IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI WESTERN DIVISION

GREGORY SANDERS, et al.,)
Plaintiffs,))
v.) Case No. 04-0695-CV-W-HFS
ROBERT GREENE, et al.,)
Defendants.)

<u>DEFENDANTS' MOTION FOR ORDER</u> <u>CONFIRMING ARBITRATION AWARD</u>

COME NOW defendants William Stankey, Robert Greene and Westport Entertainment Associates, LLC, pursuant to 9 U.S.C. §§ 9 and 13, and move for an Order Confirming the Arbitration Award as a Judgment of this Court.¹

The arbitration hearing occurred over the course of three days; August 21, 22 and 23, 2006. The arbitrator entered his final arbitration award on March 2, 2007. (attached hereto as Ex. 'A'). In that final arbitration award, the arbitrator incorporates by reference four other orders and partial awards; March 10, 2006 (Ex. 'B'); June 30, 2006 (Ex. 'C'); August 3, 2006 (Ex. 'D'); and August 7, 2006 (Ex. 'E'). Exhibits A-E are the complete final arbitrator's award.²

In its Order of December 21, 2006 (Doc. 46), the Court ordered that the parties file a status report on or before March 20, 2007. Defendants respectfully request that this motion, which apprises the Court of the status of the action, be accepted as fulfilling the requirements of said Order.

In addition, Exhibits A-E provide a lengthy detailed description of the procedural history of the arbitration that will not be repeated in the text of this document.

Respectfully submitted,

BOWER BELANCIO, LLC

By /s/ Michael L. Belancio

Michael L. Belancio MO # 50115 800 West 47th Street, Suite 215 Kansas City, Missouri 64112 (816) 960-4911 (Telephone) (816) 960-3711 (Facsimile) mbelancio@bblawkc.com

ATTORNEY FOR DEFENDANTS STANKEY, GREENE AND WESTPORT

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing document was filed electronically with the above-captioned court, with notice of case activity to be generated and sent electronically by the Clerk of said court (with a copy to be mailed to any individuals who do not receive electronic notice from the Clerk) this 9th day of March, 2007.

/s/ Michael L. Belancio
ATTORNEYS FOR DEFENDANTS

AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders, Tad Deorio, Chris Marsey, Ron Hoffman, Robert Hatlelid MD d/b/a Vertical Market Applications and William Stankey, Robert Greene and Westport Entertainment Associates, LLC

ARBITRATION AWARD

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, 2005, and having been duly sworn, make the following award in this case after conducting a hearing and considering the evidence.

The record consists of slightly less than 300 hundred pages of briefs submitted by the parties, in addition to various affidavits, Plaintiffs' 73 exhibits and Respondents' eight exhibits. The hearings took place over three days, August 21-23, 2006 in Windsor Locks, Connecticut. Counsel appeared and represented all parties.

The procedural history in this matter is recited in my August 7, 2006, August 3, 2006, June 30, 2006, and March 10, 2006 orders and partial awards, which are incorporated by reference. The arbitration took place regarding counts I and II only because counts III, IV, V and VI were dismissed on March 10, 2006. No motion to vacate this partial award was filed. The parties declined to make a joint motion to conform the scope of the arbitral submission to the evidence presented, despite an invitation from the arbitrator to do so.

Even though the parties are not entitled to a reasoned award under the American Arbitration Association's Commercial Arbitration Rules, the arbitrator has elected to provide some explanation in light of the parties' efforts at presenting the case and each side's strong convictions about their case. The arbitrator is exercising the administrative powers of the American Arbitration Association in this case because the case was not administered by the American Arbitration Association (at the parties' request).

Bob Greene (as he is usually called) is a fitness trainer to various people, including at least one celebrity. He is well known himself, having appeared on national television several times. Bill Stankey (as he is usually called) of Westport Entertainment Associates, LLC,

¹ Rule 42(b) The arbitrator need not render a reasoned award unless the parties request such an award in writing prior to appointment of the arbitrator or unless the arbitrator determines that a reasoned award is appropriate.

Greg Sanders, Tad Deorio, Chris Marsey, Ron Hoffman, Robert Hatlelid MD d/b/a Vertical Market Applications and William Stankey, Robert Greene and Westport Entertainment Associates, LLC

represents Bob Greene. Bob Greene is the author of "Get With The Program," a New York Times bestseller.

Greg Sanders, Tad Deorio, Chris Marsey, Ron Hoffman, Robert Hatlelid MD decided to form an entity to be named Vertical Market Applications, LLC (sometimes called "VMApp"). This company was originally formed to develop software for dialysis centers. Despite having Robert Hatlelid MD on its board of directors, VMApp never provided significant services to dialysis centers. Eventually, VMApp decided to enter the fitness and health market. VMApp decided in January 2002 to contact Bob Greene about marketing VMApp's physical fitness and nutrition software before VMApp's articles of organization were filed with any governmental office.

Plaintiffs wanted a non-disclosure agreement signed before the negotiations progressed very far. The arbitration clause is contained in §9 of a January 28, 2003 confidentiality and non-disclosure agreement. I find all of the parties are bound by this agreement because they

- (i) executed it; or
- (ii) their actual agent(s) executed it; or
- (iii) their apparent agent(s) executed it and they failed to repudiate it timely. All agents that executed the agreement intended to be bound by it, in addition to binding their principals. This arbitration clause and the complaint determine the scope of the arbitration.

Plaintiffs brought this arbitration, claiming a breach of contract and their unspecified trade secrets were misappropriated.

The simple concept of building a "web site" is not a trade secret. The simple concept of a celebrity endorsement is not a trade secret, especially since Bob Greene was expected to provide the access to the celebrity. Respondents eventually lost faith in Plaintiffs because they were unable to provide trade references and provide evidence of their financial capacity to undertake a project of this magnitude. VMApps was an undercapitalized start up venture while it was in negotiations with Respondents.

Bill Stankey asked Plaintiffs for various restaurant nutritional information which Bob Greene wanted to publish (Plaintiffs' exhibit 25). Plaintiffs provided this information, without mentioning it was confidential or on the condition Bob Greene not publish it (or he could only publish it if the parties reached a deal). Plaintiffs did this without charge, probably in the

Greg Sanders, Tad Deorio, Chris Marsey, Ron Hoffman, Robert Hatlelid MD d/b/a Vertical Market Applications and William Stankey, Robert Greene and Westport Entertainment Associates, LLC

expectation this was a favor which would generate goodwill during negotiations. Regrettably, the parties were unable to reach an agreement during their negotiations. Once published, the information was in the public domain. These actions do not constitute a breach of contract nor a misappropriation of a trade secret.

Plaintiffs provided Bob Greene with a simple "landing page" web site in April 2003 to collect names and email addresses when he was about to go on national television. Plaintiffs did this without charge, probably in the expectation this was a favor which would generate goodwill during negotiations. Regrettably, the parties were unable to reach an agreement during their negotiations. These actions do not constitute a breach of contract nor a misappropriation of a trade secret.

The parties never agreed on what their business relationship would be — or if there would actually be a business relationship. There were talks about licensing Bob Greene's name and other possible combinations (including a "partnership" and what appears to be a joint venture). Plaintiffs' approach was based on innovative cross-platform computer technologies (which they felt was their competitive advantage; Exhibit 20). Bob Greene wanted something based on people and their personal struggles. Needless to say, this basic cultural clash was never resolved. This philosophical difference, coupled with questions about Plaintiffs' capitalization, the reliability of Plaintiffs' technology and a general "gut sense" Plaintiffs were "trouble," caused Bob Greene to terminate negotiations (Exhibit 30). Negotiations were terminated by an April 28, 2003 email (Exhibit 72).

When the parties failed to reach an agreement, Bill Stankey approached Luke Scott of "Dog's Name" (an unusually, but memorably, named advertising agency). His instructions were pretty simple and clear: can you make a web site that tracks the overall philosophy of Bob Greene's "Get with the program" book? The answer was affirmative. These actions do not constitute a breach of contract nor a misappropriation of a trade secret.

Neither Plaintiffs' computer code nor work product (such as the business plan) was shown to Dog's Name. Dog's Name hired and directed Alvin Clay to design a web site

² Things really began to unravel after the April 15, 2003 dinner in Kansas City. For the purposes of this award, it is unnecessary to review the specific details.

Greg Sanders, Tad Deorio, Chris Marsey, Ron Hoffman, Robert Hatlelid MD d/b/a Vertical Market Applications and William Stankey, Robert Greene and Westport Entertainment Associates, LLC

according to Dog's Name's specifications. This led to the creation of Bob Greene's present web site. Dog's Name never got any computer code, which meant it could not give any computer code to Alvin Clay. There was no evidence Alvin Clay ever had access to Plaintiffs' computer code. There was no showing Respondents (or their agents) ever used any of the thousands of lines of computer code shown in Exhibit 33 in any way. These actions do not constitute a breach of contract nor a misappropriation of a trade secret.

Bob Greene Enterprises, Inc. eventually entered into a licensing agreement with eDiets.com to provide a "Bob Greene" private branded interactive fitness program. eDiets' fitness program and software existed before the non-disclosure agreement was signed and before any information was provided to Respondents. Bob Greene's "brand" was merely imposed on this pre-existing software. These actions do not constitute a breach of contract nor a misappropriation of a trade secret.

The eDiets.com licensing agreement requires Bob Greene Enterprises, Inc. to give eDiets.com "necessary technical information and specifications." There was no evidence Bob Greene Enterprises, Inc. ever gave any "technical information and specifications" or that such "technical information and specifications" were based on Plaintiffs' confidential information in any way. These actions do not constitute a breach of contract nor a misappropriation of a trade secret.

There was no evidence Plaintiffs' business plan(s) were disclosed in violation of the non-disclosure agreement. Bill Stankey returned what he viewed as Plaintiffs' confidential material to them. Plaintiffs never claimed any confidential information was not returned.

eDiets.com asked Bill Stankey to send them a copy of Plaintiffs' confidential patent application (it was confidential because it was still pending before the United States Patent and Trademark Office). Bill Stankey didn't provide a copy of Plaintiffs' patent application. These actions do not constitute a breach of contract nor a misappropriation of a trade secret.

Under Uniform Trade Secrets Act §4, "[i]f (i) a claim of misappropriation is made in bad faith, (ii) a motion to terminate an injunction is made or resisted in bad faith, or (iii) willful and malicious misappropriation exists, the court may award reasonable attorney's fees to the prevailing party." This portion of the Uniform Trade Secrets Act was not enacted in Missouri. Connecticut General Statutes §35-54 provides "[i]f a claim of misappropriation is made in bad

Greg Sanders, Tad Deorio, Chris Marsey, Ron Hoffman, Robert Hatlelid MD d/b/a Vertical Market Applications and

William Stankey, Robert Greene and Westport Entertainment Associates, LLC

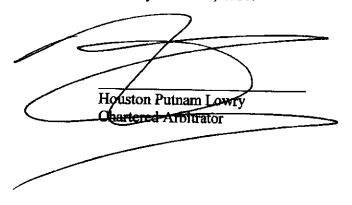
faith or a motion to terminate an injunction is made or resisted in bad faith, the court may award reasonable attorney's fees to the prevailing party." I cannot conclude this action was brought in bad faith due to the testimony about the April 15, 2003 dinner.

In conclusion, Plaintiffs shall not recover on their claim against Respondents. Each party shall bear their own attorneys fees and the expenses of the arbitration.

This Award is in full settlement of all claims submitted to this Arbitration arising out of the contract between the parties and its performance (or lack thereof). All claims not expressly granted herein are hereby denied.

The parties are reminded of the deadlines under Rule 46.3

Dated at Meriden, Connecticut on this 2nd day of March, 2007.



³ Rule 46. Modification of Award

Within 20 days after the transmittal of an award, any party, upon notice to the other parties, may request the arbitrator, through the AAA, to correct any clerical, typographical, or computational errors in the award. The arbitrator is not empowered to redetermine the merits of any claim already decided. The other parties shall be given 10 days to respond to the request. The arbitrator shall dispose of the request within 20 days after transmittal by the AAA to the arbitrator of the request and any response thereto.

Greg Sanders, Tad Deorio, Chris Marsey, Ron Hoffman, Robert Hatlelid MD d/b/a Vertical Market Applications and

William Stankey, Robert Greene and Westport Entertainment Associates, LLC

The foregoing was subscribed before me on this 2nd day of March, 2007 by Houston Putnam Lowry, who swore and acknowledged it was his arbitration award.

Notary Public

INCTARY PUBLIC

INCOMMISSION EXPIRES FEB. 28, 2010

My commission expires

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was mailed on this $2^{\underline{nd}}$ day of March, 2007 to:

Kevin Baldwin, Esq.
Baldwin, Vernon & Addleman, P.C.
308 Delaware
Kansas City, MO 64105
ALSO VIA TELECOPY - (816) 842-1104

Frank Sacramone, Jr., Esq. 2911 Dixwell Avenue - Suite 201

Hamden, Connecticut 06518

ALSO VIA TELECOPY - (203) 407-0008

Houston Putnam Lowry

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AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

ORDER AND PARTIAL AWARD

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, 2005, and having been duly sworn, make the following order and partial award in this case after considering Respondents' February 7, 2006 motion to dismiss and the opposing papers dated March 8, 2006:

Respondents moved to dismiss the following counts based upon preemption by the Uniform Trade Secrets Act:

Count I - Brach of contract
Count III - Unfair competition
Count IV - Fraud
Count V - Usurpation of corporate opportunity
Count VI - Tortuous interference with business relationships

The definition of confidential information in §1 of the Confidentiality and Non-disclosure Agreement ("Agreement") is broader and encompasses more than simply "trade secrets" as defined by the Uniform Trade Secrets Act. There is no need for the arbitrator to decide at this point whether Connecticut or Missouri law controls because the arbitrator concludes the law is essentially the same on this point in both jurisdictions (even though there are slight language differences in the statutes).

The 1985 comment to Uniform Trade Secret Act §7¹ reads:

This Act does not deal with criminal remedies for trade secret misappropriation and is not a comprehensive statement of civil remedies. It applies to a duty to protect competitively significant secret information that is imposed by law. It does not apply to a duty voluntarily assumed through an express or an implied-infact contract. The enforceability of covenants not to disclose trade

¹ It should be noted Connecticut has not adopted the 1985 version of the Uniform Trade Secrets Act, although Missouri has:

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secrets and covenants not to compete that are intended to protect trade secrets, for example, is governed by other law. The Act also does not apply to a duty imposed by law that is not dependent upon the existence of competitively significant secret information, like an agent's duty of loyalty to his or her principal. [emphasis added]

The motion is granted as to Counts III, IV, V and VI. The motion is denied as to Count I. The arbitration will take place regarding Counts I and II only.

At this point, it will be assumed without further pleadings that Respondents deny all of Plaintiff's allegations (Commercial Arbitration Rule r-4(c)). Respondents do not need to submit an answer unless there are some points Respondents wish to explicitly admit.

Dated at Meriden, Connecticut on this 10th day of March, 2006.

Houston Putnam Lowry
Charlered Arbitrator
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was mailed on this $10^{\frac{th}{}}$ day of March 2006 to:

Frank Sacramone, Jr., Esq. 2911 Dixwell Avenue - Suite 201 Hamden, Connecticut 06518 ALSO VIA TELECOPY - (203) 230-8302

Greg Sanders and

William Stankey, Robert Green and Westport Entertainment

Walter Vernon, III, Esq. Baldwin, Vernon & Addleman, P.C. 308 Delaware Kansas City, MO 64105

ALSO VIA TELECOPY - (816) 842-1104

Houston Putnam Lowry

AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

ORDER AND PARTIAL AWARD

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, 2005, and having been duly sworn, make the following order and partial award in this case after considering Respondent's June 14, 2006 objections to Claimants first set of discovery during a long discovery conference call on Thursday, June 29, 2006:

<u>Interrogatory No. 2:</u> Identify the officers and directors of Westport Entertainment Associates LLC, its principal place of business, and a brief description of its primary business activity now and during the time involved in this matter.

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential.

Ruling: Respondents shall identify the officers and directors of Westport Entertainment Associates, LLC from January 2002 through present (including home and business addresses and telephone numbers). The balance the objection is sustained.

<u>Interrogatory No. 3:</u> Identify the officers and directors of Bob Greene Enterprises, its principal place of business, and a brief description of its primary business activity now and during the time involved in this matter.

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential.

Ruling: Respondents shall identify the officers and directors of Bob Greene Enterprises from January 2002 through present (including home and business addresses and telephone numbers). The balance the objection is sustained.

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William Stankey, Robert Green and Westport Entertainment

<u>Interrogatory No. 4:</u> Give the dates of incorporation for Westport Entertainment Associates, LLC and Bob Greene Enterprises. If either corporation is no longer in existence, then identify when each went out of business and whether or not it was by formal dissolution.

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential.

Ruling: The objection is sustained because such information is readily available on the web.

<u>Interrogatory No. 5</u>: Name the dates and places of all face to face meetings between Robert Greene, William Stankey and some or all of the Sanders group, and name all persons present at such meetings other than in the Sanders group.

Objection: The interrogatory as drafted is vague and ambiguous as the Sanders group is not a defined term. Claimants have access to this information with the same facility as the Respondents.

Ruling: This objection is sustained because Claimants were present at all such meetings and had equal access to what occurred at such meetings.

<u>Interrogatory No. 6</u>: Identify when the final decision was made not to work with the Sanders group and who made this decision.

Objection: The interrogatory as drafted is vague and ambiguous as the Sanders group is not a defined term.

Ruling: Respondents shall identify when the final decision was made not to work with the Claimants and who made this decision. The objection is overruled.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

<u>Interrogatory No. 7</u>: Did Robert Greene have a personal web page before meeting Sanders for the final time.

Objection: The interrogatory as drafted is vague and ambiguous as the "final time" and "personal web page" are not defined terms.

Ruling: Robert Greene shall identify all domain names he (or any entity controlled by him) owned or controlled from January 2002 through the present. Claimants shall use http://www.archive.org to review the contents of such web sites and such information shall be admissible at the arbitration hearing to the extent relevant. The creation dates of the domain names are avaible at BetterWhois.com and such information shall be admissible at the arbitration hearing to the extent relevant. If the whois information is blocked or registered as private, Respondents shall provide it.

<u>Interrogatory No. 8</u>: Was Robert Greene featured or mentioned on any web page before meeting Sanders? If so, what was its web address, and when did Sanders [sic] first appear thereon.

Objection: The interrogatory as drafted is vague and ambiguous as the "featured" is not a defined term. With respect to Robert Greene being mentioned on any web page, Claimants have access to this information with the same facility as the Respondent assuming the Claimant has access to a computer with internet capability. It is submitted that responding to this overbroad interrogatory places undue expense and burden on the Respondents. The interrogatory as drafted does not seek information that is relevant.

Ruling: The objection is sustained because the interrogatory is overly broad in the context of an arbitration.

<u>Interrogatory No. 9</u>: Identify all companies and organizations with whom William Stankey and Robert Greene and their companies communicated with either orally, by telephone, e-mail, letter, facsimile, or through any other form of communication regarding Greene's possible involvement with them for a diet and fitness program involving a web page. For each company or organization identify:

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- a) Who initiated the contact;
- b) When was the contact initiated; and
- c) Was a contract entered into with them?
- d) If a contract was entered into with them, attach a copy of said contract to your answers to these interrogatories and production requests.

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential.

Ruling: For each person Respondents contacted (or who contacted Respondents) between January 2003 and December 2004 about Greene's possible involvement in a diet or fitness program, Respondents shall provide Claimants with:

- 1. Who initiated the contact (including home and business address and telephone number).
- 2. When was the contact initiated
- 3. A copy of the initial contact, if in writing.
- 4. Whether or not a contract was eventually entered into with such person.

The balance of the objection is sustained.

Interrogatory No. 10: Fully identify and explain the nature of the relationship of Robert Greene Enterprises and Bob Greene Enterprises, with William Stankey and Westport Entertainment Associates, LLC. Please attach the contract(s) or agreements that memorialize those relationships

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: Robert Greene will answer whether or not William Stankey had authority to act for Robert Greene. This includes, but it not limited to, whether or not William Stankey is an agent for Robert Greene. The balance of the objection is sustained.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

<u>Interrogatory No. 11:</u> Describe generally the business activities of Robert Greene, William Stankey, and Westport Entertainment Associates, LLC, for which they receive compensation.

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential.

Ruling: The objection is sustained because the interrogatory is overly broad in the context of an arbitration.

Interrogatory No. 12: List the companies and individuals who are currently paying Robert Greene, Bob Greene Enterprises, William Stankey, and Westport Entertainment Associates, LLC money related to the same services of programs of Robert Greene. Also identify all companies and individuals who paid them from the time Greene met Sanders until the present if those companies or individuals are no longer paying them.

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential.

Ruling: The objection is sustained because the interrogatory is overly broad in the context of an arbitration.

<u>Interrogatory No. 13:</u> When did any Respondents decide for Robert Greene to use a web page to promote his fitness and diet programs?

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad.

Ruling: Robert Greene shall answer:

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

- 1. when he decided to use a web page to promote his fitness and diet programs.
- 2. when he first conceived of the idea of using the web to promote his fitness and diet programs.

The objection is overruled.

<u>Interrogatory No. 14:</u> Please identify any and all details regarding a possible introduction on an April 2004 Oprah program, including but not limited to all information pertaining to by whom and why it was delayed for a year or cancelled.

Objection: The interrogatory as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants.

Ruling: The objection is sustained because the interrogatory is overly broad in the context of an arbitration.

Based upon the further colloquy of the counsel, Respondents shall also answer the following additional interrogatory:

When did Robert Greene first enter into a business relationship with McDonald's and what was the nature of the business relationship?

REQUEST FOR DOCUMENTS

Request No. 1: Please produce all documents and e-mails that reflect discussions pertaining to diet and fitness software (websites, web applications, Palm OS applications, wireless applications, phone applications, etc.) with parties including but not limited to: McDonalds's, Simon and Shuster, Oprah Winfrey, Harpo Productions, web designers, eDiets, communications experts, Palm OS developers, and any other group or groups from January 1, 2003 through December 31, 2004.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 2: Please produce all flow charts from any design team or party that has ever worked on getwiththeprogram.org.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: Respondents shall produce the initial flow chart from any design team or party that has ever worked on *getwiththeprogram.org*. The balance of the objection is sustained.

Request No. 3: Please produce all communications, emails, faxes, etc. between Bob Greene, William Stankey and any design team or party that has ever worked on getwiththeprogram.org.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: Respondents shall disclose the name, business and home address and telephone number of who built the web site. The balance of the objections is sustained.

Request No. 4: Please produce all communications, e-mails, faxes, letters, etc., between Bob Greene, William Stankey and e-diets between January 1, 2003 and December 31, 2004.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 5: Please produce all communications, e-mails faxes, letters, etc., between Bob Greene, William Stankey, and including but not limited to, web designers, Palm OS developers, software designers, communications experts, etc. between January 1, 2003 and December 31, 2004.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 6: Please produce a list of all revenues generated from Get With The Program website (getwiththeprogram.org), including but not limited to, advertising, sign up fees, subscription fees, products sold from shopping carts, Palm OS applications etc.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: Respondents shall produce a summary of all revenues (by category) generated from Get With The Program website (getwiththeprogram.org), including membership fees. The balance of the objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 7: Please produce a list of all revenues generated by Bob Greene with eDiets.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: Respondents shall produce a summary of all revenues (by category) generated from eDiets, including membership fees. The balance of the objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 8: Please produce a list of all agreements made with any party that pertains to the Get With The Program website (getwiththeprogram.org) or eDiets.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 9: Please produce a list of all revenues generated by Bob Greene directly associated with the Get With The Program website (getwiththeprogram.org) from appearances on the Oprah Winfrey Show.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

Request No. 10: Please produce a list of all revenues generated from Bob Greene's book that relates to a Guide to Fast Food Restaurants.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 11: Please produce a list of all revenues generated by Bob Greene directly associated with the Get With The Program website (getwiththeprogram.org) as a result from appearances that include but are not limited to book signings, television programs, radio programs, celebrities, etc.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time.

Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 12: Please produce a list of all promotional materials, news releases, advertising materials, books, McDonald's placemats, McDonald's kiosks, etc., that incorporate the name Bob Greene and getwiththeprogram.org within or on those materials.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

Ruling: Based upon the colloquy of counsel, the arbitrator understands there are no such documents. Therefore, the objection is overruled.

Request No. 13: Please produce all communications and e-mails between Bob Greene and William Stankey from January 1, 2003 through December 31, 2004.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time.

Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 14: Please produce all faxes and other documents between William Stankey and Vertical Marketing Applications.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The request is not properly circumscribed in time.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 15: Please produce all e-mails, faxes and other documents between William Stankey and Dean Murdakes.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

Request No. 16: Please produce all information and details by Bob Greene pertaining to the meeting in San Francisco with Greg Sanders, Dean Murdakes, Chris Marsey, Life Fitness, Hammer Strength and other fitness manufacturers.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time.

Ruling: Respondents shall produce a copy of any and all summaries of the meeting. The balance of the objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 17: Please produce copies of all communications and documents between Bob Greene, William Stankey, and their respective companies and representatives, and all companies approached, or which approached them, whether or not they ended up contracting and working with them, regarding mass marketed fitness and diet programs of the type that Sanders generally described in his plans and proposals, involving the use of web page(s), whether or not interactive or using a palm or personal computer.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: In light of the information being produced in response to interrogatory 9, this objection is being sustained because the request for production is overly broad in the context of an arbitration.

Request No. 18: Please produce all of the income and financial records of Bob Greene, William Stankey, and their respective companies relating to any contracts or arrangements with other companies in the diet and fitness field as well as the contracts themselves, income tax records and returns for the years 2003, 2004, and 2005.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants.

The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

<u>Request No. 19</u>: Please produce copies of all communications and notes relating thereto, between Bob Greene and William Stankey, that relate to the Sanders proposal, consideration, evaluation, opinions, observations, negotiations and rejection, including but not limited to, those that did not go to Sanders but were just between the Respondents.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is overruled. The arbitrator retains jurisdiction to reconsider this issue only if the amount of material is voluminous.

<u>Request No. 20</u>: Produce all communications between Respondents themselves and with Oprah Winfrey and her companies and magazine, and records, and notes about her possible or actual participation in Sanders' or in similar diet and fitness programs.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

Request No. 21: Please produce any and all documents and/or notes relating to a possible introduction on an April 2004 Oprah program.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential and may be privileged.

Ruling: The objection is sustained because the request for production is overly broad in the context of an arbitration.

Request No. 22: Please produce copies of all communications in Respondents files to or from Frank Sacramone, Jr. relating to all of these matters including Sanders and other companies the Respondents later contracted with, excluding only communications directly relating to the Federal Law suit and this hearing.

Objection: The request as drafted is compound, vague, ambiguous and overbroad and not relevant to the claims brought by the Claimants. The interrogatory is not properly circumscribed in time. Additionally the information requested is confidential, subject to attorney client privilege and work product protections.

Ruling: The objection is sustained because it appears the information may be privileged. Counsel for Respondents shall prepare a privilege log in case Claimants wish to contest whether or not any particular document is privileged.

It is further ordered Respondents must complete their response to this discovery by July 14, 2006.

It is further ordered the parties may take the following depositions within July 2006:

Robert Greene
William Stankey
Frank Sacramone, Esq.
eDiets.com

-Page 14 of 16 pages-

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

the web site designers disclosed by Respondents Gregory Sanders

The evidentiary hearing on this matter will take place from August 21-24, 2006 from 9:00 am through 5:00 pm each day at the Four Points Sheraton, 275 Research Parkway, Meriden, CT 06450. The parties shall directly make arrangements to rent an appropriate hearing room. In light of the fact the hearing dates have been moved several times already, they will not be rescheduled absent good cause.

By way of guidance to the parties and their counsel, I confirm the following assurances which were given during the course of the administrative conference call:

- 1. Claimants may call Attorney Sacramone as a witness in this case. While he may employ standby counsel to handle his cross-examination, he is not required to do so. Based upon the information presented to the arbitrator to date, he is not required to withdraw from the case.
- 2. This arbitrator will proceed with this hearing even if Attorney Vernon appears without local counsel (he is not admitted in Connecticut).

Dated at Meriden, Connecticut on this 30th day of June, 2006.

Houston Putnam Low Chartered Arbitrator

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was mailed on this $30^{\frac{th}{2}}$ day of June, 2006 to:

Houston Putnam Lowry

Frank Sacramone, Jr., Esq. 2911 Dixwell Avenue - Suite 201 Hamden, Connecticut 06518 ALSO VIA TELECOPY - (203) 407-0008

Walter Vernon, III, Esq. Baldwin, Vernon & Addleman, P.C. 308 Delaware Kansas City, MO 64105

ALSO VIA TELECOPY - (816) 842-1104

-Page 16 of 16 pages-

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AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

ORDER RE: RECONSIDERATION, CONTINUANCE AND OTHER DISCOVERY MATTERS

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, 2005, and having been duly sworn, make the following order after considering Plaintiff's July 24, 2006 "request for consideration of an appeal from order and partial award and request to continue the date of arbitration hearing" and Respondents' July 31, 2006 motion to compel.

It is helpful to note the following procedural history in this matter:

This matter was first set on November 10, 2005 for a hearing on December 12, 2005. Shortly after that, the matter was continued because Plaintiff replaced his counsel.

The arbitrator requested the parties and counsel indicate their hearing availability by communications dated:

January 6, 2006 March 13, 2006 March 30, 2006 May 2, 2006

Neither party nor counsel responded with any dates, although everyone assured the arbitrator they wanted a prompt resolution to the case. On June 2, 2006, the arbitrator unilaterally selected a hearing date of August 1-3, 2006. After a request by the parties that the hearing be moved, a hearing date of September 8, 2006 was selected on June 20, 2006 with a proviso the parties should immediately report is there were any conflicts. After a request from Attorney Sacramone the hearing be moved due to a conflict, a hearing date of August 21, 2006 was selected in a telephone conference call with the consent of all counsel on June 29, 2006 (which was subsequently confirmed in writing on June 30, 2006). Neither counsel indicated any need to contact their clients to confirm availability. All parties to this conference call knew an August hearing date was being considered.

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

It should be noted the arbitrator has indicated his availability to promptly resolve discovery disputes since at least as early as March 30, 2006. Attorney Vernon has not requested the arbitrator rule on any discovery issues (except the present motion for reconsideration). Attorney Sacramone has not requested the arbitrator rule on any discovery he propounded (except the instant July 31, 2006 request). Only Attorney Sacramone requested on June 21, 2006 the arbitrator rule on his objections to discovery propounded by Plaintiff. A hearing was held on June 29 and an order was faxed on June 30, 2006. This order confirmed the hearing dates orally agreed upon.

On July 24, 2006, Plaintiff requested the arbitrator reconsider his June 30, 2006 rulings on various objections by Attorney Sacramone to Plaintiff's discovery. Upon reconsideration, I decline to reverse or modify that 15 page order and the several hour discovery conference on June 29. Arbitration is not litigation and does not have unlimited discovery. Normally only documents are exchanged (see AAA Commercial Arbitration Rule 21(a)(i)). The new discovery Plaintiff wishes to propound is as overbroad as Plaintiff's old discovery and is not timely. The parties had numerous administrative conference calls (often scheduled several times with great difficulty) in this matter, including:

November 28, 2005 January 6, 2006 March 20, 2006

The parties cancelled the final April 6, 2006 administrative conference call. That was the time to raise discovery issues, not the eve of the hearings.

Nevertheless, the parties agreed to depositions and a limited deposition order was issued on June 30, 2006. In light of the circumstances of this particular case, it appeared to the arbitrator the best way to economically clarify the factual issues in dispute was to allow depositions. The parties were ordered to complete their depositions by June 12, 2006, which was subsequently extended to July 31, 2006.

Plaintiff eventually declined to take the deposition of Robert Greene and Bill Stankey. Plaintiff has taken no steps to depose Attorney Sacramone, eDiets.com or the web site designers before the July 31, 2006 deadline. Therefore, Plaintiffs may not take these depositions, not having timely applied for an extension of time (to the extent Plaintiffs' motion to reconsider might be construed as a motion for extension of time to take the deposition of eDiets.com, it is denied).

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

The motion to reconsider is granted and the relief requested therein is denied.

In light of the repeated difficulties in scheduling conference calls and hearings, the arbitrator is distressed Attorney Vernon waited 25 days after consenting to the hearing dates to inform the arbitrator there was a conflict with for his client. On July 24, 2006, Plaintiff requested a continuance to October 20, 2006. On July 28, 2006, that requested continuance date was subsequently extended to the week of January 8 or January 15, 2007.

The motion to continue the arbitration hearing dates is denied.

Attorney Sacramone submits a motion to compel discovery dated July 31, 2006. To the extent is requests relief because Plaintiff missed his May 15, 2006 discovery deadline, it is denied as being untimely (there being only three weeks before the hearing). However, the correspondence attached shows Attorney Sacramone and Attorney Vernon have not been able to agree on the location of Gregory Sanders' deposition. That deposition is ordered to take place on or before August 14, 2006 at 5:00 pm eastern time at the Hamden, Connecticut offices of Attorney Sacramone or his testimony will be precluded at the August 21, 2006 hearing. Since no other witnesses were ordered to be deposed in my June 30, 2006 order, I decline to order further depositions at this time. Live testimony will have to be presented.

The parties are reminded of their obligation under AAA Commercial Arbitration Rule 21(b) to exchange all documentary evidence they plan to use at the hearing at least 5 days before the hearing and to provide a copy to the arbitrator. Failure to comply with this rule may result in specific documents being excluded from evidence.

Dated at Meriden, Connecticut on this 3rd day of August, 2006.

Houston Putnam Lowry
Chartered Arbitrator

Greg Sanders and William Stankey, Robert Green and Westport Entertainment

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was mailed on this $3^{\underline{rd}}$ day of August, 2006 to:

Frank Sacramone, Jr., Esq. 2911 Dixwell Avenue - Suite 201 Hamden, Connecticut 06518 ALSO VIA TELECOPY - (203) 407-0008



Walter Vernon, III, Esq. Baldwin, Vernon & Addleman, P.C. 308 Delaware

Kansas City, MO 64105

ALSO VIA TELECOPY - (816) 842-1104

Houston Putnam Lowry

TX REPORT **********

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AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders

William Stankey, Robert Green and Westport Entertainment

ORDER RE: RECONSIDERATION, CONTINUANCE AND OTHER DISCOVERY MATTERS

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, 2005, and having been duly sworn, make the following order after considering Plaintiff's July 24, 2006 "request for consideration of an appeal from order and partial award and request to continue the date of arbitration hearing" and Respondents' July 31, 2006 motion to compel.

It is helpful to note the following procedural history in this matter:

This matter was first set on November 10, 2005 for a hearing on December 12, 2005. Shortly after that, the matter was continued because Plaintiff replaced his counsel.

The arbitrator requested the parties and counsel indicate their hearing availability by communications dated:

> January 6, 2006 March 13, 2006 March 30, 2006 May 2, 2006

Neither party nor counsel responded with any dates, although everyone assured the arbitrator they wanted a prompt resolution to the case. On June 2, 2006, the arbitrator

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RESULT

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AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders

and

William Stankey, Robert Green and Westport Entertainment

ORDER RE: RECONSIDERATION, CONTINUANCE AND OTHER DISCOVERY MATTERS

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, -2005, and having been duly sworn, make the following order after considering Plaintiff's July 24, 2006 "request for consideration of an appeal from order and partial award and request to continue the date of arbitration hearing" and Respondents' July 31, 2006 motion to compel.

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AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders, et al and William Stankey, Robert Green and Westport Entertainment

ORDER RE: "CLAIMANTS' ISSUES THAT NEED RESOLUTION"

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, 2005, and having been duly sworn, make the following order after considering Plaintiffs' document dated August 4, 2006 and entitled "Claimants' issues that need resolution" and the parties Monday, August 7, 2006 conference call:

My August 3, 2006 order recites the procedural history of this matter in detail and it does not need to be recited again. To the extent necessary, that recitation shall be deemed incorporated by reference into this order.

- 1. Rescheduling all hearing dates. Plaintiffs agreed during a June 29, 2006 conference call to the August 21, 2006, et seq. hearing dates. Given the extraordinary difficulties in setting a hearing date, I will not order the hearings rescheduled. The arbitrator was not informed of any conflicts for any party or any witness when the hearing dates were set (nor of the need to consult any such persons). The arbitrator is concerned that each of plaintiffs' witnesses and every plaintiff is now claiming they cannot attend the hearing some 25 days after the date was set. The problem is not isolated to a single person, two people or even three people.
- 2. <u>Subpoena</u>. Due to Attorney Kevin Baldwin being subpoenaed as a witness for an unrelated trial on Thursday, August 24, 2006, the hearing scheduled for that particular date is cancelled. This means the arbitration is scheduled for 9:00 am, Monday August 21, 2006 through Wednesday, August 23, 2006 in Meriden, Connecticut. The parties are responsible for arranging the hearing room in Meriden, Connecticut at their cost and transmitting the location details to the arbitrator. The arbitrator anticipates running a little late each day so the hearings can be completed in a timely manner.
- 3. Sanders deposition. The deposition of Greg Sanders shall take place on or before August 14, 2006 at 5:00 pm eastern time at the Hamden, Connecticut offices of Attorney Sacramone or his testimony will be precluded at the August

Greg Sanders, et al and William Stankey, Robert Green and Westport Entertainment

- 21, 2006 hearing. He need not be paid a witness fee under the Federal Rules of Civil Procedure 45 because he is a party to these proceedings and this proceeding is not governed by the Federal Rules of Civil Procedure. However, if Greg Sanders prevails in his claim, he may submit his travel expenses to attend his deposition to be taxed pursuant to AAA Commercial Arbitration Rule 50¹ and the arbitration clause at issue in this case. While the arbitrator understands Plaintiffs do not believe Greg Sanders' deposition is necessary, that issue is determined by Respondents' counsel and not them.
- 4. Attendance at hearing. The arbitrator can give no assurance Green, Stankey and Sacramone will be present at the arbitration. The proper way to assure their attendance is to issue a subpoena (or to reach an agreement with opposing counsel). If a subpoenaed person fails to attend, the person who served them with a subpoena may approach the Superior Court for a capias or ask the arbitrator to draw a negative inference. The arbitrator is willing to issue subpoenas upon application from any party (but the party requesting the subpoena remains responsible for serving the subpoena).
- Amendment to complaint. Plaintiffs moved on August 4, 2006 to amend their complaint to state a claim based upon "partnership by estoppel." This appears to be a new claim under the statement of claim (which referred to the "agreement" as the non-disclosure agreement in ¶43). As Plaintiffs may recall, it took some effort for them to file their statement of claim (which ended up simply being their second amended complaint from the United States District Court action). Pursuant to AAA Commercial Arbitration Rule 6,² a statement of claim may not

The expenses of witnesses for either side shall be paid by the party producing such witnesses. All other expenses of the arbitration, including required travel and other expenses of the arbitrator, AAA representatives, and any witness and the cost of any proof produced at the direct request of the arbitrator, shall be borne equally by the parties, unless they agree otherwise or unless the arbitrator in the award assesses such expenses or any part thereof against any specified party or parties.

² After filing of a claim, if either party desires to make any new or different claim or counterclaim, it shall be made in writing and filed with the AAA. The party asserting such a claim or counterclaim shall provide a copy to the other party, who shall have 15 days from the date of such transmission within which to file an answering statement with the AAA. After the

Greg Sanders, et al and William Stankey, Robert Green and Westport Entertainment

be amended without the arbitrator's consent once the arbitrator is appointed. Given that the hearings start on August 21, allowing an amendment at this time would only cause prejudice and/or delay. Since the stated exclusive reason for the amendment is to enlarge Plaintiffs' remedy to include an expectation of profits in their damages claim, the arbitrator does not believe amending the complaint is necessary because such a remedy can already be granted for a breach of the non-disclosure agreement.³ This relief is within the scope of Plaintiffs' prayer for relief labeled "A."

- 6. Proof of attorneys fees. In case any side wants to submit proof of attorneys fees, that shall be done by affidavit by the close of the hearings.
- 7. Submission of evidence by affidavit. The parties are reminded of AAA Commercial Arbitration Rule 32(a), which provides: "The arbitrator may receive and consider the evidence of witnesses by declaration or affidavit, but shall give it only such weight as the arbitrator deems it entitled to after consideration of any objection made to its admission." Even if a party or witness cannot attend the hearing, their testimony may be submitted by affidavit. Testimony need not be preserved by deposition.

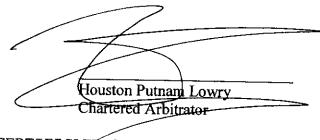
arbitrator is appointed, however, no new or different claim may be submitted except with the arbitrator's consent.

³ See, for example, Connecticut's enactment of the Uniform Trade Secrets Act, which provides: §35-53. Damages. <u>Punitive damages for willful and malicious misappropriation</u>

- (a) In addition to or in lieu of injunctive relief, a complainant may recover damages for the actual loss caused by misappropriation. A complainant also may recover for the unjust enrichment caused by misappropriation that is not taken into account in computing damages for actual loss.
- (b) In any action brought pursuant to subsection (a) of this section, if the court finds willful and malicious misappropriation, the court may award punitive damages in an amount not exceeding twice any award made under subsection (a) and may award reasonable attorney's fees to the prevailing party.

Greg Sanders, et al and William Stankey, Robert Green and Westport Entertainment

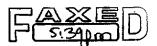
Dated at Meriden, Connecticut on this 7th day of August, 2006.



CERTIFICATE OF SERVICE

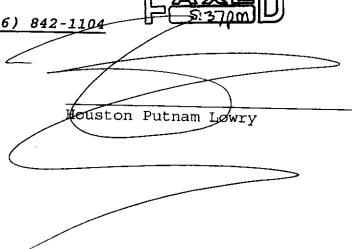
I hereby certify that a copy of the foregoing was mailed on this $7^{\underline{th}}$ day of August, 2006 to:

Frank Sacramone, Jr., Esq. 2911 Dixwell Avenue - Suite 201 Hamden, Connecticut 06518 ALSO VIA TELECOPY - (203) 407-0008



Walter Vernon, III, Esq. Baldwin, Vernon & Addleman, P.C. 308 Delaware

Kansas City, MO 64105 ALSO VIA TELECOPY - (816) 842-1104



-Page 4 of 4 pages-

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AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders, et al

and

William Stankey, Robert Green and Westport Entertainment

ORDER RE: "CLAIMANTS' ISSUES THAT NEED RESOLUTION"

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, 2005, and having been duly sworn, make the following order after considering Plaintiffs' document dated August 4, 2006 and entitled "Claimants' issues that need resolution" and the parties Monday, August 7, 2006 conference call:

My August 3, 2006 order recites the procedural history of this matter in detail and it does not need to be recited again. To the extent necessary, that recitation shall be deemed incorporated by reference into this order.

- 1. Rescheduling all hearing dates. Plaintiffs agreed during a June 29, 2006 conference call to the August 21, 2006, et seq. hearing dates. Given the extraordinary difficulties in setting a hearing date, I will not order the hearings rescheduled. The arbitrator was not informed of any conflicts for any party or any witness when the hearing dates were set (nor of the need to consult any such persons). The arbitrator is concerned that each of plaintiffs' witnesses and every plaintiff is now claiming they cannot attend the hearing some 25 days after the date was set. The problem is not isolated to a single person, two people or even three people.
- 2. Subpoena. Due to Attorney Kevin Baldwin being subpoenaed as a witness for an

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RESULT

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AAA COMMERCIAL ARBITRATION RULES

In the Matter of Arbitration Between:

Greg Sanders, et al and

William Stankey, Robert Green and Westport Entertainment

ORDER RE: "CLAIMANTS' ISSUES THAT NEED RESOLUTION"

I, Houston Putnam Lowry, having been designated in accordance with the arbitration agreement entered into by the parties and the arbitration ordered by Judge Sachs on June 27, 2005, and having been duly sworn, make the following order after considering Plaintiffs' document dated August 4, 2006 and entitled "Claimants' issues that need resolution" and the parties Monday, August 7, 2006 conference call:

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IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI WESTERN DIVISION

e No, 04-0695-CV-W-HFS
E WITH CORDER AWARD

COME NOW, Plaintiffs Greg Sanders, et al, by and through their attorneys, and assert their concurrence with Defendant's motion for an Order Confirming the Arbitration Award as a Judgment of this Court.

BALDWIN, VERNON & ADDLEMAN, PC

/S/ Kevin Baldwin
Kevin Baldwin Mo Bar # 49101
308 Delaware
Kansas City, MO 64105
816.842.1102
816.842.1104 Facsimile
kevin@bvalaw.net

ATTORNEYS FOR PLAINTIFFS SANDERS, et al

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing document was filed electronically with the above captioned court, with notice of case activity to be generated and sent electronically by the Clerk of said court (with a copy to be mailed to any individuals who do not receive electronic notice from the Clerk) this 15th day of March, 2007.

//s// Kevin Baldwin
Attorneys for Plaintiffs

IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI WESTERN DIVISION

GREGORY SANDERS, et al.,)
Plaintiffs,)
v.) Case No. 04-0695–CV-W-HFS
ROBERT GREENE, et al.,)
Defendants.)

ORDER

Before the court is defendants' motion for an order confirming an arbitration award. Plaintiffs do not oppose the request.

Accordingly, it is hereby

ORDERED that defendants' motion for an order confirming arbitration award (ECF doc. 47) is GRANTED. The arbitration award filed as document 47, and including the attached Exhibits A through E, is hereby confirmed. The clerk of the court is directed to enter judgment in favor of defendants and against plaintiffs.

/s/ Howard F. Sachs HOWARD F. SACHS UNITED STATES DISTRICT JUDGE

April <u>17</u>, 2007

Kansas City, Missouri