

Writer's Direct Information gregg.zegarelli@zegarelli.com 412.559.5262

February 10, 2014

William L. Stang, Esq. Patrick L. Abramowich, Esq. Fox Rothschild LLP 625 Liberty Avenue, 29th Floor Pittsburgh, PA 15222-3115

Re:

Litman, et. al. v. Cannery Casino Resorts, et. al.

Case No. 2012-8149 (Court of Common Pleas of Washington County)

Sanction Notice

### Gentlemen:

You filed Preliminary Objections to Plaintiffs' Reply to New Matter, at the above-referenced case number with the Court of Common Pleas of Washington County. I am notifying you that your filing violates Rule 1023.1 et seq. of the Pennsylvania Rules of Civil Procedure, which governs pleadings to which an attorney affixes his or her signature. It also violates the Judicial Code.

Pursuant to Rule 1023.2, I have attached a Motion for Sanctions, which we will be filed and presented filing after the expiration of twenty-eight (28) days of the date above if you do not withdraw your pleading. Nothing in this motion is a waiver of Plaintiffs' rights.

Very truly yours,

ZEGARELLI

Technology & Entrepreneurial Ventures Law Group, P.C.

Gregg R. Zegarelli

Enclosure

JANINE LITMAN and TIMOTHY MASTROIANNI, individually and jointly,

CASE NO: 2012-8149

Plaintiffs,

v.

CANNERY CASINO RESORTS, LLC, a Nevada limited liability company, WASHINGTON TROTTING ASSOCIATION, INC., a Delaware corporation, WTA ACQUISITION CORP., a Delaware corporation, CANNERY CASINO RESORTS, LLC, CANNERY CASINO RESORTS and WASHINGTON TROTTING ASSOCIATION, INC. t/d/b/a THE MEADOWS RACETRACK & CASINO, an unincorporated association, CANNERY CASINO RESORTS, an unincorporated association consisting of one or more yet unidentified natural and/or legal persons, individually and jointly,

Defendants.

NOTICE OF PRESENTATION MOTION FOR SANCTIONS

On behalf of Plaintiffs

Counsel of Record for this Party:

Gregg R. Zegarelli, Esq. PA I.D. #52717

Z E G A R E L L I
Technology & Entrepreneurial
Ventures Law Group, P.C.
2585 Washington Road, Suite 134
Summerfield Commons Office Park
Pittsburgh, PA 15241
412.833.0600
mailroom.grz@zegarelli.com

JANINE LITMAN and TIMOTHY MASTROIANNI, CASE NO: 2012-8149 individually and jointly,

Plaintiffs,

V.

CANNERY CASINO RESORTS, LLC, a Nevada limited liability company, WASHINGTON TROTTING ASSOCIATION, INC., a Delaware corporation, WTA ACQUISITION CORP., a Delaware corporation, CANNERY CASINO RESORTS, LLC, CANNERY CASINO RESORTS and WASHINGTON TROTTING AS-SOCIATION, INC. t/d/b/a THE MEADOWS RACE-TRACK & CASINO, an unincorporated association, CANNERY CASINO RESORTS, an unincorporated association consisting of one or more yet unidentified natural and/or legal persons, individually and jointly,

Defendants.

## NOTICE OF PRESENTATION MOTION FOR SANCTIONS

### TO:

WILLIAM L. STANG, ESQ. PATRICK L. ABRAMOWICH FOX ROTHSCHILD LLP 625 LIBERTY AVENUE, 29TH FLOOR PITTSBURGH, PA 15222-3115

PLEASE TAKE NOTICE that Plaintiffs will present the following Motion to the Honorable Debbie O'Dell Seneca, Court of Common Pleas of Washington County, Pennsylvania on Tuesday, March 11, 2014 at 9:15 a.m. or at such other time as the Court may deem appropriate. You are invited to attend. February 10, 2014

TEV LAW GROUP, PC

By: /Gregg Zegarelli/ Gregg R. Zegarelli

ZEGARELLI Technology & Entrepreneurial Ventures Law Group, P.C. 2585 Washington Road, Suite 134 Summerfield Commons Office Park Pittsburgh, PA 15241 412.833.0600 mailroom.grz@zegarelli.com

#### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on this date, by depositing the same in the United States Mail, First Class, Postage Pre-Paid, upon the following, except as otherwise stated:

WILLIAM L. STANG, ESQ.

PATRICK ABRAMOWICH, ESQ.

FOX ROTHSCHILD LLP

625 LIBERTY AVENUE, 29<sup>TH</sup> FLOOR

PITTSBURGH, PA 15222-3115

February 10, 2014

/Gregg Zegarelli/ Gregg R. Zegarelli, Esq. PA I.D. #52717

Z F G A R E L L I
Technology & Entrepreneurial
Ventures Law Group, P.C.
1585 Washington Road, Suite 134
Summerfield Commons Office Park
Pittsburgh, PA 15241
mailroom.grz@zegarelli.com
412.833.0600

JANINE LITMAN and TIMOTHY MASTROIANNI, individually and jointly,

Plaintiffs,

v.

CANNERY CASINO RESORTS, LLC, a Nevada limited liability company, WASHINGTON TROTTING ASSOCIATION, INC., a Delaware corporation, WTA ACQUISITION CORP., a Delaware corporation, CANNERY CASINO RESORTS, LLC, CANNERY CASINO RESORTS and WASHINGTON TROTTING ASSOCIATION, INC. t/d/b/a THE MEADOWS RACETRACK & CASINO, an unincorporated association, CANNERY CASINO RESORTS, an unincorporated association consisting of one or more yet unidentified natural and/or legal persons, individually and jointly,

Defendants.

### MOTION FOR SANCTIONS

CASE NO: 2012-8149

On behalf of Plaintiffs

Counsel of Record for this Party:

Gregg R. Zegarelli, Esq.
PA I.D. #52717

Z E G A R E L L I
Technology & Entrepreneurial
Ventures Law Group, P.C.
2585 Washington Road, Suite 134
Summerfield Commons Office Park
Pittsburgh, PA 15241
412.765.0401
mailroom.grz@zegarelli.com

JANINE LITMAN and TIMOTHY MASTROIANNI, individually and jointly,

CASE NO: 2012-8149

Plaintiffs,

v.

CANNERY CASINO RESORTS, LLC, a Nevada limited liability company, WASHINGTON TROTTING ASSOCIATION, INC., a Delaware corporation, WTA ACQUISITION CORP., a Delaware corporation, CANNERY CASINO RESORTS, LLC, CANNERY CASINO RESORTS and WASHINGTON TROTTING ASSOCIATION, INC. t/d/b/a THE MEADOWS RACETRACK & CASINO, an unincorporated association, CANNERY CASINO RESORTS, an unincorporated association consisting of one or more yet unidentified natural and/or legal persons, individually and jointly,

Defendants.

### MOTION FOR SANCTIONS

- 1. Defendants filed preliminary objections three times, objecting to each and every count in the Complaint, as demurrers. Plaintiffs tried to re-plead to avoid motion practice, until it became clear that there was nothing Plaintiffs could do to stop Defendants' mechanical thwarting of the proceeding by objections to each and every count by preliminary objections.
- 2. On the eve of the argument on the Preliminary Objections (months later after the filing of this action), Defendants then also filed a Motion to Dismiss for Lack of Subject-Matter Jurisdiction of this Court, without any reference to controlling provisions, and a completely ungrounded, if not absurd, argument that Plaintiffs should have intervened Gaming Board proceeding that was internally confidential.

- 3. This Court denied Defendants' Motion to Dismiss. Then, the Defendants further filed a Motion for Reconsideration, presenting it twice, the first time of which was refused (as was certain) by The Hon. Katherine B. Emery, and then further denied by this Court.
- 4. Having stated that prior conduct, Defendants filed New Matter even though, in substance, the "New Matter" is properly "to the contrary" denials of Plaintiffs' claims. Defendants even pleaded in "New Matter" averments regarding the claims and subject-matter jurisdiction in complete and utter disregard of the multiple rulings of this Court.
- 5. The Defendants' Preliminary Objections are being presented for an improper purpose, and to harass or cause unnecessary delay or needless increase in the cost of litigation in violation of Pa.R.Civ.P. 1023.1.
- 6. Plaintiff seeks sanctions against all the Defendants and its counsel of record, as well as an admonishment for such conduct. 1

WHEREFORE, Plaintiffs request the stated sanctions and admonishment stated herein.

February 10, 2014

Respectfully submitted,
TEV LAW GROUP, PC
By: /Gregg Zegarelli/
Gregg R. Zegarelli

TEGARELLI
Technology & Entrepreneurial
Ventures Law Group, P.C.
2585 Washington Road, Suite 134
Summerfield Commons Office Park
Pittsburgh, PA 15241
412.765.0401
mailroom.grz@zegarelli.com

<sup>&</sup>lt;sup>1</sup> Defendants have also stonewalled proper discovery, the subject of separate motion practice.

JANINE LITMAN and TIMOTHY MASTROIANNI, individually and jointly,

Plaintiffs,

v.

CANNERY CASINO RESORTS, LLC, a Nevada limited liability company, WASHINGTON TROTTING ASSOCIATION, INC., a Delaware corporation, WTA ACQUISITION CORP., a Delaware corporation, CANNERY CASINO RESORTS, LLC, CANNERY CASINO RESORTS and WASHINGTON TROTTING ASSOCIATION, INC. t/d/b/a THE MEADOWS RACETRACK & CASINO, an unincorporated association, CANNERY CASINO RESORTS, an unincorporated association consisting of one or more yet unidentified natural and/or legal persons, individually and jointly,

Defendants.

CIVIL DIVISION

CASE NO: 2012-8149

#### PROPOSED ORDER

On behalf of Plaintiffs

Counsel of Record for this Party:

Gregg R. Zegarelli, Esq.
PA I.D. #52717

Z E G A R E L L I
Technology & Entrepreneurial
Ventures Law Group, P.C.
2585 Washington Road, Suite 134
Summerfield Commons Office Park
Pittsburgh, PA 15241
mailroom.grz@zegarelli.com
412.833.0600

JANINE LITMAN and TIMOTHY MAS- CIVIL DIVISION TROIANNI, individually and jointly,

Plaintiffs,

CASE NO: 2012-8149

v.

CANNERY CASINO RESORTS, LLC, a Nevada limited liability company, WASHINGTON TROTTING ASSO-CIATION, INC., a Delaware corporation, WTA ACQUISITION CORP., a Delaware corporation, CANNERY CASINO RESORTS, LLC, CANNERY CA-SINO RESORTS and WASHINGTON TROTTING ASSOCIATION, t/d/b/a THE MEADOWS RACETRACK & CASINO, an unincorporated association, CANNERY CASINO RESORTS, an unincorporated association consisting of one or more yet unidentified natural and/or legal persons, individually and jointly,

Defendants.

### ORDER

| AND, NOW,  | this           | day of  | March,  | 2014,   | upon   | consider | ation | of  |
|------------|----------------|---------|---------|---------|--------|----------|-------|-----|
| the Plaint | tiffs' Motion  | Sanctio | ons, it | is her  | ceby 0 | RDERED t | hat e | ach |
| defendant  | and its coun   | sel of  | record  | shall   | pay to | o Plaint | iffs  | the |
|            | \$             |         |         |         |        |          | y adm | on- |
| ishes Defe | endants and it | s couns | el for  | such co | onduct |          |       |     |

| ВУ | THE | COURT, |      |       |
|----|-----|--------|------|-------|
|    |     |        | <br> | <br>J |
|    |     |        |      |       |

### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served on this date, by depositing the same in the United States Mail, First Class, Postage Pre-Paid, upon the following, except as stated otherwise:

WILLIAM L. STANG, ESQ.
PATRICK ABRAMOWICH, ESQ.
FOX ROTHSCHILD LLP
625 LIBERTY AVENUE, 29<sup>TH</sup> FLOOR
PITTSBURGH, PA 15222-3115

February 10, 2014

/Gregg Zegarelli/ Gregg R. Zegarelli, Esq. PA I.D. #527 7

Z E G A R E L L I
Technology & Entrepreneurial
Ventures Law Group, P.C.
2585 Washington Road, Suite 134
Summerfield Commons Office Park
Pittsburgh, PA 15241
mailroom.grz@zegarelli.com
412.833.0600