Cause No. 096 207365 04

UNIVERSAL CINEMA SERVICES, INC., Plaintiff,	§	IN THE DISTRICT COURT
vs.	§	
JAMES T. DUFFY, Individually; CINEMA GRILL SYSTEMS, INC.; BACKLOT MANAGEMENT, INC.; THE RESTAURANT ENTERTAINMENT GROUP, INC; ENTERTAINMENT FILM WORKS, INC.; ENTERTAINMENT DEVELOPERS, INC., Defendant.	§	TARRANT COUNTY, TEXAS ____ JUDICIAL DISTRICT

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TARRANT COUNTY
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DISTRICT CLERK

PLAINTIFF'S ORIGINAL PETITION

Plaintiff, Universal Cinema Services, Inc., files this Original Petition, complaining of Defendants James Duffy, Individually, Cinema Grill Systems, Inc., Backlot Management, Inc., The Restaurant Entertainment Group, Inc., Entertainment Film Works, Inc., and Entertainment Developers, Inc. (together, "Defendants"), and in support thereof shows the following:

1. Discovery is intended to be conducted under Texas Rule of Civil Procedure 190.3 (Level 2). Pursuant to Rule 216 of the Rules of Civil Procedure, Plaintiff hereby demands a jury trial, and has paid the requisite fee.

Parties

2. Plaintiff is a Texas corporation whose principal place of business is in Tarrant County, Texas.

3. Defendant James T. Duffy is an individual residing at 990 Edgewater Drive, Atlanta, Georgia 30328. As a non-resident individual doing business in the state of Texas, but who does not maintain a residence or place of business in the state of Texas, and who has not

designated or maintained a designated or registered agent for service of process in the state of Texas, Defendant James T. Duffy may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to Defendant James T. Duffy's home: 990 Edgewater Drive, Atlanta, Georgia 30328.

4. Defendant Cinema Grill Services, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the state of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but who does not maintain a designated or registered agent for service of process in the State of Texas, Defendant Cinema Grill Services, Inc., may be served with process pursuant to § 17.044(b) of the CIVIL PRACTICES AND REMEDIES CODE, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

5. Defendant Backlot Management, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but who does not maintain a designated or registered agent for service of process in the state of Texas,

Defendant Backlot Management, Inc., may be served with process pursuant to § 17.044(b) of the CIVIL PRACTICES AND REMEDIES CODE, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

6. Defendant The Restaurant Entertainment Group, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but not required to maintain a designated or registered agent for service of process in the State of Texas, Defendant The Restaurant Entertainment Group, Inc., may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

7. Defendant Entertainment Film Works, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is 5920 Roswell Road NE, Atlanta, Georgia 30328. As a foreign corporation doing business in the State of Texas, but not required to maintain a designated or registered agent for service of process in the State of Texas, Defendant Entertainment Film Works, Inc., may be served with process pursuant to

Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to the mailing address of Defendant's home office: 5920 Roswell Road NE, Atlanta, Georgia 30328.

8. Defendant Entertainment Developers, Inc., is a Nevada corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is 13720 Six Mile Cyprus, Ste. #2, Fort Meyers, Florida 33912. As a foreign corporation doing business in the State of Texas, but not required to maintain a registered agent for service of process in the State of Texas, Defendant Entertainment Developers, Inc., may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward suit papers and citation to said Defendant, at the mailing address of Defendant's home office: 13720 Six Mile Cyprus, Ste. #2, Fort Meyers, Florida 33912.

Jurisdiction and Venue

9. This Court has jurisdiction over Defendants because all Defendants engaged in business in Tarrant County, Texas, by conspiring to defraud Plaintiff in Tarrant County, Texas, committing fraud and misrepresentation in Tarrant County, Texas, and entering into a series of contractual agreements with Plaintiff (whether directly or through other Defendants as agents), payment under which was to be made to Plaintiff in Tarrant County, Texas, and the matters at issue herein arise out of those actions. This Court has jurisdiction over the amount in

controversy because the damages sought are within this Court's jurisdictional limits. Venue is proper in Tarrant County, Texas because all or a substantial part of the acts or omissions giving rise to the Plaintiff's claims occurred in this county, and Plaintiff is located in this county.

Background

10. Plaintiff is a Tarrant County company in the business of designing and constructing the finished interiors of movie theatres, including, among other things, the installation of movie screens, projection equipment, sound systems, and seating.

11. The corporate Defendants, (together, the "Duffy Entities") are nominally five separate entities incorporated under Georgia law (in the cases of Cinema Grill Services, Inc., Backlot Management, Inc., Entertainment Film Works, Inc., and The Restaurant Entertainment Group Inc.) and Nevada law (in the case of Entertainment Developers, Inc.). On information and belief, Defendants are operated as a joint business enterprise, and/or as alter egos of Defendant Duffy. Defendant Duffy is listed with the Georgia Secretary of State as the chief executive officer, chief financial officer, and secretary of Cinema Grill Services, Inc., Backlot Management, Inc., and The Restaurant Entertainment Group, Inc. All three of these Defendant entities list the same post office box in Atlanta, Georgia, as their mailing address, and all three list the same agent for service of process within the state of Georgia: Sonya White, 228 Water Tank Road, Atlanta, Georgia 30132. On information and belief, Defendant Entertainment Film Works, Inc., and Defendant Entertainment Developers, Inc., are also wholly owned and controlled by Duffy. On information and belief, Defendant Duffy used the Duffy Entities, and possibly other entities, in a concerted effort to fraudulently deprive Plaintiff of its goods and services, with the intention from the outset of never paying Plaintiff for said goods and services.

12. In or around October 2003, Plaintiff was contacted in Tarrant County, Texas, by representatives of Defendants regarding a possible arrangement between Plaintiff and Defendants by which Plaintiff would provide certain materials and labor for the finish-out of three separate theater projects. Defendants were developing said theaters in Rocky Mount, North Carolina, Columbus, Ohio, and Cincinnati, Ohio (the "Projects"). Ultimately, after submitting a credit application under the name of Defendant Cinema Grill Services, Inc., along with industry references (including a credit reference from Defendant Backlot Management, Inc.) to Plaintiff, Defendants established an account with Plaintiff under which Defendants would submit oral or written purchase orders for equipment and installation thereof for the Projects which Plaintiff could accept or reject as Plaintiff determined (referred to collectively herein as the "Contracts"). As Plaintiff understands the Projects, Defendants acted as the general contractor for the Projects, and acted as the liaison between all subcontractors (including Plaintiff) and the owners of the retail outlets in which the Projects were located. On information and belief, either Defendants or separate entities set up by Defendants were to be the operators of the Projects once the theatres were up and running. Upon information and belief, the only theater still in operation of the three is the Cincinnati theater, operated by Defendant Entertainment Developers, Inc. Upon information and belief, Defendant Entertainment Developers, Inc., acted through the other Defendants as its agents, including Defendants Duffy and Cinema Grill Services, Inc., to solicit goods and services from Plaintiff.

13. Under the terms of the Contracts, Defendants were to pay amounts due and owing within 21 days of receipt of the invoices. Payment was to be made to Plaintiff in Texas. Over a period of several months, Plaintiff provided substantial amounts of labor and material to the three Projects at Defendants' request, and billed Defendants accordingly. Over the course of the

three Projects, Plaintiff received only two payments from Defendants, in the form of two checks from Defendant Backlot Management, Inc, signed by Defendant Duffy.

14. As the amounts due and owing (yet unpaid) on Defendants' account began to age, employees of Plaintiff contacted Defendants to inquire as to the state of Defendants' finances and the status of the Projects. Plaintiffs were assured repeatedly by Defendants, including Defendant Duffy, that Defendants had the ability and intention of paying all amounts owed to Plaintiff and that would be incurred as a result of future orders. Specifically, Defendant Duffy stated to Plaintiff on one occasion that Defendants would pay Plaintiff as soon as the landlord on one of the Projects paid Defendants, which was supposed to happen in a matter of one or two weeks. On another occasion, Defendant Duffy stated to Plaintiff that he expected to receive a check soon and would pay Plaintiff when he got it. On still other occasions, Defendant Duffy pleaded with Plaintiff to keep Defendants' account open because he had "some money coming" and would be able to pay Plaintiff. In reliance on Defendant Duffy's (upon information and belief, false) representations in this regard, Plaintiff fulfilled additional orders from Defendants relating to the Projects.

15. Eventually, the past-due amounts owing to Plaintiff on Defendants' Projects rose to $402,243.99, and Plaintiff refused to provide additional goods or services to Defendants until paid. Despite repeated demands by Plaintiff to pay these amounts, Defendants refused. Eventually, Plaintiff retained the services of counsel, who sent a written demand for payment to Defendants. Defendants failed and refused, and continue to fail and refuse, to pay the amounts due and owing to Plaintiff.

16. Incredibly, when confronted with a demand for payment on the account with Plaintiff, Defendant Duffy responded in a letter dated April 29, 2004, that "Cinema Grill

Systems, Inc., did not contract with Universal Cinema Services, Inc." for the labor and material on which the demand for payment was made. Defendant Duffy states in the same letter that Defendant Cinema Grill Systems, Inc., "licenses to others the right to operate Cinema Grill" and that he thinks Plaintiff's "dealings were with the Operator/Licensee, and that any question regarding any claims or obligations need to be directed to the appropriate party." This response, while clearly contrary to the facts (because Cinema Grill Systems, Inc. is the name in which Defendants applied for an account with Plaintiff, and the name in which Defendants were invoiced), serves to illustrate the shell game that Defendants attempted to play on Plaintiff. On information and belief, Defendants entered into the Contracts with Plaintiff, and induced Plaintiff into said Contracts, with the present intention not to pay the charges incurred under the Contracts. Moreover, on information and belief, Defendants conspired (at Duffy's direction) to structure the transactions in such a way that one Defendant entity would act nominally as the contracting party with Plaintiff, while another entity entered a lease on a given Project, while yet another entity acted as the eventual operator of each Project, all with the intent of jointly defrauding Plaintiff and leaving Plaintiff no readily available recourse when Defendants ultimately defaulted on the Contracts.

Conspiracy

17. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 16 herein as if fully set forth at length.

18. The actions of Defendants as described above amount to a conspiracy to defraud Plaintiff. On information and belief, Defendants reached a meeting of the minds to act in concert with one another to fraudulently induce Plaintiff into providing goods and services for which Defendants had no intention to pay. At least two of the Defendants, James T. Duffy and Cinema

Grill Services, Inc., committed overt acts of fraud and misrepresentation in furtherance of said conspiracy, for the benefit of themselves and the other Defendants, resulting in monetary damages in an amount within the jurisdictional limits of the Court, for which Plaintiff sues.

Fraudulent Misrepresentation/Negligent Misrepresentation and Exemplary Damages

19. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 18 herein as if fully set forth at length.

20. Defendants herein colluded to defraud Plaintiff of its goods and services by representing to Plaintiff a willingness and ability to pay all sums that would become due and owing with no intention and/or ability to actually pay said sums. Furthermore, Defendant Duffy made numerous representations to Plaintiff that the goods and services being provided by Plaintiff would be promptly paid for, even after Plaintiff became concerned about Defendants' growing late balance and asked for assurances from Defendants of Defendants' willingness and ability to pay amounts due and owing. Defendants made such representations despite the fact that they knew they had no intention of paying the amounts due and owing, and/or despite the fact that they knew or should have known they had no ability to pay such amounts. Plaintiff repeatedly relied on these misrepresentations, first in entering into the Contracts to begin with, and then in continuing forward in providing goods and services to Defendants.

21. As a direct and proximate result of the misrepresentations by Defendants, Plaintiff has incurred damages within the minimum jurisdictional limits of the court, for which sums Plaintiff now sues. Furthermore, because of Defendants' willfully fraudulent conduct, Plaintiff is entitled to an award of exemplary and punitive damages, for which it sues.

Breach of Contract

22. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 21 herein as if fully set forth at length.

23. The behavior described above constitutes material breach of the Contracts on the part of Defendants.

24. The Plaintiff complied with its obligations pursuant to the Contracts, and provided materials and labor to Defendants. However, Defendants failed to fulfill their contractual obligations by failing to pay all amounts due and owing as agreed.

25. Defendants' failure to comply with their contractual obligations as described herein constitutes breaches of the Contracts, which have proximately caused damages to the Plaintiff in an amount within the jurisdictional limits of this court, for which sums the Plaintiff now sues.

26. All conditions precedent have been performed or have occurred as required by TEX. R. CIV. P. 54.

Unjust Enrichment/Quantum Meruit

27. The Plaintiff incorporates by reference the allegations contained in paragraphs 1-26 herein as if fully set forth at length.

28. In addition and in the alternative to the causes of action set out above, Plaintiff asserts a right to recover the fair market value of the goods and services provided to Defendants under the doctrine of unjust enrichment. Defendants have received the benefit of Plaintiff's goods and services without compensating Plaintiff. For this reason, Plaintiff sues for *quantum meruit* damages from Defendants in an amount within the jurisdictional limits of this Court.

Alter Ego

29. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 28 herein as if fully set forth at length.

30. Upon information and belief, Defendant Duffy operates the Duffy Entities merely as alter egos of himself, and uses the Defendant entities in furtherance of his fraudulent schemes. For these reasons, the Court should find that the actions and liabilities of the Duffy Entities are attributable in all respects to Duffy individually.

Damages

31. As a direct and proximate result of Defendants' conduct, as set forth herein, Plaintiff has been damaged in an amount within this court's jurisdictional limits.

Attorney's Fees

32. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 30 herein as if fully set forth at length.

33. Due to the actions of Defendants as set out in this petition, Plaintiff has been forced to retain the services of the undersigned law firm. Plaintiff has agreed to pay the undersigned a reasonable fee for its services necessarily rendered and to be rendered in pursuing Plaintiff's claims against Defendants. Therefore, pursuant to TEX. CIV. PRAC. & REM.. CODE § 38.001, *et seq.*, and other Texas law, Plaintiff is entitled to an award of reasonable attorneys' fees and expenses in an amount to be established at trial.

Prayer

WHEREFORE, Plaintiff respectfully requests that Defendants be cited to appear and answer herein, and that upon final hearing hereof:

(a) Plaintiff recovers its actual damages suffered as a result of Defendants' civil conspiracy, fraudulent and negligent misrepresentations, breach of contract;

(b) Plaintiff recovers exemplary and punitive damages for Defendants' knowing and willful conspiracy and fraud;

(c) Plaintiff recovers the value of the goods and services provided to Defendants under *quantum meruit*;

(d) Plaintiff recovers all its damages, costs, and expenses, including reasonable and necessary attorneys' fees and expenses incurred in bringing this action;

(e) Plaintiff recovers pre-judgment and post-judgment interest at the maximum rate allowed by law; and

(f) Plaintiff have and recover any and all other relief, special or general, legal or equitable, as the Court deems appropriate.

Respectfully Submitted,

Larry Fowler
State Bar No. 07321900
Jeffrey R. Allen
State Bar No. 24006751
SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.
1000 Ballpark Way, Suite 300
Arlington, Texas 76011
Telephone:(817) 882-7616
Facsimile:(817) 795-4864

ATTORNEYS FOR PLAINTIFF

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SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.

1000 Ballpark Way, Suite 300
Arlington, Texas 76011
(817) 795-4866
Telecopier (817) 795-4864

Jeffrey R. Allen
Direct Dial (817) 882-7616

Direct Email
jallen@shannongracey.com

August 24, 2004

Tarrant County District Clerk
Tarrant County Justice Center
401 W. Belknap
Fort Worth, Texas 76196

FILED
TARRANT COUNTY
04 AUG 27 PM 3:33
THOMAS A. WILCOX
DISTRICT CLERK

Re: Universal Cinema Services, Inc. v. James Duffy, et. al.

Dear Clerk:

Enclosed for filing with the court in connection with the above-referenced matter is an original and 13 copies of Plaintiff's Original Petition, along with a check for $227.20 for the filing fee and the issuance of 6 citations for service through the Secretary of State. Please issue citations for service through the Secretary of State on the following:

1. James T. Duffy
2. Cinema Grill Services, Inc.
3. Backlot Management, Inc.
4. The Restaurant Entertainment Group, Inc.
5. Entertainment Film Works, Inc.
6. Entertainment Developers, Inc.

Please return a file-stamped copy of the petition and the citations to the undersigned.

Thank you for your assistance.

Sincerely,

Jeffrey R. Allen

JRA:css
Enclosure
H:\johnsp\UNIVERSAL CINEMA SERVICES\Duffy et al Litigation\correspondence\Tarrant County Clerk 08-24-04.doc

Via Facsimile to 817.633.2190

Jack Panzeca
Stan Lamb
Laura Langford
Universal Cinema Services, Inc.
1205 Corporate Drive East
Arlington, Texas 76006

Larry Fowler, Firm
Paul Johnson, Firm

Cause No. 096-207365-04

UNIVERSAL CINEMA SERVICES, INC., Plaintiff,	§	IN THE DISTRICT COURT
vs.	§	
JAMES T. DUFFY, Individually; CINEMA GRILL SYSTEMS, INC.; BACKLOT MANAGEMENT, INC.; THE RESTAURANT ENTERTAINMENT GROUP, INC; ENTERTAINMENT FILM WORKS, INC.; ENTERTAINMENT DEVELOPERS, INC., Defendant.	§	TARRANT COUNTY, TEXAS 96TH JUDICIAL DISTRICT

PLAINTIFF'S MOTION FOR ENTRY OF DEFAULT JUDGMENT

COMES NOW Universal Cinema Services, Inc., Plaintiff herein, and files this Motion for Entry of Default Judgment complaining of Defendants James Duffy, Individually, Cinema Grill Systems, Inc., Backlot Management, Inc., The Restaurant Entertainment Group, Inc., Entertainment Film Works, Inc., and Entertainment Developers, Inc. (together, "Defendants"), and in support thereof shows the following:

Movant is Universal Cinema Services, Inc., Plaintiff, who moves the Court to enter a default judgment against Defendants, jointly and severally, pursuant to rule 239 of the Texas Rules of Civil Procedure.

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TARRANT COUNTY
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THOMAS A. WILDER
DISTRICT CLERK

Plaintiff is entitled to be granted a default judgment against Defendants and as grounds would show the Court the following:

a. Defendants continues to be indebted to Plaintiff as specifically pleaded in Plaintiff's original petition on file in this cause.

b. Defendants have been duly served with citation in this cause, and the proof of service as required by law has been on file with the clerk of this Court for ten days, exclusive of the day of filing and

the day of judgment.

c. Defendants have neither answered nor appeared within the time allowed by law and have wholly defaulted.

Plaintiff has attached the following documents to this motion and encloses herewith a proposed Default Judgment for entry by the Court:

1. Plaintiff's Certificate of Last Known Mailing Address.

2. Plaintiff's Nonmilitary Affidavit.

3. Plaintiff's Attorney's Fee Affidavit.

4. Certificates of Receipt of Service and Mailing of Citations from Texas Secretary of State.

5. Affidavit of Laura Langford, Universal Cinema Services, Inc.
   5-A. Statements of Account of Universal Cinema Services, Inc.

Plaintiff prays that the Court enter a default judgment in Plaintiff's favor against Defendants, jointly and severally, for the relief prayed for in Plaintiff's original petition and for all further relief to which Plaintiff may be entitled.

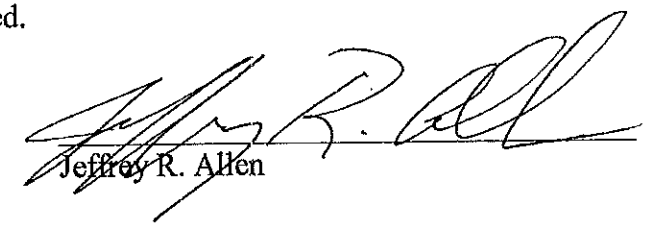
Respectfully Submitted,

Larry Fowler
State Bar No. 07321900
Jeffrey R. Allen
State Bar No. 24006751
SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.
1000 Ballpark Way, Suite 300
Arlington, Texas 76011
Telephone:(817) 882-7616
Facsimile:(817) 877-8716

ATTORNEYS FOR PLAINTIFF

CERTIFICATE OF SERVICE

This is to certify that on the 30th day of December, 2004, a true and correct copy of the foregoing Motion for Entry of Default Judgment was served upon all Defendants via certified mail, return receipt requested.



Jeffrey R. Allen

Cause No. 096-207365-04

UNIVERSAL CINEMA SERVICES, INC.,	§	IN THE DISTRICT COURT
Plaintiff,	§	
	§	
vs.	§	
	§	
JAMES T. DUFFY, Individually; CINEMA	§	
GRILL SYSTEMS, INC.; BACKLOT	§	TARRANT COUNTY, TEXAS
MANAGEMENT, INC.; THE	§	
RESTAURANT ENTERTAINMENT	§	
GROUP, INC; ENTERTAINMENT FILM	§	
WORKS, INC.; ENTERTAINMENT	§	
DEVELOPERS, INC.,	§	
Defendant.	§	96TH JUDICIAL DISTRICT

CERTIFICATE OF LAST KNOWN ADDRESS

I hereby certify that the last known mailing addresses of Defendants, against whom judgment is taken, jointly and severally, in the above-entitled and -numbered cause, are as follows:

James T. Duffy
990 Edgewater Drive
Atlanta, Georgia 30328

Cinema Grill Services, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

Backlot Management, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

The Restaurant Entertainment Group, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

Entertainment Film Works, Inc.
5920 Roswell Road NE
Atlanta, Georgia 30328

Entertainment Developers, Inc.
13720 Six Mile Cyprus, Ste. #2
Fort Meyers, Florida 33912

EXHIBIT
"1"

Respectfully Submitted,

Larry Fowler
State Bar No. 07321900
Jeffrey R. Allen
State Bar No. 24006751
SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.
1000 Ballpark Way, Suite 300
Arlington, Texas 76011
Telephone:(817) 882-7616
Facsimile:(817) 795-4864

ATTORNEYS FOR PLAINTIFF

CERTIFICATE OF SERVICE

This is to certify that on the 30th day of December, 2004, a true and correct copy of the foregoing Certificate of Last Known Address was served upon Defendants via certified mail, return receipt requested.

Jeffrey R. Allen

Cause No. 096-207365-04

UNIVERSAL CINEMA SERVICES, INC., Plaintiff,	§	IN THE DISTRICT COURT
vs.	§	
JAMES T. DUFFY, Individually; CINEMA GRILL SYSTEMS, INC.; BACKLOT MANAGEMENT, INC.; THE RESTAURANT ENTERTAINMENT GROUP, INC; ENTERTAINMENT FILM WORKS, INC.; ENTERTAINMENT DEVELOPERS, INC.,	§	TARRANT COUNTY, TEXAS
Defendant.	§	96TH JUDICIAL DISTRICT

NONMILITARY AFFIDAVIT

BEFORE ME, the undersigned authority, on this day personally appeared Jeffrey R. Allen, who swore on oath that the following facts are true:

"I am attorney of record for Plaintiff in the above-entitled and -numbered cause. To my knowledge, based on a review of records related to this case and my involvement in this case, James T. Duffy, Defendant, was not in military service when this suit was filed, has not been in military service at any time since then, and is not now in any military service of the United States of America."

Jeffrey R. Allen
Affiant

SIGNED under oath before me on the 30th day of December, 2004.

Sharon G. Brown
Notary Public, State of Texas

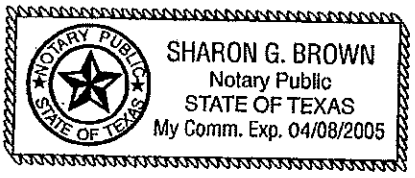


EXHIBIT "2"

AFFIDAVIT OF JEFFREY R. ALLEN

STATE OF TEXAS §

COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, personally came and appeared Jeffrey R. Allen, who, being by me first duly sworn, did depose and say:

1. "My name is Jeffrey R. Allen I am over the age of 18 years and have never been convicted of a felony or a crime involving moral turpitude. I am fully competent to make this affidavit. I have personal knowledge of the facts contained herein, all of which are true and correct.

2. I am a practicing attorney in Arlington, Tarrant County, Texas, and have been licensed to practice law by the Supreme Court of Texas since 1998. I am an attorney with the law firm of Shannon, Gracey, Ratliff & Miller, 1000 Ballpark Way, Suite 300, Arlington, Texas 76011 (hereinafter "Shannon Gracey").

3. Shannon Gracey has been retained by Plaintiff, Universal Cinema Services, Inc., to represent it in this case.

4. Shannon Gracey has provided legal services in this case to date, the value of which is calculated on an hourly basis at the normal hourly rate of each attorney or paralegal, including any applicable expenses arising out of or incident to the instant litigation. My rate on this case is $190 per hour.

5. Work performed by the undersigned and other attorneys in his firm on this matter has included reviewing relevant documents; drafting and filing Plaintiff's Original Petition and coordinating service upon Defendants; researching Defendants' identities, places of business, corporate status and other background information; researching and analyzing

EXHIBIT
"3"

Texas law regarding various matters; coordinating with local counsel in the states where the projects at issue are located to determine possible self-help or replevin remedies; drafting demand letters; drafting Plaintiff's Motion for Entry of Default Judgment, proposed judgment, and supporting affidavits; and counseling and conferring with client regarding this suit.

6. Accordingly, reasonable and necessary attorneys' fees of $16,504.00 were incurred in this matter through the time of this filing.

7. In addition, Plaintiff has incurred reasonable and necessary administrative and filing expenses in the amount of $743.46. The total fees and costs incurred prosecuting this suit is $17,247.46.

8. I have been actively practicing law since 1998, and have been involved in cases in both Federal and State Courts in the Fort Worth/Dallas area. I have handled other cases involving issues like those in the captioned case. I am familiar with the legal requirements of such cases. Through my practice, I have become familiar with the amounts customarily and reasonably charged in the Fort Worth/Dallas area for the types of services necessarily performed in representing Plaintiff in this case.

9. It is my opinion that such legal services were necessary for the prosecution of this case, and that the hours incurred were appropriate for such services.

10. It is my opinion that the amounts representing the total attorneys' fees and expenses are reasonable in consideration of the time and labor required, the difficulty of the questions involved, the ability and experience of the attorneys assigned to this case, what other attorneys in the community charge for similar work, the amount at stake, and the fact that performing this work for Plaintiff precluded the attorneys assigned to this case from

accepting fee-paying work for others.

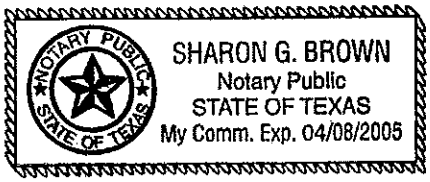
11. Furthermore, it is my opinion that reasonable fees to perform post-judgment discovery and execute and collect the judgment would be $5,000.00; reasonable fees to draft or respond to a motion for new trial would be $2,500.00; reasonable fees in the event of appeal to the Texas Court of Appeals would be $5,000.00; and reasonable fees in the even of appeal to the Texas Supreme Court would be $5,000.00.

Further Affiant Sayeth Not."

DATED this 30th day of December, 2004.

Jeffrey R. Allen

30th SUBSCRIBED AND SWORN TO before me by the said Jeffrey R. Allen, on this the day of December, 2004, to certify which witness my hand and seal of office.



Sharon G. Brown
Notary Public, in and for The State of Texas

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The State of Texas

Secretary of State

2005-098350-5

I, the undersigned, as Secretary of State of Texas DO HEREBY CERTIFY that according to the records of this office, a copy of the Citation with Plaintiff's Original Petition in the cause styled:

Universal Cinema Services Inc vs James T Duffy etal
96th Judicial District Court Of Tarrant County, Texas
09620736504

was received by this office on September 7, 2004, and that a copy was forwarded on September 13, 2004, by CERTIFIED MAIL, return receipt requested to:

James T Duffy
990 Edgewater Dr
Atlanta, GA 30328

As of this date, no response has been received in this office.

Date issued: November 17, 2004

Geoffrey S. Connor
Secretary of State

ST\lsv

EXHIBIT
"4"

The State of Texas

Secretary of State

2005-098350-4

I, the undersigned, as Secretary of State of Texas DO HEREBY CERTIFY that according to the records of this office, a copy of the Citation with Plaintiff's Original Petition in the cause styled:

Universal Cinema Services Inc vs James T Duffy etal
96th Judicial District Court Of Tarrant County, Texas
09620736504

was received by this office on September 7, 2004, and that a copy was forwarded on September 13, 2004, by CERTIFIED MAIL, return receipt requested to:

Cinema Grill Systems Inc
PO Box 28467
Atlanta, GA 30358

As of this date, no response has been received in this office.

Date issued: November 17, 2004

Geoffrey S. Connor
Secretary of State

ST\lsv

The State of Texas

Secretary of State

2005-098350-3

I, the undersigned, as Secretary of State of Texas DO HEREBY CERTIFY that according to the records of this office, a copy of the Citation with Plaintiff's Original Petition in the cause styled:

Universal Cinema Services Inc vs James T Duffy etal
96th Judicial District Court Of Tarrant County, Texas
09620736504

was received by this office on September 7, 2004, and that a copy was forwarded on September 13, 2004, by CERTIFIED MAIL, return receipt requested to:

Backlot Management Inc
PO Box 28467
Atlanta, GA 30358

As of this date, no response has been received in this office.

Date issued: November 17, 2004

Geoffrey S. Connor
Secretary of State

ST\lsv

The State of Texas

Secretary of State

2005-098350-2

I, the undersigned, as Secretary of State of Texas DO HEREBY CERTIFY that according to the records of this office, a copy of the Citation with Plaintiff's Original Petition in the cause styled:

Universal Cinema Services Inc vs James T Duffy etal
96th Judicial District Court Of Tarrant County, Texas
09620736504

was received by this office on September 7, 2004, and that a copy was forwarded on September 13, 2004, by CERTIFIED MAIL, return receipt requested to:

The Restaurant Entertainment Group Inc
PO Box 28467
Atlanta, GA 30358

As of this date, no response has been received in this office.

Date issued: November 17, 2004

Geoffrey S. Connor
Secretary of State

ST\lsv

The State of Texas

Secretary of State

2005-098350-1

I, the undersigned, as Secretary of State of Texas DO HEREBY CERTIFY that according to the records of this office, a copy of the Citation with Plaintiff's Original Petition in the cause styled:

Universal Cinema Services Inc vs James T Duffy etal
96th Judicial District Court Of Tarrant County, Texas
09620736504

was received by this office on September 7, 2004, and that a copy was forwarded on September 13, 2004, by CERTIFIED MAIL, return receipt requested to:

Entertainment Film Works Inc
5920 Roswell Rd
NE Atlanta, GA 30328

The PROCESS was returned to this office on October 5, 2004, bearing the notation Forwarding Order Expired.

Date issued: October 6, 2004

Geoffrey S. Connor
Secretary of State

ST\lsv

The State of Texas

Secretary of State

2005-098350-6

I, the undersigned, as Secretary of State of Texas DO HEREBY CERTIFY that according to the records of this office, a copy of the Citation with Plaintiff's Original Petition in the cause styled:

Universal Cinema Services Inc vs James T Duffy etal
96th Judicial District Court Of Tarrant County, Texas
09620736504

was received by this office on September 7, 2004, and that a copy was forwarded on September 13, 2004, by CERTIFIED MAIL, return receipt requested to:

Entertainment Developers Inc
13720 Six Mile Cyprus #2
Fort Meyers, FL 33912

The PROCESS was returned to this office on October 20, 2004, bearing the notation Unclaimed.

Date issued: October 21, 2004

Geoffrey S. Connor
Secretary of State

ST\lsv

AFFIDAVIT OF LAURA LANGFORD

STATE OF TEXAS §

COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, personally came and appeared Laura Langford, who, being by me first duly sworn, did depose and say:

1. "My name is Laura Langford. I am over the age of 18 years and have never been convicted of a felony or a crime involving moral turpitude. I am fully competent to make this affidavit. I have personal knowledge of the facts contained herein, all of which are true and correct.

2. I am the Vice President of Operations for Universal Cinema Services, Inc. (Universal), Plaintiff in this suit. In that capacity, I have personal knowledge of the accounts made the basis of this lawsuit and the matters stated in this affidavit.

3. As more fully described in Plaintiff's Original Petition, Defendants in this case contracted for, and Universal provided, certain materials and labor to three separate theater projects: Columbus, Ohio; Cincinnati, Ohio; and Rocky Mount, North Carolina.

4. Attached to this affidavit and incorporated for all purposes herein by reference as Exhibit A are statements of account for the three projects at issue. The statements in Exhibit A list the invoices relevant to the projects and the dollar amounts associated with each invoice. As shown in Exhibit A, allowing for all payments, offsets, and credits, the amounts due and owing to Universal on each project is as follows:

   1. Columbus.....$147,610.75

   2. Cincinnati.....$106,825.98

   3. Rocky Mount.....$147,807.26

EXHIBIT "5"

5. The total amount outstanding due and owing to Universal for the three projects at issue is $402,243.99, exclusive of interest, attorney's fees, and other costs of attempted collection of the past due amounts.

6. Exhibit A to this affidavit represents records that are kept by Universal in the regular course of business, and it was the regular course of business of Universal for an employee or representative of Universal, with knowledge of the information that was recorded, to make or maintain this record or to transmit the information to be included in this record. The record was made at or near the time or reasonably soon after the act, event, condition, opinion, or diagnosis that was recorded. The records attached to this Affidavit are the original or exact duplicates of the original. For purposes of this lawsuit, I am the custodian of the attached business records of Universal.

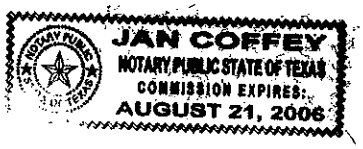
Further Affiant Sayeth Not."

DATED this 29th day of December, 2004.

Laura Langford

Laura Langford

SUBSCRIBED AND SWORN TO before me by the said Laura Langford, on this the 29 day of December, 2004, to certify which witness my hand and seal of office.



Jan Coffey

Notary Public, in and for The State of Texas

H:\johnsp\UNIVERSAL CINEMA SERVICES\Duffy et al Litigation\Pleadings\Affidavit Laura.doc

CINEMA GRILL COLUMBUS INVOICES				
Inv. Date	Inv. #	Amount	PO #	Description
11/26/03	29059	1,727.36	31609	Harkness screen
12/04/03	29070	280.67	31778	Freight for Inv. #29059
12/04/03	29086	110.67	31610	Mulone screen lacing springs
12/16/03	29186	6,161.44	31692	USL processors and monitors
12/16/03	29205	132.11	31705	Telex crossover for EV speaker
12/23/03	29291	1,450.41	31976	Seating Concepts bolts and screws
01/07/04	29344	107.89	31947	Fastenal screws
01/07/04	29355	1,519.56	31899	Thornton anchors
01/19/04	29389	176.05	32115	Christie tire for platter motor
01/19/04	29415	308.15	31704	Mulone screen lacing springs
01/21/04	29417	87.51	32066	Cinemeccanica projector oil
01/21/04	29420	175.98	32041	Grainger conductor cable
01/22/04	29440	181.05	32012	SMPTE test film
01/22/04	29442	394.64	32179	Christie tire for platter motor
01/22/04	29445	666.51	32215	Cinemeccanica tools, aperture plates
01/22/04	29452	139.90	32042	Dealers Electrical conductor cable
01/22/04	29454	37.40	32187	Lowell rack mount screws
01/22/04	29455	3,276.24	32165	Osram xenon bulbs
01/23/04	29453	12,632.50	31781	Pollavision JBL & EV stage speakers
01/29/04	29518	155.62	32264	DTS reader cable
01/29/04	29519	795.40	32225	Odyssey cables, plugs
01/29/04	29520	2,859.51	31694	Harkness screens
01/29/04	29524	267.57	32292	Cinemeccanica stereo solar cell
01/29/04	29531	69.23	32259	JBL brackets
01/29/04	29532	1,256.87	32205	JBL surround speakers
01/29/04	29533	156.46	32194	JBL crossovers
01/30/04	29553	16,889.70	32361	JWM transport equipment
01/30/04	29554	1,544.90	32361	JWM transport seats
01/30/04	29555	792.35	32361	JWM labor to move consoles
01/30/04	29566	459.16	32322	Cinemeccanica stereo solar cell assy
02/02/04	29571	818.01	None	Lenses
02/02/04	29574	697.09	32205	JBL brackets
02/02/04	29581	38.92	32313	Kelmar switch for automation
02/05/04	29606	733.36	32312	JBL surround speakers
02/05/04	29607	3,506.63	32295	JBL drivers for speakers
02/05/04	29610	832.65	32334	Christie parts
02/05/04	29612	544.34	32348	Christie axle assemblies
02/05/04	29616	1,884.78	32314	Omnimount speaker bracket
02/05/04	29632	222.00	32315	Strong lens barrell for projector
02/05/04	29636	18,480.51	32423	Barlow installation of seats and tables
02/05/04	29639	10,247.59	32370	Barlow removal of chairs

EXHIBIT "A"

02/05/04	29642	76.89	32355	Christie filter assemblies
02/09/04	29652	317.41	32206	Strong lens barrell for projector
02/09/04	29665	77.27	None	CPI splice tape
02/09/04	29666	38.03	32449	Fastenal screws
02/11/04	29691	1,868.66	32302	Frankel duvetyne
02/11/04	29701	37.81	32315	Freight for Inv. #29632
02/11/04	29704	1,559.60	32204	Perfect Projection Smart speaker horns
02/11/04	29705	529.00	32484	Freight for Inv. #29453
02/23/04	29736	265.24	32302	Freight for Inv. #29691
02/23/04	29740	1,457.20	32495	Perfect Projection lenses
02/23/04	29747	451.82	32490	Cinemeccanica aperture plates, oil
02/23/04	29748	7,148.40	32354	Perfect Projection lenses
02/23/04	29755	74.00	32315	Strong lens barrell for projector
02/23/04	29760	104.47	32489	Strong aperture plates
02/23/04	29761	1,767.05	32459	Perfect Projection lenses
02/26/04	29799	843.70	32525	Perfect Projection lenses
02/26/04	29806	-403.20	32334	Credit for returned Christie parts
03/01/04	29820	-317.41	32206	Credit for returned Strong lens barrell
03/01/04	29821	564.13	32369	Freight for Inv. #29691
03/04/04	29848	502.00	32524	Perfect Projection lenses
03/04/04	29850	208.46	32226	GST speaker brackets
03/05/04	29874	28.47	32315	Freight for Inv. #29755
03/18/04	29928	38,313.67	None	Installation of projection & sound equip.
		148,331.36		

148,331.36 Total
720.61 Credits
147,610.75 Bal. Due

CINEMA GRILL CINCINNATI INVOICES

Inv. Date	Inv. #	Amount	PO #	Description
11/25/03	29039	43.41	31628	Cinemeccanica focus tool
12/04/03	29062	2,073.59	None	Lenses, Splicer, splice tape, que tape
12/04/03	29072	1,361.73	31581	Harkness screen
12/04/03	29077	206.01	31780	Labor Ready to move equipment
12/04/03	29085	1,066.89	31627	Kelmar power supply
12/04/03	29087	115.42	31582	Mulone screen lacing springs
12/05/03	29103	212.47	31660	Christie projection parts
12/05/03	29115	495.19	31667	Strong projector parts
12/05/03	29135	1,638.12	31661	Osram xenon bulbs
12/16/03	29150	109.73	31825	Strong drive pulley
12/16/03	29159	32.83	31802	Lowell rack mount screws
12/16/03	29161	1,600.00	31493	Thornton anchors
12/16/03	29183	570.26	31698	Lowell relay racks
12/16/03	29184	2,677.69	31690	JBL surround speakers
12/16/03	29185	659.25	31706	Bass fascias and diffusers
12/16/03	29187	479.98	31750	Speco failsafes
12/16/03	29188	9,990.81	31691	USL processors and monitors
12/16/03	29191	17,595.00	31882	Barlow installation of seats
12/16/03	29195	86.14	31789	Strong aperture plates
12/16/03	29197	2,802.16	31813	Hoshizaki ice cuber, bin, filter sys.
12/16/03	29209	550.57	None	Splicer, leader
12/17/03	29215	12,195.75	31878	Pickett front end installation
12/17/03	29217	227.70	31930	Labor Ready to install speakers
12/17/03	29229	841.60	31808	Strong dimmer
12/17/03	29230	1,228.59	31790	Osram xenon bulbs
12/17/03	29231	331.20	31755	Irwin bolts for seat backs
12/17/03	29232	230.80	31786	SMPTE test film
12/17/03	29233	54.11	31846	Cinemeccanica air intake tube
12/17/03	29234	91.37	31864	Cinemeccanica microfarad capacitor
12/22/03	29257	75.09	31801	QSC phoenix connectors
12/23/03	29269	66.60	31918	Christie roller assembly
12/23/03	29276	2,103.98	31856	USL processor and monitor
12/23/03	29284	1,491.40	31975	Schneider lens
12/23/03	29292	1,666.98	31977	Seating Concepts bolts and screws
12/23/03	29294	74.22	31916	Telex crossover
12/24/03	29300	116.96	31927	Christie transformer
01/06/04	29311	9,497.85	32009	JBL shipment of equipment
01/07/04	29343	60.22	31966	Strong dampening fluid
01/19/04	29396	2,777.58	32247	Pollavision lenses
01/19/04	29399	333.50	None	Strong Splicer
01/19/04	29412	2,948.14	31603	Gold Medal popper, base, oil pump

01/22/04	29467	-276.00	31691	Credit for returned USL monitor
01/23/04	29450	3,390.33	32189	JBL drivers and bass cabinet
01/28/04	29472	23;051.39	None	Installation of projection & sound equip.
02/02/04	29573	45.66	None	Freight for Inv. #29399
02/23/04	29753	398.20	32556	Perfect Projection Lenses
02/23/04	29754	110.53	31707	GST speaker bracket
		107,457.59		

107,225.00 - Total
123.02 - Pmt.
276.00 - Credits
399.02
106,825.98 Bal. Due

CINEMA GRILL ROCKY MOUNT INVOICES

Inv. Date	Inv. #	Amount	PO #	Description
11/12/03	28926	4,906.20	31449	USL processors and monitor
11/12/03	28959	3,933.64	31355	Tivoli aisle lighting
11/18/03	28985	962.28	31467	Haven box office intercom units
11/21/03	29007	1,375.62	31500	Christie projection parts
11/25/03	29042	80.11	31567	Christie spring
11/25/03	29043	2,469.12	31554	JBL subwoofers
11/25/03	29044	669.70	31595	DTS reader and timecode reader
11/25/03	29045	4,824.24	31599	DTS digital processor
12/04/03	29071	3,740.91	31396	Harkness screens
12/04/03	29089	2,365.70	31638	Schneider lenses
12/04/03	29090	51.30	31646	Technikote screen brush
12/04/03	29091	96.35	31625	Christie housing
12/04/03	29092	356.00	31594	Odyssey sound harness, input card
12/04/03	29093	3,026.79	31602	Gold Medal popper, base, oil pump
12/04/03	29094	157.87	31624	Kelmar film cleaning machine, bracket
12/04/03	29095	2,630.05	31468	Gold Medal popcorn warmers
12/05/03	29098	1,382.76	31551	Hodges zinc shelves
12/05/03	29099	52.68	31644	Grainger telescopic pole
12/05/03	29101	349.63	31565	Mulone screen lacing springs
12/05/03	29104	766.23	31641	JBL woofer and crossover
12/05/03	29110	574.63	31805	United Rentals ladder rental
12/05/03	29116	2,100.25	31701	RMG Kenwood radios, antennas, adapters
12/05/03	29117	1,961.30	31469	Lavi posts & ropes
12/05/03	29119	48.00	31678	Technikote screen brush
12/05/03	29121	210.56	31703	San Jamar soap dispensers
12/05/03	29132	2,174.07	31658	Eagle sinks and spouts
12/05/03	29133	281.04	31695	Tivoli aisle lighting
12/05/03	29134	453.68	31697	Gold Medal nacho warmer, scoops, bowl
12/06/03	29151	140.22	31843	USL equalizer
12/16/03	29149	229.77	31814	Strong take-up rings
12/16/03	29154	2,134.64	31549	Glassform decorative trash cans
12/16/03	29162	197.60	31769	Strong pulleys and belts
12/16/03	29176	407.55	31639	Strong brain for platter
12/16/03	29177	46.92	31770	Strong shaft and pulley assemblies
12/16/03	29178	314.77	31696	Server butter servers
12/16/03	29179	1,990.18	31702	Kelmar rewind/inspection system
12/16/03	29189	429.56	31710	Hoshizaki dual water filtration system
12/16/03	29192	151.48	31798	JBL network assembly
12/16/03	29200	1,012.55	31800	Christie platter parts
12/17/03	29214	9,631.25	31881	Pickett installation of front ends
12/17/03	29218	111.53	31872	Goldberg film clamp sets
12/17/03	29226	6.92	31835	Christie make-up table receptacle
12/17/03	29227	361.14	31827	Christie platter and make-up table parts

12/17/03	29228	828.42	31699	Edward Don dunnage racks
12/18/03	29242	223.58	31787	SLV JVC 5 disc CD player
12/22/03	29252	207.15	31847	Strong changeover
12/22/03	29255	260.92	31858	Christie projection parts
12/22/03	29256	484.00	31832	Christie platter
12/22/03	29258	2,627.03	31757	Bass display boards, marquee letters
12/22/03	29259	97.81	31853	Christie cable assemblies
12/23/03	29267	8,625.00	31909	Barco digital projector
12/23/03	29281	167.94	31826	Strong projector parts
12/23/03	29282	105.40	31873	CPI countdown leader
12/24/03	29299	5,947.13	None	Office Depot supplies
12/24/03	29301	722.10	31548	GST speaker brackets
12/29/03	29304	2,739.68	None	Technician services
01/06/04	29312	4,229.70	32009	JWM shipment of equipment
01/06/04	29315	39.76	31814	Freight for Inv. #29149
01/06/04	29316	27.27	31770	Freight for Inv. #29177
01/06/04	29323	19.56	31951	Strong table reel drive pin
01/06/04	29324	746.77	31884	Goldberg reels
01/07/04	29334	1,581.95	31909	Barco Lens
01/07/04	29335	172.50	31871	Speco film clamps
01/07/04	29336	86.10	31815	Odyssey adapter plug
01/07/04	29337	400.91	31883	Bass display boards, marquee letters
01/07/04	29338	107.73	31922	Strong selector switch
01/07/04	29339	33.90	31937	Strong toggle switch
01/07/04	29359	9,700.40	31945	Barco digital projector
01/19/04	29397	162.39	31833	Pollavision Christie used film sensor assy
01/21/04	29424	231.60	31552	CPI leader and lens tissue
01/28/04	29473	28,960.81	None	Installation of projection and sound equip
01/28/04	29475	405.21	None	Office Depot supplies
01/29/04	29483	-75.90	31853	Credit for returned Christie parts
01/29/04	29484	-6.92	31835	Credit for returned Christie parts
01/29/04	29487	7,820.00	32013	Strong platter systems
01/29/04	29491	74.16	32239	Gemini change arm
01/30/04	29550	44.25	32360	Freight for Inv. #29335
02/05/04	29613	80.97	32224	Christie platter parts
02/09/04	29653	-106.19	31769	Credit for returned Strong parts
02/09/04	29659	8,475.50	32330	Strong platter systems
02/11/04	29683	51.94	32417	Server jar
02/11/04	29706	1,133.82	32485	Service work by Shaver Sound Service
02/13/04	29715	123.09	32440	JBL diaphragm
02/13/04	29726	42.06	32375	Strong platter parts
02/24/04	29778	80.74	32574	DTS reader bracket
02/24/04	29788	437.03	32575	Service work by Shaver Sound Service
03/05/04	29875	295.14	32330	Freight for Inv. #29659
03/17/04	29927	417.07	32762	Freight for Inv. #29487
		147,996.27		

171,074.34 Total
23,078.07 Photo
189.01 Credits
} 23,267.08
147,807.26 Bal Due

SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.
1000 Ballpark Way, Suite 300
Arlington, Texas 76011
(817) 795-4866
Telecopier (817) 795-4864

Jeffrey R. Allen
Direct Dial (817) 882-7616

Direct Email
jallen@shannongracey.com

December 30, 2004

Clerk of the 96th District Court
Tarrant County Justice Center
401 W. Belknap
Fort Worth, Texas 76196

Re: Cause No. 096-207365-04; Universal Cinema Services, Inc. v. James Duffy, et. al.

Dear Clerk:

Enclosed for filing with the court in connection with the above-referenced matter is an original and one copy of:

1. Plaintiff's Motion for Entry of Default Judgment; and

2. Default Judgment.

Please forward the enclosed to the Judge Walker for his review. Please notify the undersigned if a hearing will be necessary. If not, please return a conformed copy of the Default Judgment and a file-stamped copy of the Motion for Entry of Default Judgment.

Thank you for your assistance.

Sincerely,

Jeffrey R. Allen

FILED
TARRANT COUNTY
2004 DEC 30 P 1:54
THOMAS A. WILDER
DISTRICT CLERK

JRA:css
Enclosure
E:\johnsp\UNIVERSAL CINEMA SERVICES\Duffy et al Litigation\correspondence\Clerk 12-30-04.doc

cc:

James T. Duffy
990 Edgewater Drive
Atlanta, Georgia 30328

Via CMRRR – 7003 1680 0000 2909 4939

Cinema Grill Services, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

Via CMRRR – 7003 1680 0000 2909 4946

Backlot Management, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

Via CMRRR – 7003 1680 0000 2909 4953

The Restaurant Entertainment Group, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

Via CMRRR – 7003 1680 0000 2909 4960

Entertainment Film Works, Inc.
5920 Roswell Road NE
Atlanta, Georgia 30328

Via CMRRR – 7003 1680 0000 2909 4977

Entertainment Developers, Inc.
13720 Six Mile Cyprus, Ste. #2
Fort Meyers, Florida 33912

Via CMRRR – 7003 1680 0000 2909 4984

Jack Panzeca
Stan Lamb
Laura Langford
Universal Cinema Services, Inc.
1205 Corporate Drive East
Arlington, Texas 76006

Via Facsimile to 817.633.2190

Cause No. 096-207365-04

UNIVERSAL CINEMA SERVICES, INC., Plaintiff,	§	IN THE DISTRICT COURT
vs.	§	
JAMES T. DUFFY, Individually; CINEMA GRILL SYSTEMS, INC.; BACKLOT MANAGEMENT, INC.; THE RESTAURANT ENTERTAINMENT GROUP, INC; ENTERTAINMENT FILM WORKS, INC.; ENTERTAINMENT DEVELOPERS, INC.,	§	TARRANT COUNTY, TEXAS
Defendant.	§	96TH JUDICIAL DISTRICT

DEFAULT JUDGMENT

At the hearing on this cause, Plaintiff appeared through its attorney of record. Defendants James Duffy, Individually, Cinema Grill Systems, Inc., Backlot Management, Inc., The Restaurant Entertainment Group, Inc., Entertainment Film Works, Inc., and Entertainment Developers, Inc. (together, "Defendants"), although duly cited to appear and answer herein, have failed to file an answer within the time allowed by law.

The Court has considered the pleadings and records on file in this cause and the evidence herein and is of the opinion that judgment against Defendants should be rendered for Plaintiff in all respects. Accordingly, the Court finds as follows:

WHEREAS, Defendants have engaged in a joint enterprise and fraudulent scheme directed at Plaintiff to defraud Plaintiff of materials and labor;

WHEREAS, as a result of Defendants' actions, Plaintiff has been defrauded of material and labor worth in excess of $402,243.99;

WHEREAS, Defendants have failed and refuse to pay the sums due and owing to Plaintiff despite repeated demands to do so, as more fully described in Plaintiffs' Original Petition, which is attached hereto as Exhibit A; and

WHEREAS, Defendants have admitted the factual allegations contained in Plaintiffs' Original Petition by virtue of their default, which factual allegations are incorporated into this Judgment as though set forth fully herein;

Court's Minutes
Transaction # 9

JM

It is accordingly ORDERED, ADJUDGED, and DECREED that Universal Cinema Services, Inc., Plaintiff, recover from the above named Defendants, jointly and severally, judgment for—

1. $402,243.99 as the principal amount due;

2. Pre-judgment interest at the maximum rate allowed by law on the principal amount to the date of judgment;

3. $ 16,504.00 as attorney's fees incurred to date; additional fees to perform post-judgment discovery and execute and collect the Judgment in the amount of $5,000.00; additional reasonable fees to draft or respond to a motion for new trial in the amount of $2,500.00; additional reasonable fees in the event of appeal to the Texas Court of Appeals or other court of appeals in the amount of $5,000.00; and additional reasonable fees in the event of appeal to the Texas Supreme Court or other further appeal in the amount of $5,000.00.

4. $743.46 for expenses incurred herein;

5. Interest at the maximum rate allowed by law on the total Judgment from the date of Judgment until paid in full; and

6. All costs of Court.

It is further ORDERED that Plaintiff shall have all writs of execution and other process necessary to enforce this Judgment.

This Judgment is final and is appealable.

SIGNED on this 18th Day of January, 2005.

JUDGE PRESIDING

Cause No. 096 207365 04

UNIVERSAL CINEMA SERVICES, INC., Plaintiff,	§	IN THE DISTRICT COURT
vs.	§	
JAMES T. DUFFY, Individually; CINEMA GRILL SYSTEMS, INC.; BACKLOT MANAGEMENT, INC.; THE RESTAURANT ENTERTAINMENT GROUP, INC; ENTERTAINMENT FILM WORKS, INC.; ENTERTAINMENT DEVELOPERS, INC., Defendant.	§	TARRANT COUNTY, TEXAS
	§	____ JUDICIAL DISTRICT

FILED TARRANT COUNTY 01 AUG 27 PM 3:31 DISTRICT CLERK

PLAINTIFF'S ORIGINAL PETITION

Plaintiff, Universal Cinema Services, Inc., files this Original Petition, complaining of Defendants James Duffy, Individually, Cinema Grill Systems, Inc., Backlot Management, Inc., The Restaurant Entertainment Group, Inc., Entertainment Film Works, Inc., and Entertainment Developers, Inc. (together, "Defendants"), and in support thereof shows the following:

1. Discovery is intended to be conducted under Texas Rule of Civil Procedure 190.3 (Level 2). Pursuant to Rule 216 of the Rules of Civil Procedure, Plaintiff hereby demands a jury trial, and has paid the requisite fee.

Parties

2. Plaintiff is a Texas corporation whose principal place of business is in Tarrant County, Texas.

3. Defendant James T. Duffy is an individual residing at 990 Edgewater Drive, Atlanta, Georgia 30328. As a non-resident individual doing business in the state of Texas, but who does not maintain a residence or place of business in the state of Texas, and who has not

EXHIBIT "A"

designated or maintained a designated or registered agent for service of process in the state of Texas, Defendant James T. Duffy may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to Defendant James T. Duffy's home: 990 Edgewater Drive, Atlanta, Georgia 30328.

4. Defendant Cinema Grill Services, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the state of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but who does not maintain a designated or registered agent for service of process in the State of Texas, Defendant Cinema Grill Services, Inc., may be served with process pursuant to § 17.044(b) of the CIVIL PRACTICES AND REMEDIES CODE, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

5. Defendant Backlot Management, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but who does not maintain a designated or registered agent for service of process in the state of Texas,

Defendant Backlot Management, Inc., may be served with process pursuant to § 17.044(b) of the CIVIL PRACTICES AND REMEDIES CODE, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

6. Defendant The Restaurant Entertainment Group, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but not required to maintain a designated or registered agent for service of process in the State of Texas, Defendant The Restaurant Entertainment Group, Inc., may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

7. Defendant Entertainment Film Works, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is 5920 Roswell Road NE, Atlanta, Georgia 30328. As a foreign corporation doing business in the State of Texas, but not required to maintain a designated or registered agent for service of process in the State of Texas, Defendant Entertainment Film Works, Inc., may be served with process pursuant to

Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to the mailing address of Defendant's home office: 5920 Roswell Road NE, Atlanta, Georgia 30328.

8. Defendant Entertainment Developers, Inc., is a Nevada corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is 13720 Six Mile Cyprus, Ste. #2, Fort Meyers, Florida 33912. As a foreign corporation doing business in the State of Texas, but not required to maintain a registered agent for service of process in the State of Texas, Defendant Entertainment Developers, Inc., may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward suit papers and citation to said Defendant, at the mailing address of Defendant's home office: 13720 Six Mile Cyprus, Ste. #2, Fort Meyers, Florida 33912.

Jurisdiction and Venue

9. This Court has jurisdiction over Defendants because all Defendants engaged in business in Tarrant County, Texas, by conspiring to defraud Plaintiff in Tarrant County, Texas, committing fraud and misrepresentation in Tarrant County, Texas, and entering into a series of contractual agreements with Plaintiff (whether directly or through other Defendants as agents), payment under which was to be made to Plaintiff in Tarrant County, Texas, and the matters at issue herein arise out of those actions. This Court has jurisdiction over the amount in

controversy because the damages sought are within this Court's jurisdictional limits. Venue is proper in Tarrant County, Texas because all or a substantial part of the acts or omissions giving rise to the Plaintiff's claims occurred in this county, and Plaintiff is located in this county.

Background

10. Plaintiff is a Tarrant County company in the business of designing and constructing the finished interiors of movie theatres, including, among other things, the installation of movie screens, projection equipment, sound systems, and seating.

11. The corporate Defendants, (together, the "Duffy Entities") are nominally five separate entities incorporated under Georgia law (in the cases of Cinema Grill Services, Inc., Backlot Management, Inc., Entertainment Film Works, Inc., and The Restaurant Entertainment Group Inc.) and Nevada law (in the case of Entertainment Developers, Inc.). On information and belief, Defendants are operated as a joint business enterprise, and/or as alter egos of Defendant Duffy. Defendant Duffy is listed with the Georgia Secretary of State as the chief executive officer, chief financial officer, and secretary of Cinema Grill Services, Inc., Backlot Management, Inc., and The Restaurant Entertainment Group, Inc. All three of these Defendant entities list the same post office box in Atlanta, Georgia, as their mailing address, and all three list the same agent for service of process within the state of Georgia: Sonya White, 228 Water Tank Road, Atlanta, Georgia 30132. On information and belief, Defendant Entertainment Film Works, Inc., and Defendant Entertainment Developers, Inc., are also wholly owned and controlled by Duffy. On information and belief, Defendant Duffy used the Duffy Entities, and possibly other entities, in a concerted effort to fraudulently deprive Plaintiff of its goods and services, with the intention from the outset of never paying Plaintiff for said goods and services.

12. In or around October 2003, Plaintiff was contacted in Tarrant County, Texas, by representatives of Defendants regarding a possible arrangement between Plaintiff and Defendants by which Plaintiff would provide certain materials and labor for the finish-out of three separate theater projects. Defendants were developing said theaters in Rocky Mount, North Carolina, Columbus, Ohio, and Cincinnati, Ohio (the "Projects"). Ultimately, after submitting a credit application under the name of Defendant Cinema Grill Services, Inc., along with industry references (including a credit reference from Defendant Backlot Management, Inc.) to Plaintiff, Defendants established an account with Plaintiff under which Defendants would submit oral or written purchase orders for equipment and installation thereof for the Projects which Plaintiff could accept or reject as Plaintiff determined (referred to collectively herein as the "Contracts"). As Plaintiff understands the Projects, Defendants acted as the general contractor for the Projects, and acted as the liaison between all subcontractors (including Plaintiff) and the owners of the retail outlets in which the Projects were located. On information and belief, either Defendants or separate entities set up by Defendants were to be the operators of the Projects once the theatres were up and running. Upon information and belief, the only theater still in operation of the three is the Cincinnati theater, operated by Defendant Entertainment Developers, Inc. Upon information and belief, Defendant Entertainment Developers, Inc., acted through the other Defendants as its agents, including Defendants Duffy and Cinema Grill Services, Inc., to solicit goods and services from Plaintiff.

13. Under the terms of the Contracts, Defendants were to pay amounts due and owing within 21 days of receipt of the invoices. Payment was to be made to Plaintiff in Texas. Over a period of several months, Plaintiff provided substantial amounts of labor and material to the three Projects at Defendants' request, and billed Defendants accordingly. Over the course of the

three Projects, Plaintiff received only two payments from Defendants, in the form of two checks from Defendant Backlot Management, Inc, signed by Defendant Duffy.

14. As the amounts due and owing (yet unpaid) on Defendants' account began to age, employees of Plaintiff contacted Defendants to inquire as to the state of Defendants' finances and the status of the Projects. Plaintiffs were assured repeatedly by Defendants, including Defendant Duffy, that Defendants had the ability and intention of paying all amounts owed to Plaintiff and that would be incurred as a result of future orders. Specifically, Defendant Duffy stated to Plaintiff on one occasion that Defendants would pay Plaintiff as soon as the landlord on one of the Projects paid Defendants, which was supposed to happen in a matter of one or two weeks. On another occasion, Defendant Duffy stated to Plaintiff that he expected to receive a check soon and would pay Plaintiff when he got it. On still other occasions, Defendant Duffy pleaded with Plaintiff to keep Defendants' account open because he had "some money coming" and would be able to pay Plaintiff. In reliance on Defendant Duffy's (upon information and belief, false) representations in this regard, Plaintiff fulfilled additional orders from Defendants relating to the Projects.

15. Eventually, the past-due amounts owing to Plaintiff on Defendants' Projects rose to $402,243.99, and Plaintiff refused to provide additional goods or services to Defendants until paid. Despite repeated demands by Plaintiff to pay these amounts, Defendants refused. Eventually, Plaintiff retained the services of counsel, who sent a written demand for payment to Defendants. Defendants failed and refused, and continue to fail and refuse, to pay the amounts due and owing to Plaintiff.

16. Incredibly, when confronted with a demand for payment on the account with Plaintiff, Defendant Duffy responded in a letter dated April 29, 2004, that "Cinema Grill

Systems, Inc., did not contract with Universal Cinema Services, Inc." for the labor and material on which the demand for payment was made. Defendant Duffy states in the same letter that Defendant Cinema Grill Systems, Inc., "licenses to others the right to operate Cinema Grill" and that he thinks Plaintiff's "dealings were with the Operator/Licensee, and that any question regarding any claims or obligations need to be directed to the appropriate party." This response, while clearly contrary to the facts (because Cinema Grill Systems, Inc. is the name in which Defendants applied for an account with Plaintiff, and the name in which Defendants were invoiced), serves to illustrate the shell game that Defendants attempted to play on Plaintiff. On information and belief, Defendants entered into the Contracts with Plaintiff, and induced Plaintiff into said Contracts, with the present intention not to pay the charges incurred under the Contracts. Moreover, on information and belief, Defendants conspired (at Duffy's direction) to structure the transactions in such a way that one Defendant entity would act nominally as the contracting party with Plaintiff, while another entity entered a lease on a given Project, while yet another entity acted as the eventual operator of each Project, all with the intent of jointly defrauding Plaintiff and leaving Plaintiff no readily available recourse when Defendants ultimately defaulted on the Contracts.

Conspiracy

17. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 16 herein as if fully set forth at length.

18. The actions of Defendants as described above amount to a conspiracy to defraud Plaintiff. On information and belief, Defendants reached a meeting of the minds to act in concert with one another to fraudulently induce Plaintiff into providing goods and services for which Defendants had no intention to pay. At least two of the Defendants, James T. Duffy and Cinema

Grill Services, Inc., committed overt acts of fraud and misrepresentation in furtherance of said conspiracy, for the benefit of themselves and the other Defendants, resulting in monetary damages in an amount within the jurisdictional limits of the Court, for which Plaintiff sues.

Fraudulent Misrepresentation/Negligent Misrepresentation and Exemplary Damages

19. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 18 herein as if fully set forth at length.

20. Defendants herein colluded to defraud Plaintiff of its goods and services by representing to Plaintiff a willingness and ability to pay all sums that would become due and owing with no intention and/or ability to actually pay said sums. Furthermore, Defendant Duffy made numerous representations to Plaintiff that the goods and services being provided by Plaintiff would be promptly paid for, even after Plaintiff became concerned about Defendants' growing late balance and asked for assurances from Defendants of Defendants' willingness and ability to pay amounts due and owing. Defendants made such representations despite the fact that they knew they had no intention of paying the amounts due and owing, and/or despite the fact that they knew or should have known they had no ability to pay such amounts. Plaintiff repeatedly relied on these misrepresentations, first in entering into the Contracts to begin with, and then in continuing forward in providing goods and services to Defendants.

21. As a direct and proximate result of the misrepresentations by Defendants, Plaintiff has incurred damages within the minimum jurisdictional limits of the court, for which sums Plaintiff now sues. Furthermore, because of Defendants' willfully fraudulent conduct, Plaintiff is entitled to an award of exemplary and punitive damages, for which it sues.

Breach of Contract

22. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 21 herein as if fully set forth at length.

23. The behavior described above constitutes material breach of the Contracts on the part of Defendants.

24. The Plaintiff complied with its obligations pursuant to the Contracts, and provided materials and labor to Defendants. However, Defendants failed to fulfill their contractual obligations by failing to pay all amounts due and owing as agreed.

25. Defendants' failure to comply with their contractual obligations as described herein constitutes breaches of the Contracts, which have proximately caused damages to the Plaintiff in an amount within the jurisdictional limits of this court, for which sums the Plaintiff now sues.

26. All conditions precedent have been performed or have occurred as required by TEX. R. CIV. P. 54.

Unjust Enrichment/Quantum Meruit

27. The Plaintiff incorporates by reference the allegations contained in paragraphs 1-26 herein as if fully set forth at length.

28. In addition and in the alternative to the causes of action set out above, Plaintiff asserts a right to recover the fair market value of the goods and services provided to Defendants under the doctrine of unjust enrichment. Defendants have received the benefit of Plaintiff's goods and services without compensating Plaintiff. For this reason, Plaintiff sues for *quantum meruit* damages from Defendants in an amount within the jurisdictional limits of this Court.

Alter Ego

29. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 28 herein as if fully set forth at length.

30. Upon information and belief, Defendant Duffy operates the Duffy Entities merely as alter egos of himself, and uses the Defendant entities in furtherance of his fraudulent schemes. For these reasons, the Court should find that the actions and liabilities of the Duffy Entities are attributable in all respects to Duffy individually.

Damages

31. As a direct and proximate result of Defendants' conduct, as set forth herein, Plaintiff has been damaged in an amount within this court's jurisdictional limits.

Attorney's Fees

32. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 30 herein as if fully set forth at length.

33. Due to the actions of Defendants as set out in this petition, Plaintiff has been forced to retain the services of the undersigned law firm. Plaintiff has agreed to pay the undersigned a reasonable fee for its services necessarily rendered and to be rendered in pursuing Plaintiff's claims against Defendants. Therefore, pursuant to TEX. CIV. PRAC. & REM.. CODE § 38.001, *et seq.*, and other Texas law, Plaintiff is entitled to an award of reasonable attorneys' fees and expenses in an amount to be established at trial.

Prayer

WHEREFORE, Plaintiff respectfully requests that Defendants be cited to appear and answer herein, and that upon final hearing hereof:

(a) Plaintiff recovers its actual damages suffered as a result of Defendants' civil conspiracy, fraudulent and negligent misrepresentations, breach of contract;

(b) Plaintiff recovers exemplary and punitive damages for Defendants' knowing and willful conspiracy and fraud;

(c) Plaintiff recovers the value of the goods and services provided to Defendants under *quantum meruit*;

(d) Plaintiff recovers all its damages, costs, and expenses, including reasonable and necessary attorneys' fees and expenses incurred in bringing this action;

(e) Plaintiff recovers pre-judgment and post-judgment interest at the maximum rate allowed by law; and

(f) Plaintiff have and recover any and all other relief, special or general, legal or equitable, as the Court deems appropriate.

Respectfully Submitted,

Larry Fowler
State Bar No. 07321900
Jeffrey R. Allen
State Bar No. 24006751
SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.
1000 Ballpark Way, Suite 300
Arlington, Texas 76011
Telephone:(817) 882-7616
Facsimile:(817) 795-4864

ATTORNEYS FOR PLAINTIFF

E:\johnsp\UNIVERSAL CINEMA SERVICES\Duffy et al Litigation\Pleadings\ucs petition.doc

Civil Docket Discovery: 2 096-207365-04

Cause Of Action: FRAUD

	NAMES OF PARTIES	ATTORNEYS
Date Filed 08/27/2004	UNIVERSAL CINEMA SERVICES, INC.	ALLEN, JEFFREY R 1000 BALLPARK WAY STE 300 ARLINGTON, TX 76011 BarID: 24006751TX Ph (817)882-7616 PLTF SHANNON GRACEY RATLIFF & MILLER LLP
Jury Fee $	vs.	
Paid By	JAMES T. DUFFY, ET AL	

Date of Orders	ORDERS OF COURT	Was Steno Used?
1-18-05	Signed Default Judgment	

TARRANT COUNTY
THOMAS A. WILDER
DISTRICT CLERK - CIVIL
401 W. BELKNAP STREET
FORT WORTH, TEXAS 76196-0402

RETURN TO SENDER UNDELIVERABLE AS ADDRESSED

PRESORTED FIRST CLASS

UNITED STATES POSTAGE
PITNEY BOWES
02 1A
0004368393
$ 00.76[1]
JAN 24 2005
MAILED FROM ZIP CODE 76102

FILED
TARRANT COUNTY
2005 MAR 18 A 11:31
THOMAS A. WILDER
DISTRICT CLERK

ENTERTAINMENT FILM WORKS INC
5920 ROSWELL RD NE
ATLANTA GA 30328

WAA
2801

No New Address Found.
3-18-05

SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.
1000 Ballpark Way, Suite 300
Arlington, Texas 76011
(817) 795-4866
Telecopier (817) 877-8176

Jeffrey R. Allen
Direct Dial (817) 882-7616

Direct Email
jallen@shannongracey.com

April 5, 2005

FILED
TARRANT COUNTY
2005 APR -8 PM 3:37
THOMAS A. WILDER
DISTRICT CLERK

Clerk of the 96th District Court
Tarrant County Justice Center
401 W. Belknap
Fort Worth, Texas 76196

Re: Cause No. 096-207365-04; Universal Cinema Services, Inc. v. James Duffy, et. al.

Dear Clerk:

This letter is to request a certified copy of the Default Judgment in this case. I have enclosed a check for $14.00 and a return envelope. Please send the certified copy to the undersigned. If you need any additional information, let me know.

Sincerely,

Jeffrey R. Allen

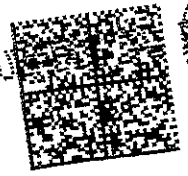
JRA:css
Enclosure
E:\johnsp\UNIVERSAL CINEMA SERVICES\Duffy et al Litigation\correspondence\Clerk 04-05-05.doc

4-11-05
mk
rcpt

TARRANT COUNTY
THOMAS A. WILDER
DISTRICT CLERK - CIVIL
401 W. BELKNAP STREET
FORT WORTH, TEXAS 76196-0402

RETURN TO SENDER

PRESORTED FIRST CLASS



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02 1A JAN 24 2005
0004368393
MAILED FROM ZIP CODE 76102

RETURN TO SENDER
NOT AT THIS ADDRESS
BOX CLOSED

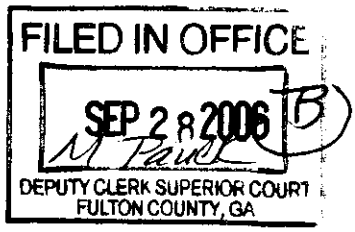
FILED
TARRANT COUNTY
2005 JUN 15 AM 11:32
THOMAS A. WILDER
DISTRICT CLERK

No new address on file 6/15/05

ENTERTAINMENT DEVELOPERS INC
13720 SIX MILE CYPRUS #2
FORT MYERS FL 33912

ENTE/20 [redacted] 01/31/05
NOTIFY SENDER OF NEW [redacted]
ENTERTAINMENT DEVELOPERS
[redacted] CARLOS BLVD STE 3
FORT MYERS FL 33908-1225

IN THE SUPERIOR COURT OF FULTON COUNTY
STATE OF GEORGIA



MPK

UNIVERSAL CINEMA SERVICES INC,	)	
	)	
Plaintiff,	)	Civil Action
	)	File No. 2005CV103987
v.	)	
	)	
JAMES T. DUFFY, et. al,	)	
	)	
Defendant.	)	

FINAL ORDER REGARDING DOMESTICATION ACTION

In the above-styled action, a judgment creditor seeks to domesticate a foreign judgment pursuant to the Uniform Enforcement of Foreign Judgment Act, O.C.G.A. § 9-12-130 et seq. (the Act). It appearing that all the requirements of the Act have been met and that no objection to the domestication has been raised, it is hereby ordered that the Clerk shall treat the subject judgment as though it were issued in Georgia. It further appearing that no action is required by the Court at this time, the Clerk is hereby Ordered to close this matter.

So ORDERED this 27 day of September, 2006.

MICHAEL D. JOHNSON, JUDGE
FULTON SUPERIOR COURT
ATLANTA JUDICIAL CIRCUIT

James T. Duffy
999 Edgewater Dr.
Atlanta, GA 30328

The Restaurant Entertainment Group
P.O. Box 28467
Atlanta, GA 30358

Entertainment Film Work, Inc.
5920 Roswell Rd NE
Atlanta, GA 30328

Cinema Grill Services
P.O. Box 28467
Atlanta, GA 30358

Backlot Management
P.O. Box 28467
Atlanta, GA 30358

C

IN THE SUPERIOR COURT OF FULTON COUNTY

STATE OF GEORGIA

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

Universal Cinema Services Inc
PLAINTIFF

CIVIL ACTION FILE NO: 2005CV103987

VS.

James T. Duffy, et al
DEFENDANT

CERTIFIED MAIL RECEIPT

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 2510 0005 0857 2973

Postage	$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	$	

Sent To Backlot Management
Street, Apt. No.; or PO Box No. P.O. Box 28467
City, State, ZIP+4 Atlanta, GA 30358

C

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

NOTICE RE: FOREIGN JUDGMENT

TO: Backlot Management
P.O. Box 28467
Atlanta, GA 30358

CIVIL ACTION
FILE NUMBER: 2005CV103987

Pursuant to Georgia's "UNIFORM ENFORCEMENT OF FOREIGN JUDGMENT LAW" O.C.G.A. 9-12-130, you are hereby notified that:

Universal Cinema Services Inc
1205 Corporate Dr East Arlington, TX 76006

, Judgment Creditor

whose attorney is Jerry R. Allen
1000 Ballpark Way, Suite 300 Arlington, TX 76011

has filed a foreign judgment in this office in which you are the judgment debtor(s).

This, 18 day of July, 2005

Deputy Clerk, Fulton Superior Court

IN THE SUPERIOR COURT OF FULTON COUNTY

STATE OF GEORGIA

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

Universal Cinema Services Inc
PLAINTIFF

CIVIL ACTION FILE NO: 2005CV103987

VS.

James T. Duffy, et al
DEFENDANT

CERTIFIED MAIL RECEIPT

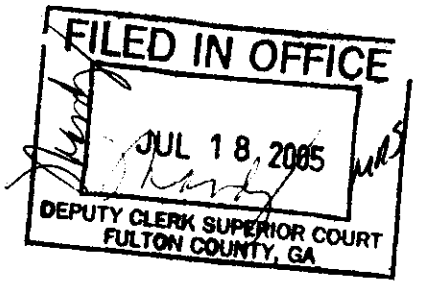
U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 2510 0005 0857 2997

Postage	$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	$	

Sent To: Cinema Grill Services
Street, Apt. No.; or PO Box No.: P.O. Box 28467
City, State, ZIP+4: Atlanta, GA 30358

C



NOTICE RE: FOREIGN JUDGMENT

TO: Cinema Grill Services
P.O. Box 28467
Atlanta, GA 30358

CIVIL ACTION
FILE NUMBER: 2005CV103987

Pursuant to Georgia's "UNIFORM ENFORCEMENT OF FOREIGN JUDGMENT LAW" O.C.G.A. 9-12-130, you are hereby notified that:

Universal Cinema Services Inc
1205 Corporate Dr East Arlington, TX 76006

_____, Judgment Creditor

whose attorney is Jerry R. Allen
1000 Ballpark Way, Suite 300 Arlington, TX 76011

has filed a foreign judgment in this office in which you are the judgment debtor(s).

This, 18 day of July, 2005

Deputy Clerk, Fulton Superior Court

C

IN THE SUPERIOR COURT OF FULTON COUNTY

STATE OF GEORGIA

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

Universal Cinema Services Inc
PLAINTIFF

CIVIL ACTION FILE NO: 2005CV103987

VS.

James T. Duffy, et al
DEFENDANT

CERTIFIED MAIL RECEIPT

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7001 2510 0005 0857 3000

Postage	$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$

Postmark Here

Sent To James T. Duffy
Street, Apt. No.; or PO Box No. 999 Edgewater Dr
City, State, ZIP+4 Atlanta, GA 30328

C

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

IN THE SUPERIOR COURT OF FULTON COUNTY

STATE OF GEORGIA

Universal Cinema Services Inc

CIVIL ACTION NO: 2005CV103987

RE: JUDGMENT FROM

COURT: 96 Judicial District Texas

VS

James T. Duffy
Cinema Grill Systems
Backlot Management Inc et al

CASE NO: 096-207365-04

UNIFORM FOREIGN JUDGMENT
CERTIFICATE OF MAILING NOTICE

The undersigned hereby certifies that notice of the filing of the foreign judgment proceeding has been properly addressed to the above named judgment debtor and has been placed in the United States mail, with adequate postage thereon.

THIS 18 **DAY OF** July, **20** 05

JUANITA HICKS
CLERK OF SUPERIOR COURT
FULTON COUNTY, GEORGIA

BY: _____
DEPUTY CLERK

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

NOTICE RE: FOREIGN JUDGMENT

TO: James T. Duffy
999 Edgewater Dr
Atlanta, GA 30328

CIVIL ACTION
FILE NUMBER: 2005CV103987

Pursuant to Georgia's "UNIFORM ENFORCEMENT OF FOREIGN JUDGMENT LAW" O.C.G.A. 9-12-130, you are hereby notified that:

Universal Cinema Services Inc
1205 Corporate Drive East Arlington, TX 76006

, Judgment Creditor

whose attorney is Jeffrey R. Allen
1000 Ballpark Way, Ste 300 Arlington, TX 76011

has filed a foreign judgment in this office in which you are the judgment debtor(s).

This, 18 day of July, 2005

Deputy Clerk, Fulton Superior Court

IN THE SUPERIOR COURT OF FULTON COUNTY

STATE OF GEORGIA

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

Universal Cinema Services Inc
PLAINTIFF

CIVIL ACTION FILE NO: 2005CV103987

VS.

James T. Duffy, et al
DEFENDANT

CERTIFIED MAIL RECEIPT

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

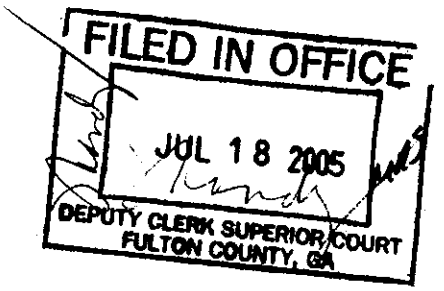
7001 2510 0005 0857 3017

Postage	$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	$	

Sent To Entertainment Developers
Street, Apt. No.; or PO Box No. 13720 Six Mile Cypress St #2
City, State, ZIP+4 Fort Meyers, FL 33912

PS Form [illegible] See Reverse for Instructions

C



NOTICE RE: FOREIGN JUDGMENT

TO: Entertainment Developers Inc
13720 Six Mile Cypress Ste #2
Fort Meyers, FL 33912

CIVIL ACTION FILE NUMBER: 2005CV103987

Pursuant to Georgia's "UNIFORM ENFORCEMENT OF FOREIGN JUDGMENT LAW" O.C.G.A. 9-12-130, you are hereby notified that:

Universal Cinema Services Inc
1205 Corporate Dr East Arlington, TX 76006

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This, 18 day of July, 2005

Deputy Clerk, Fulton Superior Court

C

IN THE SUPERIOR COURT OF FULTON COUNTY

STATE OF GEORGIA

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

Universal Cinema Services Inc
PLAINTIFF

CIVIL ACTION FILE NO: 2005CV103987

VS.

James T. Duffy, et al
DEFENDANT

CERTIFIED MAIL RECEIPT

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

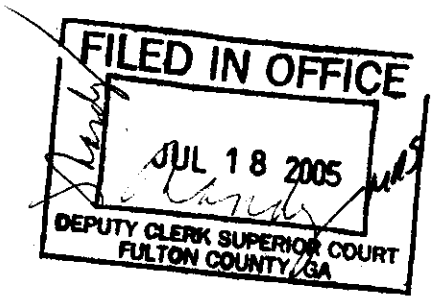
7001 2510 0005 0857 2959

Postage	$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$

Postmark Here

Sent To: Entertainment Film Work
Street, Apt. No.; or PO Box No.: 5920 Roswell Rd NE
City, State, ZIP+4: Atlanta, GA 30328

C



NOTICE RE: FOREIGN JUDGMENT

TO: Entertainment Film Work Inc
5920 Roswell Rd NE
Atlanta, GA 30328

CIVIL ACTION FILE NUMBER: 2005CV103987

Pursuant to Georgia's "UNIFORM ENFORCEMENT OF FOREIGN JUDGMENT LAW" O.C.G.A. 9-12-130, you are hereby notified that:

Universal Cinema Services Inc
1205 Corporate Dr East Arlington, TX 76006

, Judgment Creditor

whose attorney is Jerry R. Allen
1000 Ballpark Way, Suite 300 Arlington, TX 76011

has filed a foreign judgment in this office in which you are the judgment debtor(s).

This, 18 day of July, 2005

Deputy Clerk, Fulton Superior Court

IN THE SUPERIOR COURT OF FULTON COUNTY

STATE OF GEORGIA

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

Universal Cinema Services Inc
PLAINTIFF

CIVIL ACTION FILE NO: 2005CV103987

VS.

James T. Duffy, et al
DEFENDANT

CERTIFIED MAIL RECEIPT

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

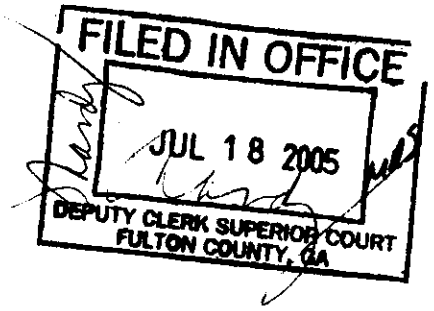
7001 2510 0005 0857 2966

Postage	$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	$	

Sent To: The Restaurant Entertainment Grp
Street, Apt. No.; or PO Box No.: P.O. Box 28467
City, State, ZIP+4: Atlanta GA 30358

PS Form 3800, January 2001 — See Reverse for Instructions

C



NOTICE RE: FOREIGN JUDGMENT

TO: The Restaurant Entertainment Group
P.O. Box 28467
Atlanta, GA 30358

CIVIL ACTION
FILE NUMBER: 2005CV103987

Pursuant to Georgia's "UNIFORM ENFORCEMENT OF FOREIGN JUDGMENT LAW" O.C.G.A. 9-12-130, you are hereby notified that:

Universal Cinema Services Inc
1205 Corporate Dr East Arlington, TX 76006

_____, Judgment Creditor

whose attorney is Jerry R. Allen
1000 Ballpark Way, Suite 300 Arlington, TX 76011

has filed a foreign judgment in this office in which you are the judgment debtor(s).

This, 18 day of July, 2005

Deputy Clerk, Fulton Superior Court

C

2005CV103987

SWORN AFFIDAVIT IN SUPPORT OF ENROLLMENT OF FOREIGN JUDGMENT

FILED IN OFFICE
JUL 18 2005
DEPUTY CLERK SUPERIOR COURT
FULTON COUNTY, GA

STATE OF TEXAS §
§
COUNTY OF TARRANT §

Before me the undersigned Notary Public on this day personally appeared Jeffrey R. Allen, who being duly sworn under oath deposes and states:

1. "My name is Jeffrey R. Allen. I am of sound mind, over the age of 21, have never been convicted of a felony or of a crime involving moral turpitude and am fully competent to make this affidavit. I have personal knowledge of the facts stated in this affidavit and they are true and correct.

2. I am a licensed attorney in good standing in the State of Texas, and I am the attorney of record for Universal Cinema Services, Inc., Plaintiff and Judgment Creditor in the matter styled *Universal Cinema Service, Inc. v. James T. Duffy, Individually; Cinema Grill Systems, Inc.; Backlot Management, Inc.; The Restaurant Entertainment Group, Inc; Entertainment Film Works, Inc.; and Entertainment Developers, Inc.,* in the 96th District Court for Tarrant County, Texas. Judgment in this matter was taken against Defendants, jointly and severally, on January 18, 2005, and a certified copy of said Judgment is filed with this Affidavit along with the requisite filing fee.

3. Pursuant to the Uniform Enforcement of Foreign Judgment Act as adopted by the State of Georgia, Universal Cinema Services, Inc., as Judgment Creditor requests that the Judgment be filed among the Court's records and be given force and effect under Georgia law.

4. I hereby certify that the last known mailing addresses of the Judgment Debtors in the above-referenced matter are as follows:

James T. Duffy
990 Edgewater Drive
Atlanta, Georgia 30328

Cinema Grill Services, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

Backlot Management, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

The Restaurant Entertainment Group, Inc.
P.O. Box 28467
Atlanta, Georgia 30358

Entertainment Film Works, Inc.
5920 Roswell Road NE
Atlanta, Georgia 30328

Entertainment Developers, Inc.
13720 Six Mile Cyprus, Ste. #2
Fort Meyers, Florida 33912

5. The mailing address of the Judgment Creditor is Universal Cinema Services, Inc., 1205 Corporate Drive East, Arlington, Texas 76006. The Judgment Creditor may be contacted for all purposes through counsel at the following address:

Jeffrey R. Allen
SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.
1000 Ballpark Way, Suite 300
Arlington, Texas 76011
Telephone:(817) 882-7616
Facsimile:(817) 877-8716

6. Further, affiant sayeth not."

By _____
Jeffrey R. Allen

STATE OF TEXAS §
§
COUNTY OF TARRANT §

SUBSCRIBED AND SWORN TO AND ACKNOWLEDGED BEFORE ME, by said Jeffrey R. Allen on this 30th day of June, 2005 to certify which witness my hand and official seal of office.

_____
Notary Public - State of Texas

CHERYL S. STEWART
Notary Public
STATE OF TEXAS
My Comm. Exp. 12/13/2006

Cause No. 096-207365-04

UNIVERSAL CINEMA SERVICES, INC., Plaintiff,	§	IN THE DISTRICT COURT
vs.	§	
JAMES T. DUFFY, Individually; CINEMA GRILL SYSTEMS, INC.; BACKLOT MANAGEMENT, INC.; THE RESTAURANT ENTERTAINMENT GROUP, INC; ENTERTAINMENT FILM WORKS, INC.; ENTERTAINMENT DEVELOPERS, INC., Defendant.	§	TARRANT COUNTY, TEXAS 96TH JUDICIAL DISTRICT

DEFAULT JUDGMENT

At the hearing on this cause, Plaintiff appeared through its attorney of record. Defendants James Duffy, Individually, Cinema Grill Systems, Inc., Backlot Management, Inc., The Restaurant Entertainment Group, Inc., Entertainment Film Works, Inc., and Entertainment Developers, Inc. (together, "Defendants"), although duly cited to appear and answer herein, have failed to file an answer within the time allowed by law.

The Court has considered the pleadings and records on file in this cause and the evidence herein and is of the opinion that judgment against Defendants should be rendered for Plaintiff in all respects. Accordingly, the Court finds as follows:

WHEREAS, Defendants have engaged in a joint enterprise and fraudulent scheme directed at Plaintiff to defraud Plaintiff of materials and labor;

WHEREAS, as a result of Defendants' actions, Plaintiff has been defrauded of material and labor worth in excess of $402,243.99;

WHEREAS, Defendants have failed and refuse to pay the sums due and owing to Plaintiff despite repeated demands to do so, as more fully described in Plaintiffs' Original Petition, which is attached hereto as Exhibit A; and

WHEREAS, Defendants have admitted the factual allegations contained in Plaintiffs' Original Petition by virtue of their default, which factual allegations are incorporated into this Judgment as though set forth fully herein;

A CERTIFIED COPY
ATTEST: April 11-2005
THOMAS A. WILDER
DISTRICT CLERK
TARRANT COUNTY, TEXAS
BY: [signature]
DEPUTY

Court's Minutes
Transaction # 9

It is accordingly ORDERED, ADJUDGED, and DECREED that Universal Cinema Services, Inc., Plaintiff, recover from the above named Defendants, jointly and severally, judgment for—

1. $402,243.99 as the principal amount due;

2. Pre-judgment interest at the maximum rate allowed by law on the principal amount to the date of judgment;

3. $ 16,504.00 as attorney's fees incurred to date; additional fees to perform post-judgment discovery and execute and collect the Judgment in the amount of $5,000.00; additional reasonable fees to draft or respond to a motion for new trial in the amount of $2,500.00; additional reasonable fees in the event of appeal to the Texas Court of Appeals or other court of appeals in the amount of $5,000.00; and additional reasonable fees in the event of appeal to the Texas Supreme Court or other further appeal in the amount of $5,000.00.

4. $743.46 for expenses incurred herein;

5. Interest at the maximum rate allowed by law on the total Judgment from the date of Judgment until paid in full; and

6. All costs of Court.

It is further ORDERED that Plaintiff shall have all writs of execution and other process necessary to enforce this Judgment.

This Judgment is final and is appealable.

SIGNED on this 18th Day of January, 2005.

JUDGE PRESIDING

Cause No. 096 207365 04

UNIVERSAL CINEMA SERVICES, INC., Plaintiff,	§	IN THE DISTRICT COURT
vs.	§	
JAMES T. DUFFY, Individually; CINEMA GRILL SYSTEMS, INC.; BACKLOT MANAGEMENT, INC.; THE RESTAURANT ENTERTAINMENT GROUP, INC; ENTERTAINMENT FILM WORKS, INC.; ENTERTAINMENT DEVELOPERS, INC., Defendant.	§	TARRANT COUNTY, TEXAS
	§	____ JUDICIAL DISTRICT

PLAINTIFF'S ORIGINAL PETITION

Plaintiff, Universal Cinema Services, Inc., files this Original Petition, complaining of Defendants James Duffy, Individually, Cinema Grill Systems, Inc., Backlot Management, Inc., The Restaurant Entertainment Group, Inc., Entertainment Film Works, Inc., and Entertainment Developers, Inc. (together, "Defendants"), and in support thereof shows the following:

1. Discovery is intended to be conducted under Texas Rule of Civil Procedure 190.3 (Level 2). Pursuant to Rule 216 of the Rules of Civil Procedure, Plaintiff hereby demands a jury trial, and has paid the requisite fee.

Parties

2. Plaintiff is a Texas corporation whose principal place of business is in Tarrant County, Texas.

3. Defendant James T. Duffy is an individual residing at 990 Edgewater Drive, Atlanta, Georgia 30328. As a non-resident individual doing business in the state of Texas, but who does not maintain a residence or place of business in the state of Texas, and who has not

EXHIBIT "A"

designated or maintained a designated or registered agent for service of process in the state of Texas, Defendant James T. Duffy may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to Defendant James T. Duffy's home: 990 Edgewater Drive, Atlanta, Georgia 30328.

4. Defendant Cinema Grill Services, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the state of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but who does not maintain a designated or registered agent for service of process in the State of Texas, Defendant Cinema Grill Services, Inc., may be served with process pursuant to § 17.044(b) of the CIVIL PRACTICES AND REMEDIES CODE, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

5. Defendant Backlot Management, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but who does not maintain a designated or registered agent for service of process in the state of Texas,

Defendant Backlot Management, Inc., may be served with process pursuant to § 17.044(b) of the CIVIL PRACTICES AND REMEDIES CODE, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

6. Defendant The Restaurant Entertainment Group, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is P.O. Box 28467, Atlanta, Georgia 30358. As a foreign corporation doing business in the State of Texas, but not required to maintain a designated or registered agent for service of process in the State of Texas, Defendant The Restaurant Entertainment Group, Inc., may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to said Defendant, at the mailing address of Defendant's home office: P.O. Box 28467, Atlanta, Georgia 30358.

7. Defendant Entertainment Film Works, Inc., is a Georgia corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is 5920 Roswell Road NE, Atlanta, Georgia 30328. As a foreign corporation doing business in the State of Texas, but not required to maintain a designated or registered agent for service of process in the State of Texas, Defendant Entertainment Film Works, Inc., may be served with process pursuant to

Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward a copy of suit papers and citation to the mailing address of Defendant's home office: 5920 Roswell Road NE, Atlanta, Georgia 30328.

8. Defendant Entertainment Developers, Inc., is a Nevada corporation that does not maintain a designated or registered agent for service of process or a regular place of business in the State of Texas, and whose principal place of business mailing address is 13720 Six Mile Cyprus, Ste. #2, Fort Meyers, Florida 33912. As a foreign corporation doing business in the State of Texas, but not required to maintain a registered agent for service of process in the State of Texas, Defendant Entertainment Developers, Inc., may be served with process pursuant to Section 17.044(b) of the Civil Practices and Remedies Code, by serving the Texas Secretary of State, Citations Unit, P. O. Box 12079, Austin, Travis County, Texas 78711-2079, who should then provide notice pursuant to Section 17.045(a) of the Civil Practices and Remedies Code and forward suit papers and citation to said Defendant, at the mailing address of Defendant's home office: 13720 Six Mile Cyprus, Ste. #2, Fort Meyers, Florida 33912.

Jurisdiction and Venue

9. This Court has jurisdiction over Defendants because all Defendants engaged in business in Tarrant County, Texas, by conspiring to defraud Plaintiff in Tarrant County, Texas, committing fraud and misrepresentation in Tarrant County, Texas, and entering into a series of contractual agreements with Plaintiff (whether directly or through other Defendants as agents), payment under which was to be made to Plaintiff in Tarrant County, Texas, and the matters at issue herein arise out of those actions. This Court has jurisdiction over the amount in

controversy because the damages sought are within this Court's jurisdictional limits. Venue is proper in Tarrant County, Texas because all or a substantial part of the acts or omissions giving rise to the Plaintiff's claims occurred in this county, and Plaintiff is located in this county.

Background

10. Plaintiff is a Tarrant County company in the business of designing and constructing the finished interiors of movie theatres, including, among other things, the installation of movie screens, projection equipment, sound systems, and seating.

11. The corporate Defendants, (together, the "Duffy Entities") are nominally five separate entities incorporated under Georgia law (in the cases of Cinema Grill Services, Inc., Backlot Management, Inc., Entertainment Film Works, Inc., and The Restaurant Entertainment Group Inc.) and Nevada law (in the case of Entertainment Developers, Inc.). On information and belief, Defendants are operated as a joint business enterprise, and/or as alter egos of Defendant Duffy. Defendant Duffy is listed with the Georgia Secretary of State as the chief executive officer, chief financial officer, and secretary of Cinema Grill Services, Inc., Backlot Management, Inc., and The Restaurant Entertainment Group, Inc. All three of these Defendant entities list the same post office box in Atlanta, Georgia, as their mailing address, and all three list the same agent for service of process within the state of Georgia: Sonya White, 228 Water Tank Road, Atlanta, Georgia 30132. On information and belief, Defendant Entertainment Film Works, Inc., and Defendant Entertainment Developers, Inc., are also wholly owned and controlled by Duffy. On information and belief, Defendant Duffy used the Duffy Entities, and possibly other entities, in a concerted effort to fraudulently deprive Plaintiff of its goods and services, with the intention from the outset of never paying Plaintiff for said goods and services.

12. In or around October 2003, Plaintiff was contacted in Tarrant County, Texas, by representatives of Defendants regarding a possible arrangement between Plaintiff and Defendants by which Plaintiff would provide certain materials and labor for the finish-out of three separate theater projects. Defendants were developing said theaters in Rocky Mount, North Carolina, Columbus, Ohio, and Cincinnati, Ohio (the "Projects"). Ultimately, after submitting a credit application under the name of Defendant Cinema Grill Services, Inc., along with industry references (including a credit reference from Defendant Backlot Management, Inc.) to Plaintiff, Defendants established an account with Plaintiff under which Defendants would submit oral or written purchase orders for equipment and installation thereof for the Projects which Plaintiff could accept or reject as Plaintiff determined (referred to collectively herein as the "Contracts"). As Plaintiff understands the Projects, Defendants acted as the general contractor for the Projects, and acted as the liaison between all subcontractors (including Plaintiff) and the owners of the retail outlets in which the Projects were located. On information and belief, either Defendants or separate entities set up by Defendants were to be the operators of the Projects once the theatres were up and running. Upon information and belief, the only theater still in operation of the three is the Cincinnati theater, operated by Defendant Entertainment Developers, Inc. Upon information and belief, Defendant Entertainment Developers, Inc., acted through the other Defendants as its agents, including Defendants Duffy and Cinema Grill Services, Inc., to solicit goods and services from Plaintiff.

13. Under the terms of the Contracts, Defendants were to pay amounts due and owing within 21 days of receipt of the invoices. Payment was to be made to Plaintiff in Texas. Over a period of several months, Plaintiff provided substantial amounts of labor and material to the three Projects at Defendants' request, and billed Defendants accordingly. Over the course of the

three Projects, Plaintiff received only two payments from Defendants, in the form of two checks from Defendant Backlot Management, Inc, signed by Defendant Duffy.

14. As the amounts due and owing (yet unpaid) on Defendants' account began to age, employees of Plaintiff contacted Defendants to inquire as to the state of Defendants' finances and the status of the Projects. Plaintiffs were assured repeatedly by Defendants, including Defendant Duffy, that Defendants had the ability and intention of paying all amounts owed to Plaintiff and that would be incurred as a result of future orders. Specifically, Defendant Duffy stated to Plaintiff on one occasion that Defendants would pay Plaintiff as soon as the landlord on one of the Projects paid Defendants, which was supposed to happen in a matter of one or two weeks. On another occasion, Defendant Duffy stated to Plaintiff that he expected to receive a check soon and would pay Plaintiff when he got it. On still other occasions, Defendant Duffy pleaded with Plaintiff to keep Defendants' account open because he had "some money coming" and would be able to pay Plaintiff. In reliance on Defendant Duffy's (upon information and belief, false) representations in this regard, Plaintiff fulfilled additional orders from Defendants relating to the Projects.

15. Eventually, the past-due amounts owing to Plaintiff on Defendants' Projects rose to $402,243.99, and Plaintiff refused to provide additional goods or services to Defendants until paid. Despite repeated demands by Plaintiff to pay these amounts, Defendants refused. Eventually, Plaintiff retained the services of counsel, who sent a written demand for payment to Defendants. Defendants failed and refused, and continue to fail and refuse, to pay the amounts due and owing to Plaintiff.

16. Incredibly, when confronted with a demand for payment on the account with Plaintiff, Defendant Duffy responded in a letter dated April 29, 2004, that "Cinema Grill

Systems, Inc., did not contract with Universal Cinema Services, Inc." for the labor and material on which the demand for payment was made. Defendant Duffy states in the same letter that Defendant Cinema Grill Systems, Inc., "licenses to others the right to operate Cinema Grill" and that he thinks Plaintiff's "dealings were with the Operator/Licensee, and that any question regarding any claims or obligations need to be directed to the appropriate party." This response, while clearly contrary to the facts (because Cinema Grill Systems, Inc. is the name in which Defendants applied for an account with Plaintiff, and the name in which Defendants were invoiced), serves to illustrate the shell game that Defendants attempted to play on Plaintiff. On information and belief, Defendants entered into the Contracts with Plaintiff, and induced Plaintiff into said Contracts, with the present intention not to pay the charges incurred under the Contracts. Moreover, on information and belief, Defendants conspired (at Duffy's direction) to structure the transactions in such a way that one Defendant entity would act nominally as the contracting party with Plaintiff, while another entity entered a lease on a given Project, while yet another entity acted as the eventual operator of each Project, all with the intent of jointly defrauding Plaintiff and leaving Plaintiff no readily available recourse when Defendants ultimately defaulted on the Contracts.

Conspiracy

17. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 16 herein as if fully set forth at length.

18. The actions of Defendants as described above amount to a conspiracy to defraud Plaintiff. On information and belief, Defendants reached a meeting of the minds to act in concert with one another to fraudulently induce Plaintiff into providing goods and services for which Defendants had no intention to pay. At least two of the Defendants, James T. Duffy and Cinema

Grill Services, Inc., committed overt acts of fraud and misrepresentation in furtherance of said conspiracy, for the benefit of themselves and the other Defendants, resulting in monetary damages in an amount within the jurisdictional limits of the Court, for which Plaintiff sues.

Fraudulent Misrepresentation/Negligent Misrepresentation and Exemplary Damages

19. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 18 herein as if fully set forth at length.

20. Defendants herein colluded to defraud Plaintiff of its goods and services by representing to Plaintiff a willingness and ability to pay all sums that would become due and owing with no intention and/or ability to actually pay said sums. Furthermore, Defendant Duffy made numerous representations to Plaintiff that the goods and services being provided by Plaintiff would be promptly paid for, even after Plaintiff became concerned about Defendants' growing late balance and asked for assurances from Defendants of Defendants' willingness and ability to pay amounts due and owing. Defendants made such representations despite the fact that they knew they had no intention of paying the amounts due and owing, and/or despite the fact that they knew or should have known they had no ability to pay such amounts. Plaintiff repeatedly relied on these misrepresentations, first in entering into the Contracts to begin with, and then in continuing forward in providing goods and services to Defendants.

21. As a direct and proximate result of the misrepresentations by Defendants, Plaintiff has incurred damages within the minimum jurisdictional limits of the court, for which sums Plaintiff now sues. Furthermore, because of Defendants' willfully fraudulent conduct, Plaintiff is entitled to an award of exemplary and punitive damages, for which it sues.

Breach of Contract

22. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 21 herein as if fully set forth at length.

23. The behavior described above constitutes material breach of the Contracts on the part of Defendants.

24. The Plaintiff complied with its obligations pursuant to the Contracts, and provided materials and labor to Defendants. However, Defendants failed to fulfill their contractual obligations by failing to pay all amounts due and owing as agreed.

25. Defendants' failure to comply with their contractual obligations as described herein constitutes breaches of the Contracts, which have proximately caused damages to the Plaintiff in an amount within the jurisdictional limits of this court, for which sums the Plaintiff now sues.

26. All conditions precedent have been performed or have occurred as required by TEX. R. CIV. P. 54.

Unjust Enrichment/Quantum Meruit

27. The Plaintiff incorporates by reference the allegations contained in paragraphs 1-26 herein as if fully set forth at length.

28. In addition and in the alternative to the causes of action set out above, Plaintiff asserts a right to recover the fair market value of the goods and services provided to Defendants under the doctrine of unjust enrichment. Defendants have received the benefit of Plaintiff's goods and services without compensating Plaintiff. For this reason, Plaintiff sues for *quantum meruit* damages from Defendants in an amount within the jurisdictional limits of this Court.

Alter Ego

29. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 28 herein as if fully set forth at length.

30. Upon information and belief, Defendant Duffy operates the Duffy Entities merely as alter egos of himself, and uses the Defendant entities in furtherance of his fraudulent schemes. For these reasons, the Court should find that the actions and liabilities of the Duffy Entities are attributable in all respects to Duffy individually.

Damages

31. As a direct and proximate result of Defendants' conduct, as set forth herein, Plaintiff has been damaged in an amount within this court's jurisdictional limits.

Attorney's Fees

32. Plaintiff incorporates by reference the allegations contained in paragraphs 1- 30 herein as if fully set forth at length.

33. Due to the actions of Defendants as set out in this petition, Plaintiff has been forced to retain the services of the undersigned law firm. Plaintiff has agreed to pay the undersigned a reasonable fee for its services necessarily rendered and to be rendered in pursuing Plaintiff's claims against Defendants. Therefore, pursuant to TEX. CIV. PRAC. & REM.. CODE § 38.001, *et seq.*, and other Texas law, Plaintiff is entitled to an award of reasonable attorneys' fees and expenses in an amount to be established at trial.

Prayer

WHEREFORE, Plaintiff respectfully requests that Defendants be cited to appear and answer herein, and that upon final hearing hereof:

(a) Plaintiff recovers its actual damages suffered as a result of Defendants' civil conspiracy, fraudulent and negligent misrepresentations, breach of contract;

(b) Plaintiff recovers exemplary and punitive damages for Defendants' knowing and willful conspiracy and fraud;

(c) Plaintiff recovers the value of the goods and services provided to Defendants under *quantum meruit*;

(d) Plaintiff recovers all its damages, costs, and expenses, including reasonable and necessary attorneys' fees and expenses incurred in bringing this action;

(e) Plaintiff recovers pre-judgment and post-judgment interest at the maximum rate allowed by law; and

(f) Plaintiff have and recover any and all other relief, special or general, legal or equitable, as the Court deems appropriate.

Respectfully Submitted,

Larry Fowler
State Bar No. 07321900
Jeffrey R. Allen
State Bar No. 24006751
SHANNON, GRACEY, RATLIFF & MILLER, L.L.P.
1000 Ballpark Way, Suite 300
Arlington, Texas 76011
Telephone:(817) 882-7616
Facsimile:(817) 795-4864

ATTORNEYS FOR PLAINTIFF

E:\johnsp\UNIVERSAL CINEMA SERVICES\Duffy et al Litigation\Pleadings\ucs petition.doc