino  
17 hold 'em, scratch and win, solitaire, free cell, hearts, spades, hangman,  
18 mine sweeper, 9 ball pool, 8 ball pool and lotteries.

19 Bodog is widely described, including in articles in the mainstream press, as  
20 operating outside the bounds of United States jurisdiction. (See, Lewis Decl., Exs.  
21 A and B.) Among other things, this is due to the fact that Bodog operates online  
22 gambling operations which run afoul of United States and state laws.

### 23 B. The Lawsuit

24 1st Technology is the holder of United States Patent 5,564,001, entitled,  
25 "Method and System for Interactively Transmitting Multimedia Information Over  
26 a Network which Requires a Reduced Bandwidth". It sued Bodog in District  
27 Court in Nevada, served a copy of the Complaint on Bodog's offices as listed

1 on its website and in Bodog's filings with government agencies. (Lewis Decl., 3.)

2 Bodog failed to appear and the Nevada court issued a judgment in favor of 1st

3 Technology. 1st Technology registered that judgment in the State of

4 Washington and commenced collection efforts. (Lewis Decl., 4.) It sought (and

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6 this Court issued) an Order requiring all domain names registered to Bodog or an

7 affiliate to be transferred to 1st Technology. (Lewis Decl., 4.)

8 The registrar through which the Domain Names were registered (eNom

9 Incorporated) complied with the Court's Order, and transferred the Domain

10 Names to 1st Technology. (Lewis Decl., 5.) Bodog in response registered

11 identical replacement domain names – it added a “new” in front of the existing

12 domain names and registered new domain names with a registrar located in

13 Vancouver Washington. (Lewis Decl., 6.) The names were actually registered

14 through another entity called Lyons Finance (of Malta). However, it is clear that

15 “newbodog.com” is the same as “bodog.com” and are both operated by the

16 same entity, notwithstanding that the domain names are registered by an off-

17 shore third party. (Lewis Decl., 7.) Bodog advised users of the Sites that they

18 should start using the new websites – i.e., Bodog publicly declared that it would

19 work to frustrate the Court Order issued in favor of 1st Technology. (Lewis Decl.,

20 Ex. C.) 1st Technology now seeks an Order requiring the new registrar or Bodog

21 to transfer the new/replacement domain names to 1st Technology.  
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1 **III. EVIDENCE RELIED UPON**

2 1st Technology relies on the Declaration of Scott Lewis, and the pleadings  
3 and materials already on file.

4 **IV. ARGUMENT AND AUTHORITY**

5 **A. A WRIT OF EXECUTION SHOULD ISSUE FOR THE REPLACEMENT DOMAIN**  
6 **NAMES**

7  
8 This Court issued an Order enjoining Bodog "and any third parties . . . from  
9 using in any way the Domain Names and . . . attempting to re-register the  
10 Domain Names . . . ." Promptly thereafter, 1st Technology took steps to  
11 implement the Order, Bodog created new websites identical to the Sites.  
12 Bodog registered identical domain names but added a "new" prefix. Bodog re-  
13 launched all of their Sites at these new domain names. For example, Bodog's  
14 flagship gambling site was re-launched at "newbodog.com." Bodog's conduct  
15 is in violation of the spirit of the Court's Order. For the same reasons that the  
16 Court issued the Order granting the Writ of Execution requested by 1st  
17 Technology, the Court should issue an Order requiring all of the replacement  
18 domain names to be transferred to 1st Technology.  
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21 The fact that the replacement domain names are registered to a different  
22 entity is not dispositive. It's apparent from the statements made on the  
23 bodog.com website that "Bodog" is the beneficial owner of these websites.  
24 Accordingly, these new domain names should be transferred to 1st Technology.  
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1 **B. 1ST TECHNOLOGY'S COLLECTION EFFORTS SHOULD NOT BE STAYED**

2 Courts refuse to facilitate illegal conduct. For example, one court said  
3 courts should "refuse . . . to aid knowingly in the furtherance of an illegal  
4 transaction." Baugh v. Dunstan & Dunstan, 67 Wn.2d 710, 713 (Wash. 1966)  
5 (refusing to enforce sham contract entered into for tax avoidance purposes);  
6 Melton v. United Retail Merchs., 24 Wn.2d 145, 162 (Wash. 1945) ("A party to  
7 such an illegal contract cannot recover by proving such illegal contract and the  
8 carrying out of the same by him, for the simple reason that courts will not lend  
9 their sanction and aid to such illegal contracts by allowing one to recover  
10 thereon."). A doctrine which co-exists side-by-side with this principle is that  
11 parties must come to court with clean hands. Because the sites which Bodog  
12 operates violate Washington (and US) laws, the Court should not grant Bodog  
13 any relief.  
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17 **1. Bodog engages in illegal conduct, and has unclean hands.**

18 It is a well accepted maxim that a party seeking relief must do so with  
19 clean hands. A related corollary is that courts will not grant relief sought by a  
20 party to the extent the relief sought aids the party's improper conduct. Bodog  
21 runs a website on which people can (and do) gamble. Public reports  
22 acknowledge that Bodog reaps millions of dollars per month from its internet  
23 gambling operations (Lewis Decl., Ex. B), and that United States residents are not  
24 restricted from accessing Bodog's websites. (Id.) As such, Bodog's operation of  
25 its website is in contravention of Washington (and US) law.  
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1 In 2006, the Washington legislature passed Washington's internet  
2 gambling law, which "chang[ed] the penalty for Internet gambling from a gross  
3 misdemeanor to a class C felony." Although this law clarified the status of  
4 internet gambling, materials promulgated (for example) by the Washington  
5 State Gambling Commission iterate that "Internet gambling has always been  
6 illegal in Washington State and in the United States." (Lewis Decl., Ex F.) United  
7 States law similarly prohibits online (internet) gambling. In 2006, Congress passed  
8 the "Unlawful Internet Gambling Enforcement Act of 2006" (31 USC § 5361, et  
9 seq.). This law criminalizes the acceptance of funds from bettors by operators of  
10 most online gambling Websites. Under both of these laws, there may be some  
11 dispute as to whether persons or entities peripheral to the online gambling  
12 operation – such as advertisers or service providers – are covered. However, an  
13 operator of an online gambling website (such as Bodog) is clearly covered  
14 under these laws.  
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18 2. Bodog represents a flight risk.

19 For various reasons, including those relating to the legality of its operations,  
20 Bodog does not have any offices in the United States. It is not registered to  
21 conduct business in the State of Washington or in any other state. When faced  
22 with litigation, Bodog's professed strategy (as described in one industry  
23 newspaper) is to "'appeal, appeal, and keep appealing,' and in the end, make  
24 sure Bodog has no assets in the U.S. to collect." (Lewis Decl., Ex G.) Similarly,  
25 Forbes magazine reports in an article about Bodog and its CEO Calvin Ayre that:  
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1 Bodog has no physical presence in the U.S., Ayre is not an American  
2 citizen, and the extraterritorial reach of U.S. law is not clear. Ayre, at any  
3 rate, has no assets in the U.S. for the G-men to seize.

4 (Lewis Decl., Ex. B.) Indeed, Bodog made public statements in the context of  
5 this dispute that Bodog would not let 1st Technology, or a court order stand in  
6 the way of its operations. It is estimated that Bodog generates in excess of \$200  
7 million dollars in online sales per year. (Lewis Decl., Ex. B.) Although it had  
8 significant United States customers it paid no taxes to United States authorities.  
9 (Id.) As such, Bodog represents a flight risk with respect to which collection  
10 efforts should not be stayed. Indeed, Bodog merely uses the Sites to siphon  
11 money to its offshore accounts. In these circumstances, it is not appropriate to  
12 cease 1st Technology's collections efforts. 1st Technology will suffer the obvious  
13 prejudice of not having any assets against which to enforce its judgment.  
14

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16 **C. THE COURT SHOULD REQUIRE BODOG TO POST BOND AS A PREREQUISITE TO  
17 STAYING EXECUTION**

18 While Bodog has not sought a stay of the underlying Judgment, counsel  
19 for Bodog advised counsel for 1st Technology that it intends to do so. While 1st  
20 Technology believes that a stay is not appropriate, it submits that any stay  
21 should be premised upon Bodog posting bond in an amount sufficient to satisfy  
22 the underlying judgment.  
23

24 **V. CONCLUSION**

25 As set forth above, 1st Technology requests that the Court Order the  
26 replacement domain names to be transferred to it and that Bodog be enjoined  
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1 from further registering any similar or replacement domain names. Additionally,  
2 given Bodog's illegal conduct and unclean hands, and that fact that Bodog  
3 represents a flight risk, 1st Technology's collections efforts should not be stayed  
4 pending resolution of the Nevada Motion (absent posting of a bond sufficient to  
5 cover the underlying judgment).  
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7 Respectfully submitted,

8 Dated this September 4, 2007.

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11 Venkat Balasubramani, WSBA No. 28269  
12 Attorneys for 1st Technology LLC  
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1 **CERTIFICATE OF SERVICE**

2 I hereby certify and declare that on September 4, 2007, I caused the  
3 attached Motion Seeking Writ of Execution Regarding Replacement Domain  
4 Names (along with the supporting documents) to be transmitted to counsel for  
5

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7 Derek A. Newman (Newman & Newman, Attorneys at Law, LLP)  
8 Randall Moeller  
9 505 Fifth Avenue South Suite 610  
10 Seattle, Washington 98104  
206.274.2800 - Phone  
206.274.2801 - Fax

11 I declare under penalty of perjury that the foregoing is true and correct.  
12 Executed on September 4, 2007, at Seattle, Washington.

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15 Venkat Balasubramani, WSBA No. 28269  
16 Attorneys for 1<sup>st</sup> Technology LLC  
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