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service of the complaint. Good cause exists when a party demonstrates excusable neglect and the following factors are considered: "(a) the party to be served personally received actual notice of the lawsuit; (b) the defendant would suffer no prejudice; and (c) plaintiff would be severaly prejudiced if his complaint were dismissed." Lemoge v. U.S., 587 F.3d 1188, 1198 (9th Cir. 2009). To determine whether circumstances rise to the level of excusable neglect (and therefore whether good cause exists), a court will consider "(1) the danger of prejudice to the opposing party; (2) the length of the delay and its potential impact on the proceedings; (3) the reason for the delay; and (4) whether the movant acted in good faith." Id. at 1192.

Here, good cause exists because the Plaintiff and Defendant have been in constant communication regarding the lawsuit almost since the lawsuit was filed. Declaration of W. Klomp at ¶4, attached hereto as Exhibit "1". GameTech filed its complaint on or about March 31, 2011. Complaint (Dkt. #1). Since that time, the Parties have been engaged in efforts to negotiate a settlement and are at the cusp of settling this matter without court involvement at all. Klomp Decl. at ¶5. With a few more weeks, it is likely the parties will have settled this matter. Id.

Given that the Parties are working amicably toward a full and final resolution, neither party would suffer prejudice if this Court granted a short extension of the time to serve the complaint. In fact, counsel for Plaintiff has discussed this request with counsel for Defendant. Defendant's counsel has expressed that Defendant would prefer to continue settlement negotiations rather than engage in potentially prolonged and expensive discovery and litigation. Id. at ¶6. Both parties are interested in conserving resources and resolving this dispute without incurring the time and expense associated with mandatory litigation deadlines. Id.

Finally, Defendant in this action has filed a separate action regarding the same transactions about which Plaintiff complains in the Federal District Court in and for the District of South Carolina. Palmetto Paper & Specialties Inc. v. GameTech Int'l, Inc., Case No. 3:11-cv-00960 (D.S.C. Apr. 21, 2011). Service has not been completed against GameTech as defendant in that action. The Parties are keenly aware of the service issues in that case and are attempting to resolve both lawsuits prior to the time for service in the South Carolina Action.

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Because there will be no prejudice to the Defendant and Defendant is aware of the lawsuit, because the purpose of the delay is to potentially avoid litigation completely, and finally because GameTech has acted in good faith in requesting this extension, good cause exists and an extension of 60 days should be granted for the time in which Plaintiff has to serve the Defendant with the complaint in order to give the Parties time to resolve this conflict.

DATED this 29th day of July, 2011.

JONES VARGAS

/s/ Wayne Klomp
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Attorneys for Plaintiff
GameTech International, Inc.

IT IS SO ORDERED.

UNITED STATES MAGISTRATE JUDGE

August 1, 2011
Dated:

JONES VARGAS 100 W. Liberty Street, 12th Floor P.O. Box 281 Reno, Nevada 89504-0281 Tel: (775) 786-5000 Fax: (775) 786-1

EXHIBIT 1

- 5. I believe the parties are close to resolving both this lawsuit and the lawsuit filed by Palmetto in South Carolina against GameTech International. I believe that within a few more weeks, the parties will have resolved this matter or will be prepared to litigate having given every effort to the resolution of their differences.
- 6. In speaking with counsel for the Defendant, he is aware of the filing of this request for extension of time and, in fact, encouraged the filing of the request rather than the service of the Complaint which would initiate litigation deadlines which both parties seek to avoid.

I, WAYNE KLOMP, do hereby swear under penalty of perjury, that the assertions of this affidavit are true.

/s/ Wayne Klomp WAYNE KLOMP