2255 Glades Road Suite 340 West Boca Raton, FL 33431-7360 Telephone 561.241.7400 Elsewhere in Florida 800.432.7746 Fax 561.241.7145

NEW YORK LOS ANGELES WASHINGTON NEWARK PARIS

Matthew Triggs Member of the Firm

Direct Dial 561.995.4743 mtriggs@proskauer.com

May 23, 2003

#### Via Hand Delivery

Lorraine Christine Hoffman, Esq. Assistant Staff Counsel The Florida Bar Cypress Financial Center, Suite 835 5900 North Andrews Avenue Fort Lauderdale, Florida 33309

Re.: Complaint of Eliot Bernstein against Christopher Wheeler, Esq.

The Florida Bar File No. 2003-51, 109 (15C)

Dear Ms. Hoffman:

I am writing in response to the voluminous submissions of P. Stephen Lamont and Eliot Bernstein regarding the above-referenced bar complaint filed against Christopher Wheeler. Having had a chance to digest their submissions, a number of very significant points emerge. Among them:

- The documents attached to (or interwoven in) the submissions actually serve to prove the
  points made by Proskauer in its submission. The correspondence, the taped statements, the
  depositions, and the patent applications all lead to the inescapable conclusion that Iviewit's
  patent work (whether done with extreme care and attention to detail or otherwise) was
  performed by other law firms.
- The crux of Iviewit's complaint concerning Warner Bros., as it relates to Proskauer, is that Proskauer damaged Iviewit because it <u>refused</u> to place itself in a conflict of interest position by declining multiple requests on the part of Mr. Lamont to use the name and reputation of Kenneth Rubenstein to vouch for Iviewit's technology to Warner Bros. The numerous e-mails from Warner Bros. show that Iviewit had a relationship with Warner Bros. long after Proskauer terminated its representation of Iviewit.
- Although chocked full of rhetoric, the responses do not contain evidence supporting any
  violation of the Rules Regulating the Florida Bar. Instead, large portions of the responses
  simply raise allegations of malpractice directed at Proskauer concerning patent work

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performed by <u>others</u>. We stand by the work we performed and the legal services we rendered.

- The unfortunate reality is that no one is free from attack and criticism leveled by Messrs. Lamont and Bernstein if it suits their purposes. In the eyes of Mr. Bernstein, someone has to be at fault for Iviewit's lack of success. It couldn't have been due to Iviewit's business model, the economy, or a whole host of other factors that impact business ventures on a daily basis. Just focusing on the papers they have submitted, and excluding Mr. Wheeler for purposes of this response, Messrs. Lamont and Bernstein have attacked:
  - A. Brian Utley, former President and CEO of Iviewit
  - B. Raymond Hersh, Iviewit's former CFO
  - C. Gerald Lewin, a member of Iviewit's Board of Directors and a partner in the accounting firm of Goldstein Lewin & Associates, P.A.
  - D. Raymond Joao, formerly of Meltzer, Lippe, Goldstein & Schlissel, LLP, Iviewit's former patent counsel
  - E. Douglas Boehm, of Foley & Lardner, Iviewit's successor patent counsel
  - F. Steve Becker, Mr. Boehm's associate at Foley & Lardner
  - G. William Dick, Special Counsel at Foley & Lardner
  - H. Aiden Foley, a former member of Iviewit management
  - I. Crossbow Ventures, Iviewit's largest investor
  - J. H. Hickman "Hank" Powell, Board Member of Iviewit and Managing Director of Crossbow Ventures
  - K. Maurice Buchsbaum, a former Iviewit Board Member and representative of Crossbow Ventures
  - L. Bruce Prolow, another significant Iviewit investor and a member of Iviewit's Board of Directors
  - M. Ryan Huiseman, RYJO representative

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#### N. Kenneth Rubenstein, a partner in Proskauer's New York office

The response demonstrates that no amount of proof will satisfy Messrs. Lamont and Bernstein. By way of example, both Messrs. Lamont and Bernstein stand fast on their claim that Mr. Wheeler misrepresented that Mr. Rubenstein was a partner of Proskauer before he joined the firm. They do so in the face of Mr. Rubenstein's own deposition testimony that he joined the firm almost 6 months prior to Iviewit first stepping in Proskauer's door. How could Mr. Wheeler have misrepresented that Mr. Rubenstein was a partner at Proskauer when at the time he first met Mr. Bernstein, Mr. Rubenstein was a Proskauer partner (and had been for months)? Ignoring that, Messr. Lamont and Bernstein contend that, because they were told to find information about Mr. Rubenstein from his former firm's website, there must have been a fraud perpetrated upon them. We have since confirmed with Proskauer's human resources department that Mr. Rubenstein was correct when he testified that he joined Proskauer in June 1998 -- his actual start date was June 22, 1998.

What we said in our initial response remains true today. The bar complaint is an ill-advised litigation tactic by the desperate officers of a failing dot.com.<sup>1</sup> It is telling that the latest Iviewit submissions make numerous references to the litigation, all the while contending that the litigation is "wholly irrelevant" to their bar complaint.<sup>2</sup>

For purposes of brevity, we are not going to respond to each and every one of the alleged conspiratorial plots and unsupported accusations described in Iviewit's thousand-plus page submission. While we deny each and every allegation, we will discuss a few of the points brought up by Messrs. Lamont and Bernstein to highlight the fact that none of the claims made in the bar complaint have any factual support. Should you desire a further response regarding any topic or issue referenced in those thousand-plus pages, please let me know and I will be happy to respond.

<sup>&</sup>lt;sup>1</sup> Iviewit even challenges our description of it as a failed "dot.com," yet its primary operating company is Iviewit.com, Inc.

<sup>&</sup>lt;sup>2</sup> We do note that Iviewit has pointed out a misstatement in our April 7, 2003 submission to you, based on the deposition testimony of Mr. Wheeler taken in the litigation between Proskauer and Iviewit. In his deposition, Mr. Wheeler stated that he did not advise Iviewit of the fact that he assisted Mr. Utley, years prior, in forming a corporation for him prior to Mr. Utley's employment with Iviewit. In my letter to you dated April 7, 2003, I erroneously advised you that Mr. Wheeler discussed this representation with Iviewit. Having had a chance to discuss the issue with Mr. Wheeler, I can confirm that his deposition testimony as to that issue is correct. He did not discuss the issue with Iviewit. I apologize for this oversight. Importantly, however, we are unaware of any ethical obligation that would have required Mr. Wheeler to volunteer such information.

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## I. <u>Iviewit's Own Documents Confirm that Proskauer Did Not Perform Iviewit's Patent Work</u>

Messrs. Lamont and Bernstein's claims that Proskauer performed patent work and/or oversaw patent work by outside law firms is squarely contradicted by the documents provided by them. A few examples of the documents provided in Mr. Bernstein's reply follow:

- Letter dated April 26, 1999 from Christopher Wheeler to Richard Rossman (Bernstein Reply at page 126) stating that Proskauer "procured patent counsel" for Iviewit;
- Letter dated June 6, 2000 from Douglas Boehm of Foley & Lardner to Lewis Meltzer of Meltzer Lippe et al. (Bernstein Reply at 429) identifying Foley & Lardner as Iviewit's patent counsel and Meltzer Lippe as Iviewit's prior patent counsel;
- Numerous patent applications and draft applications prepared by Foley & Lardner (see, e.g., Bernstein Reply at page 433) and Meltzer Lippe (see, e.g., Bernstein Reply at page 350), none of which identify Proskauer;
- What purports to be a July 31, 2000 taped telephone conference transcript attached to the submissions of both Messrs. Lamont and Bernstein discusses at length the patent work performed by Raymond Joao of Meltzer Lippe, not Proskauer;
- The response of Raymond Joao to the bar complaint filed by Mr. Bernstein in New York also confirms, in no uncertain terms, that it was Mr. Joao, not Proskauer, who performed patent work for Iviewit. (See Bernstein Reply at page 713). In addition to denying that he ever represented himself as a Proskauer attorney (Joao Response at pages 6, 12), Mr. Joao acknowledged that Iviewit had a separate retainer agreement with Meltzer Lippe to perform patent work (see Joao Response at page 7), and Mr. Joao explains in detail all of the patent work performed by him for Iviewit (see Joao Response at pages 7-11). Nowhere in Mr. Joao's response does he indicate that Proskauer either performed any patent work or otherwise supervised this work.<sup>3</sup>

Ignoring the thousands of billing entries submitted by Proskauer, Mr. Bernstein focuses on a select few of the entries where the word "patent" is referenced or in which Mr. Rubenstein's name is found. We respectfully suggest that, viewed in context, those references are entirely consistent with Proskauer's position that Mr. Wheeler acted in a general corporate capacity in his representation of

<sup>&</sup>lt;sup>3</sup> We also note that Mr. Joao states in his response to Mr. Bernstein's complaint against him that "I believe that [Mr. Bernstein's] Complaint was filed in retaliation to an action that Proskauer Rose LLP has brought against Iviewit to recover substantial unpaid legal fees." (Joao Response at page 2).

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Iviewit. In that capacity, Mr. Wheeler periodically conferred with patent counsel, Iviewit representatives, and even Mr. Rubenstein in limited instances. Faced with this reality, Mr. Bernstein alleges – again without any support – that Proskauer must have tampered with or altered its billing statements. There is no truth to this assertion. We provided you with a complete set of our billing records in our April 7, 2003 submission. Should you have any questions whatsoever regarding our statements, please feel free to ask.

As for Mr. Lamont's allegation that Proskauer prepared the December 2000 private placement memorandum for Wachovia Securities which indicated that Mr. Rubenstein was Iviewit's patent counsel, that allegation is wrong. Wachovia's representatives actually prepared the private placement memorandum.<sup>4</sup>

In sum, Proskauer simply did not perform patent work for Iviewit. Mr. Bernstein's claims that Iviewit's patent work was performed improperly should not be brought in this forum in a complaint against Proskauer.<sup>5</sup>

# II. <u>Iviewit's Complaint Regarding Proskauer's Handling of Iviewit's Relationship with Warner Bros. Stems from Proskauer's Refusal to Place Itself in a Conflict of Interest Position</u>

As is clearly demonstrated by Iviewit's latest submission, its real complaint regarding Warner Bros. is its contention that it has somehow been damaged because Mr. Rubenstein refused Iviewit's requests to vouch for Iviewit's technology to Warner Bros. (a Proskauer client) after Proskauer filed a lawsuit against Iviewit to collect unpaid attorneys' fees. Iviewit's own internal emails, dated approximately eight months *after* Proskauer filed the litigation against Iviewit, unequivocally confirm this:

• E-mail from Stephen Lamont to Eliot Bernstein (Bernstein Reply at page 257):

Is he willing to speak to Time Warner? No, he is unwilling to speak to Time Warner. He states that it would be a conflict of interest for him,

<sup>&</sup>lt;sup>4</sup> Iviewit also ignores the fact that even Wachovia prominently lists Foley & Lardner in its private placement memorandum and touts that firm, and both William Dick and Douglas Boehm, as experienced patent counsel. (Bernstein Reply at page 270).

<sup>&</sup>lt;sup>5</sup> As discussed in more detail below, Mr. Bernstein's Reply at pages 512-16 contains an e-mail from Douglas Boehm, Esq., a partner at Foley & Lardner. The e-mail, sent by Mr. Boehm to Mr. Bernstein, admonishes Mr. Bernstein for making "wild accusations and inflammatory statements" about Foley & Lardners' patent work. The e-mail also outlines Mr. Bernstein's constant complaints about Iviewit's patent lawyers and further identifies Mr. Bernstein's intent to sue his former patent counsel. Note that Proskauer is not mentioned anywhere in this lengthy, four-page e-mail.

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as they are a major client in his New York office. Perhaps when he spoke with them before, they were not a major client.

• E-mail from Stephen Lamont to Eliot Bernstein (Bernstein Reply at page 158):

You know, he [Kenneth Rubenstein] told me no twice already . . . .

• E-mail from Stephen Lamont to Eliot Bernstein (Bernstein Reply at page 159):

I just spoke with Ken Rubenstein, and he reiterated that he does a lot of work for Warner Brothers and is unable to pick the phone up and discuss the matter on our behalf. Moreover, he is not too pleased that I have asked him to do same in what amounts to the third time. Lastly, he would welcome a call from Wayne Smith [of Warner Bros] directly and would discuss with him the fact that 'he is not to [sic] familiar with what [I View It] has,' but would not be 'negative or positive' in any potential discussion.

Despite Iviewit's urgings, Proskauer simply refused to place itself in a conflict of interest situation.

Iviewit also suggests that Mr. Wheeler somehow "fail[ed] to enforce" a confidentiality agreement entered into between Iviewit and Warner Bros. (Lamont Reply at page 9). As support for this, Mr. Lamont refers to an internal Warner Bros. e-mail dated almost a year and a half after Proskauer withdrew from its representation of Iviewit. By that time, Proskauer's collection action for unpaid fees had long been on file, and Iviewit had already been represented by Spencer Sax, Esq. of Sachs, Sax & Klein, P.A., Iviewit's counsel in that litigation. Whether Iviewit chose to consult with that firm regarding this issue is unknown.

It is also important to note that Iviewit's own documentary evidence proves that it had an independent business relationship with Warner Bros. that continued for months after Proskauer withdrew from the representation of Iviewit. As an example, the replies of Messrs. Lamont and Bernstein attached several e-mails from David Colter of Warner Bros. (Lamont Reply at Exhibits I, K; Bernstein Reply at page 147) which clearly show the existence of communications between Iviewit and Warner Bros. over eight months after Proskauer terminated its representation of Iviewit. Thus, notwithstanding Proskauer's refusal to place itself in a conflict position, the Iviewit-Warner Bros. relationship continued on independently for months after Proskauer's representation ended.

<sup>&</sup>lt;sup>6</sup> As to the Warner Bros. issue, while Mr. Colter states in his e-mails that Mr. Rubenstein "provided some solid support for iviewit" (see Bernstein Reply at page 147) and later states that Mr. Rubenstein's firm filed the original patents (see Bernstein Reply at page 583), we find it worth noting that Mr. Rubenstein never met or spoke with David Colter about Iviewit's patents. We believe that Mr. Colter is making these misinformed statements based upon what Mr. Bernstein or another representative of Iviewit told him.

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#### III. Proskauer Has Neither Withheld Nor Tampered With Any Documents

There is no truth to Messrs. Lamont and Bernstein's claims, peppered throughout their replies, that Proskauer has either withheld or tampered with documents. Mr. Bernstein has been given access to Proskauer's Iviewit file and has had the file copied.

We believe it is important to understand the backdrop which gave rise to Proskauer's production of documents to Iviewit. Rather than drafting discovery that was arguably related to the claims in the litigation, counsel for Iviewit simply allowed Mr. Bernstein to craft a whole host of harassing and largely irrelevant discovery requests, which counsel then "cut and pasted" into a document request served by Iviewit's counsel. A copy of Iviewit's document request is attached hereto as **Exhibit 1**. Upon receipt of the request, Proskauer moved for a protective order, with Proskauer volunteering instead to simply produce its file should counsel for Iviewit care to review it. The Court granted Proskauer's protective order and ordered just what Proskauer had requested – that Iviewit be limited to a review of Proskauer's file. A copy of the order granting Proskauer's motion for protective order is attached hereto as **Exhibit 2**. The transcript of the hearing also confirms the rather outrageous nature of the discovery requests served, with Judge Labarga specifically commenting that:

THE COURT: I think in all my time in practicing law and on the bench, I have never seen a Request for Production so broad as this thing is.

\* \* \*

I'm going to grant the protective order. This request for documents is just way too overbroad.

The Honorable Jorge Labarga, hearing transcript on Proskauer's motion for protective order, November 5, 2002, at pages 15-17. A copy of the transcript is attached hereto as **Exhibit 3**.

Although Mr. Lamont states at page 13 of his reply that Attorney Steve Selz, Iviewit's litigation counsel, "noticed a mass of folders missing all documents, allegedly pointing to the destruction of documents supposed to be in those folders," it is telling that Mr. Selz has never complained to the court that Proskauer withheld documents or tampered with any documents. Proskauer is proud of the work that it did for Iviewit and has nothing to hide. There has been a full and complete disclosure.<sup>7</sup>

<sup>&</sup>lt;sup>7</sup> By way of example, Proskauer recently learned of the existence of additional documents located within the offices of Messrs. Wheeler and Thompson which, in some cases, were not duplicative of those documents found in Proskauer's file. Those documents were produced to counsel for Iviewit under cover letter dated May 9, 2003.

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### IV. <u>Iviewit Has Provided No Evidence Of A Violation Of The Rules Of Professional Conduct</u> <u>Or Of Their Alleged Conspiracy Plot</u>

Despite over a thousand pages of submissions by Messrs. Lamont and Bernstein, they have failed to present any proof of a violation of the Rules Regulating the Florida Bar or Mr. Bernstein's murder/theft conspiracy (a theory that Mr. Lamont tellingly seems to distance himself from in his separate reply). Mr. Bernstein's conspiracy, involving Messrs. Wheeler (as alleged ringleader), Rubenstein, Utley, Hersh, Lewin, and the members of the Foley & Lardner and Meltzer Lippe law firms, is further explained in his recent submission. Some examples will provide further insight into Mr. Bernstein's thought processes:

- "We will now present the evidence as to these allegations and are sure the Florida Bar will find that Mr. Wheeler has conspired in several instances to steal the Companies [sic] technologies and continues to cause harm to the Companies and its shareholders." (Bernstein Reply at page 19).
- "Mr. Wheeler tries to couch his work as a 'website agreement', when in fact it is an attempt to abscond with the core algorithms and mathematics of the iviewit Zoom process. . . ." (Bernstein Reply at page 529).
- Mr. Wheeler "and his friends" attempted "to walk the image applet out of the Company..." (Bernstein Reply at page 573).
- "The rationale for Crossbow Ventures being included in the rebuttal is because this would appear to be Mr. Wheeler's final attempt as the house of cards was crumbling around him to inflict damage to the Company." (Bernstein Reply at page 619).
- Mr. Bernstein's Reply at page 105 contains a chart entitled "Flow Chart of Conspirators, Potential Conspirators, and Infringers," identifying all persons and entities on the chart as having "tentacles to Wheeler and Gerald Lewin."

Most importantly, among the thousands of pages of scattered argument submitted by Mr. Bernstein, he has not been able to produce one document tending to support his complaints about Proskauer's representation that predated the filing of the litigation by Proskauer. Again, we reiterate that the members of Iviewit's former management team have testified that there were no complaints about Proskauer's representation of Iviewit:

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- Brian Utley:
  - Q. Did anyone ever complain or state at any board meetings of Iviewit that Proskauer performed poorly with respect to legal work?
  - A. No.

(Utley dep. at 66-6).

- Raymond Hersh:
  - Q. Generally, were you satisfied with the services performed by Proskauer Rose?
  - A. Yes, I was.
  - Q. Do you know if Brian Utley was?
  - A. I know that he was.
  - Q. What about Ray I'm sorry. What about [Simon] Bernstein or Eliot Bernstein?
  - A. I believe they were generally satisfied with the nature and quality of the work.

(Hersh dep. at 33-22).

- Gerald Lewin, CPA:
  - Q. Are you aware of or did you ever hear anyone in the company state that Proskauer did work improperly for Iviewit?
  - A. No.

(Lewin dep. at 15-3).

All of Mr. Bernstein's claims against Proskauer have surfaced during the time period when the litigation was approaching trial, long after Proskauer withdrew from its representation of Iviewit due to Iviewit's inability to keep current in the payment of legal fees. Faced with the fact that Iviewit's former management team has testified that it was satisfied with Proskauer's representation of Iviewit, Mr. Bernstein simply dismisses this team as being comprised of co-conspirators.

#### V. Conclusion

We respectfully suggest that Iviewit's patent counsel at Foley & Lardner, Douglas Boehm, was correct when he wrote to Mr. Bernstein almost three years ago and noted Mr. Bernstein's penchant for "exaggerations, accusations, and criticisms" of the work of his lawyers. Mr. Boehm aptly points out that "[n]o lawyer should have to put up with that kind of abuse from a client." (Bernstein Reply at pages 512-515).

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In the end, Messrs. Lamont and Bernstein have shown no violation of the Rules Regulating the Florida Bar by any Proskauer attorney. Should you have any questions or need any additional information, please let me know.

Sincerely,

Matthew Triggs

MT/cwp

cc: (Via Federal Express)

Eliot Bernstein
P. Stephen Lamont

IN THE CIRCUIT COURT OF THE 15<sup>TH</sup> JUDICIAL CIRCUIT IN AND FOR PALM BEACH COUNTY, FLORIDA

PROSKAUER ROSE L.L.P, a New York limited partnership,

CA 01-04671 AB

Plaintiff,

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IVIEWIT.COM, INC., a Delaware corporation, IVIEWIT HOLDINGS, INC., a Delaware corporation, and IVIEWIT TECHNOLOGIES, INC., a Delaware corporation.

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# DEFENDANTS' REQUEST FOR PRODUCTION OF DOCUMENTS

Defendants, IVIEWIT.COM, INC., IVIEWIT HOLDINGS, INC. and IVIEWIT TECHNOLOGIES, INC., requests that the Plaintiff, PROSKAUER ROSE, L.L.P., pursuant to Rule 1.350 of the Florida Rules of Civil Procedure and within the time required by said Rule, to produce all documents as set forth below.

This request for production is intended to cover all documents within the possession, custody or control of Plaintiff, or any of its agents, servants, employees, accountants, attorneys and any other person or entities subject to Plaintiff's actual or constructive custody or control, wherever so located.

#### I. DEFINITIONS AND INSTRUCTIONS

"Documents" shall mean, without limitation, any kind of written or 1. graphic matter however produced or reproduced, of any kind or description, whether sent or received, or neither, including originals, copies and drafts thereof and including but not limited to papers, books, letters, correspondence, telegrams, cables, telex corporate communications, calender or diary entries, airplane tickets, travel itineraries, appointment books, minutes, transcripts, telephone company bills and/or statements reflecting telephone calls placed, received or charged, reports and recordings of telephone or other conversations or of interviews, or of conferences and/or other meetings, statements, summaries, opinions, reports, studies, analyses, evacuations, contracts, agreements, journals, checks, check stubs, purchase orders change orders, invoices, bills, receipts, cash receipts, cash receipt journals, balance sheets, income statements, auditor's notes, deposit receipts, cash disbursement journals, general ledgers, records of disbursement, computer printouts, bank statements, credit reports, books of account, financial statements to banks of or any other persons or entities, statements, to banks, duplicate deposit receipts, canceled checks, statistical record, lists, tabulations,

instructions, specifications, manuals, pamphlets, publications, raw and refined data, graphs, drawings, advertisements, lists meeting minutes, magnetic tapes, or discs, punch cards, computer printouts, proposals, recommendations and any other data or records kept by electronic, photographic or mechanical means and things similar to the foregoing however denominated.

- 2. Whenever appropriate throughout this subpoena, the singular form of a word shall be interpreted to include the plural and vice versa, so as to require the broadest possible production.
- 3. "And" and "or" shall be construed conjunctively or disjunctively, so as to require the broadest possible production.
- 4. In the event any document has been lost or removed fro the purpose of this action or for any other purpose, please state the name and address of the person who removed the document, the date of the document, the title of the document (if any), the subject matter of the document with reasonable specificity, the name of the person authoring such document, the name of the person to whom such document was given to transmitted, the present location and custodian of such document or any copies thereof.
- 5. If Production of a document is withheld on the grounds of privilege

or otherwise, state the following for each document withheld:

- a. The type of document (i.e., correspondence, memorandum, telex, etc.);
- b. The date of the document;
- c. The person who signed the document
- d. The person who received the document; and
- e. The reason for withholding production.
- 6. The document to be produced in response to this request for production shall be segregated according to the specific requests to which such documents are responsive. If a document(s) is/are responsive to more than one paragraph of this subpoena, the document(s) need only be produced once.

All work product, files and all billings for ! View It and any/ and all affiliated companies including but not limited to: Iviewit Technologies, Inc., Iviewit.com LLC, Ivlewit LLC, Ivlewit.com, Uview, Uview.com, Ilearnit, Imedia, Ivlewit Holdings, LLC, I.C., Cyberfyds, RealView and any and all affiliated companies. Including work generated by all Proskauer partners, employees and affiliates, relating to any and all I View It companies in any format including: All files of any form including but not limited to: Tapes, Emails, Board meeting notes, Draft documents, Mailed items, Receipts for mailed items., Hand delivered Items, Computer files of any type in any form including backups, Inter-office correspondence regarding I View It or any of it's companies, Letters, All Expense Records and supporting backup including Cell phone, corporate phones, personal home phone records for all attorney's on any/all matters relating to I View It and its billings, Palm Pilot or other PDA files, Microfiche, Stored Documents, Transcriptions, Video Conference Records, Meeting Room Schedules and any other form of communication, including but not limited to the following documents:

1. All/ANY Patent, Trademark, Copyright and Trade Secret

Provisional Documents and notes for any/all of the above Pending Applications and notes for any/all of the above Assignment Documents Communications both Inter-office and between other law firms or lawyers relating in any way to I View It and the above Binders

- 2. Investigations results and notes or files or evidence of any sort held on behalf of I view it by Proskauer relating to:
  Infringement matters
  Meltzer Lippe investigation
  Raymond Joao investigation
  Patent Fraud Investigations
  Brian Utley Investigations
  Foley and Lardner Investigations
- Sealed documents and/or any other documents delivered by your client to your office for safe keeping.
- 4. All transactions for:

Crossbow Ventures
Huiznega Holdings
Jason Gregg
Alpine Ventures
All Loan documents for any Individual or company
Tledemann Prolow
Donald Kane
Alan Shapiro
Alan Young
Ellen DeGeneres
Alanls Morrisette
Atlas Entertainment
Simon Bernstein
Mitchel Welsch
Kenneth Anderson

Brian Utley
Michael Reale
Subscription Agreements
Notes
William Barber
Andrew Chessler
Hollywood.com
Webcasts
Wachovia
Selman
Deutcshe Telecom
Michael Fox
Reale 3D
Disney

 All employment, non-compete, COI's, papers and drafts for all employees, including but not limited to:

Brian Utley
Michaele Reale
James Armstrong
Guy lantoni
Jill lantoni
Ellot Bernstein

- All lease documents including but not limited to:
   Rental agreements
   Furniture agreements
   Equipment leases, etc.
- All audit information and correspondences regarding each and every audit of I Viewit or any of it's affiliates
- All correspondences of any type between Proskauer and Goldstein Lewin and Gerald Lewin including but not limited to:

Foley and Lardner Mr. Akselrod Holland & Knight Tom Wippman George Villasana Matt Rosen Armstrong Hirsh Jackoway & Tyerman Richard Rosman Saybrook Capital David Kalserman Alan Epstein Stuart Rosow Mr. Kohner Arthur Anderson Hassan Miah Kevin O'Donnel Dollinger FAU or any member

Mitchell Rubenstein

- Taped conversation of patent call between Zakirul Snirajee, Eliot Bernstein, Raymond Joao and Gerald Lewin. The original tape is requested, please retain a copy only.
- All taped or video conference conversations of any sort relating to 1.
   View It and any matters on the billings.
- 11. All correspondences and documents of any sort relating to I View It for each of the following Proskauer partners or other firm lawyers including but not limited to:

Chris Wheeler

Al Gortz

Greg Reed

Ken Rubenstein

Mara Lerner Robbins

Jill Zamas

Gayle Coleman

Gloria Burfield

Rocky Thompson

A Levy

Kevin Healey

Stuart Kapp

D. Paris Jr.

Rod Bell

Marcy Hahn Saperstein

B. Schiff

S. Romoff

H. Coates Jr

R. Rowe

Ed Restaino

Susan Weiner

R. Storette

A. Gu!wein

Gregg Goldman

J. Silver

L. Gardner

R. Foster

12. Any and all documents relating to I Viewit matters with any of the following attorneys, firms or others:

William Dick

Raymond Joso

Steven Becker

Douglas Boehm

Stephen Filipek

Meltzer Lippe Goldstein & Schnissel

- 13. All documents of any sort relating to Gruntal including but not limited to
- 14. All documents and files of any sort relating to RYJO or Ryan Huisman including but not limited to
- 15. All documents, files, notes, etc of any sort relating to patent application 5865-2

- 16. All consulting agreements documents, drafts and files
- All term sheet documents, drafts and files
- 18. All patent documents that were in any way replaced including the replaced documents
- All documents relating to Real3D, Intel, SGI, & Lockheed and I View It.
- 20. All documents relating to any transactions with Iviewit and Distance Learning Companies and or objectives including but not limited to:

  Trademarks
  Patents
  Trade Secrets
  Corporate Filings

Incorporation documents for any company opened or intended to be opened

All documents relating to any transaction of any sort with internet Train, Ilearnit, Imedia, etc.

- 21. All documents relating to Proskauer Rose marketing letter for I View It products to its clients
- 22. All documents relating to the acceptance of I View It stock by Proskauer or any affiliate, including interoffice correspondences and partner letters and communicatioons.
- 23. All documents detailing the hiring of Kenneth Rubenstein.
- 24. All records pertaining to I View It and AOLTW or any affiliate
- 25. All correspondences of any sort relating to Ron Assaf and Sensormatic
- Description and notes for meeting on 6/2/99 with Gerald Lewin, Chris Wheeler and Mr. Bernstein billed as "lengthy conversation."
- 27. All documents of any sort relating to investigation of COI with Goldstein Lewin, Visula Data and I View It.
- 28. All fillings of name changes for any I View It entity
- 29. All copies of all NDA's for all clients of Proskauer Rose and all copies of retained NDA's for all I View It companies for any potential client or investor.
- All analyses of corporate structure and any form of document or file relating to such.
- 31. Phone records for Al Gortz , Chris Wheeler and Kenneth Rubenstein relating to initial conversations with anyone relating to I View It or it's subs
- All records and copies of business plans and distribution lists of such plans.

33. All copies of checks relating to any lviewit or sub transactions

34. All notes and correspondences of meetings held with Foley and

35. All correspondence, meeting notes, relating Brian Utley billings.

At the offices of Selz & Muvdi Selz, P.A., at the address set forth below and that if any of the information normally contained in the documents, or in some other for, electronic or otherwise, has been photographed, recorded or is retained on a computer or other electronic device, defendant is hereby requested to obtain such information, translated, if necessary, into a reasonably usable form.

> SELZ & MUVDI SELZ, P.A. 214 Brazilian Avenue, Suite 220 Palm Beach, FL 33480

Tel: (561) \$20-9409

Fax: (561) 833-9715

By: \_\_\_\_\_\_ SPEVEN M. SELZ

FBN: 777420

IN THE CIRCUIT COURT OF THE 15TH JUDICIAL CIRCUIT IN AND FOR PALM BEACH COUNTY, FLORIDA

CASE NO. CA 01-04671 AB

PROSKAUER ROSE LLP, a New York limited liability partnership,

Plaintiff,

v.

IVIEWIT.COM, INC., a Delaware corporation, IVIEWIT HOLDINGS, INC., a Delaware corporation, and IVIEWIT TECHNOLOGIES, INC., a Delaware corporation,

Defendants.	

# ORDER GRANTING PLAINTIFF'S MOTION FOR PROTECTIVE ORDER AS TO DEFENDANTS' REQUEST FOR PRODUCTION

THIS CAUSE came before the Court on November 5, 2002 on Plaintiff's Motion for Protective Order as to the Defendants' Request for Production and the Court, after reviewing the motion, hearing argument of counsel, and being fully advised in the premises, it is hereby

#### ORDERED AND ADJUDGED as follows:

- 1. The Plaintiff's Motion for Protective Order relating to the Defendants' Request for Production is **GRANTED**.
- 2. Counsel for the Defendants shall view the Iviewit file in Plaintiff's possession on Thursday, November 14, 2002 at the Plaintiff's offices in Boca Raton.

DONE AND ORDERED at West Palm Beach, Palm Beach County, Florida this \_\_\_\_ day

### SINED AND DATED

of November, 2002.

NOV 1 2 2002

Judge Jerge Laberga

Honorable Jorge Labarga Circuit Court Judge

#### Copies furnished to:

#### For Plaintiff:

Matthew Triggs, Esquire Christopher W. Prusaski, Esquire Proskauer Rose LLP 2255 Glades Road, Suite 340W Boca Raton, Florida 33431;

#### For Defendants:

Steven M. Selz, Esquire Selz & Muvdi Selz, P.A. 214 Brazilian Avenue, Suite 220 Palm Beach, FL 33480 IN THE CIRCUIT COURT OF THE 15TH JUDICIAL CIRCUIT, IN AND FOR PALM BEACH COUNTY, FLORIDA

PROSKAUER ROSE LLP, a New York limited liability partnership,

Plaintiff,

vs.

No. CA 01-04671 AB

IVIEWIT.COM, INC., a Delaware corporation, IVIEWIT HOLDINGS, INC., a Delaware corporation, and IVIEWIT TECHNOLOGIES, INC., a Delaware corporation,

Defendants.

The above-entitled cause came on for Hearing before The Honorable Jorge Labarga, Circuit Judge, at the Palm Beach County Courthouse, West Palm Beach, Palm Beach County, Florida, on the 5th day of November, 2002, commencing at 8:15 o'clock A.M.

#### APPEARANCES:

Certified Carry

PROSKAUER ROSE LLP by: CHRISTOPHER W. PRUSASKI, ESQ. Appearing on behalf of the Plaintiff.

SELZ & MUVDI SELZ, P.A. by: STEVEN M. SELZ, ESQ. Appearing on behalf of the Defendant.

1 THE COURT: Okay. 2 MR. PRUSASKI: Good morning, Your Honor. 3 THE COURT: How are you doing? 4 MR. SELZ: Good morning, Your Honor. 5 THE COURT: Motion in limine? 6 MR. SELZ: Motion in limine, and also, 7 Your Honor, we had an objection to Requests for 8 Production from opposing counsel. We've been here before Your Honor earlier last week. 9 10 we had agreed that we would hear that again while we had the 15 minutes set this morning. 11 12 THE COURT: Okay. Fifteen minutes is not 13 a long time. 14 MR. PRUSASKI: It's not. I don't believe we have enough time, judge. 15 16 I represent Proskauer Rose, the 17 plaintiff. It's our motion in limine. 18 an attorneys' fees collection case. defendants are former clients of Proskauer's. 19 20 We're suing for about \$367,000. And this 21 matter is set for trial the week of December 22 16th.

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Spencer Sax, Sachs, Sax & Klein, used to represent the defendants. This case was filed a year-and-a-half ago in May of 2001.

Answer was filed by Mr. Sax's firm over a year ago. The Answer didn't assert as any affirmative defenses that Proskauer had done any incorrect work or had otherwise breached the Retainer Agreement.

The defenses were that we actually billed for work not performed and that the value of the - the bills didn't match the - the reasonableness of the services performed. So there was no allegation of any improper work performed by Proskauer.

It wasn't until August of this year,
after Your Honor entered a couple of orders
requiring the defendants to serve Answers to
Interrogatories, that the defendants asserted
for the first time that Proskauer had
incorrectly done work; and therefore, they
should be able to avoid paying our bills.

It wasn't pled anywhere in any of the pleadings. And it wasn't until a year and a three months after the lawsuit was filed that we first learned that they were going to attempt to put this theory on at trial.

At the time I received the interrogatory answers, the matter was already set on Your

Honor's trial docket.

It came as a surprise to us because we didn't know for a year-and-a-half that they were going to try and put this type of case on at trial. It further completely complicates the case and turns an otherwise simple bill collection matter over on its head.

And there's cases that we cited in the motion. Nash versus Wells Fargo case. It's a Florida Supreme Court, 1996, it says, if you don't assert an affirmative defense, you can't prove it at trial. It's a waiver.

The Con-Dev of Vero Beach versus Casano case, Fourth District, also says, which we cite in the motion, that a defendant has an obligation to plead any other matter constituting an avoidance or affirmative defense.

And the First District in Joseph Bucheck Construction that we also cited says that Rule 1.10 (d) requires a defendant to plead any manner which avoids the action which the plaintiff is not bound to prove in the first instance in support of it, but which under the Rules of Evidence, the defendant must firmly

establish.

The Nash case says that negligence is a defense and you have to plead it. The Con-Dev case says that plaintiff's breach of a contract under which it sues is an affirmative defense and you have to plead it.

A year-and-a-half after the lawsuit's filed when the case is already set for trial, a set of interrogatory answers telling us that we did work incorrectly is not fair.

THE COURT: When are we set for trial in this case?

MR. PRUSASKI: December 16th.

THE COURT: It's set for docket call on December 16th, correct?

MR. PRUSASKI: We've already --

MR. SELZ: We're set. We're set.

THE COURT: You're specially set.

MR. SELZ: For December 16th, Your Honor.

THE COURT: How long do you think it's

going to take to try the case?

MR. SELZ: I think we estimated it would be three days.

MR. PRUSASKI: We thought it would be a day-and-a-half, two days before we got these

interrogatory answers.

THE COURT: You're going to get what you reserved at the docket call, and that's all.

MR. SELZ: Your Honor, if I may, very briefly, what we've got here right now is a situation where discovery is still pending. We have not gotten production from --

THE COURT: Wait a minute. Look, you went to docket call. You've answered ready. I specially set you for trial. You're specially set to go for December 16th. I don't understand. Why is discovery still pending? I don't care about that. That's your problem.

MR. SELZ: Well, Your Honor, it is,
except what we have is we've had a very
difficult time getting any documents from
opposing counsel and from - and Proskauer Rose.
As a matter of fact, my client has had no
access to any of the documents which would
support his impression that Proskauer Rose did
or did not do what they were supposed to do.

THE COURT: The problem I have with that is in these civil cases, you notice them for trial whenever you want to notice it for trial.

And once you notice it for trial, you get a

trial date nine months later. What happens is you guys do things at the end and then you want to squeeze it all in at the end. It's not my problem that we are here at the eve of trial and you're telling me you can't get these documents. I've been here every morning. I haven't missed one day, except for the two weeks vacation I took this summer. Where have you been?

MR. SELZ: Your Honor, with regard to discovery, this is what we've got.

Mr. Prusaski, I've been asking him for dates since September on two deponents for Proskauer Rose that we wanted to depose. He objected to one. Your Honor the other day ruled that, yes, we could take the deposition of Ken Rubenstein. I asked him both for dates for Ken Rubenstein and Chris Wheeler, the two people we want to depose. He's now telling me their only available dates, which I've been requesting since September, are after the discovery cutoff date, November 15th.

THE COURT: Like I said, if you're having problems with discovery, then come and see me and I'll make a ruling. But now you're telling

me that you're going to do discovery up until
the date of trial. Now you want to amend
pleadings. You want to allege things that were
not in the pleadings. And all of a sudden, you
want to put the case into a tailspin. Why
should I do that? You've got a trial date.
You're specially set. You told me you were
ready. You're ready means I can call you
tomorrow and you can try the case.

Yes?

MR. PRUSASKI: All I can say is that we have depositions set in the next week when we -two depositions, their corporate rep. Your Honor, we were here last week. I have to fly to California for that. When I take those depositions, we're ready for trial. This case has been pending for a year-and-a-half.

And with all due respect, judge, it's a red herring. The law says they can't put in some sort of complicated quasi malpractice case in a bill paying case when they didn't plead it over a year ago. They can't spring this on us at the last minute. The law protects us in that regard.

THE COURT: Anything else?

MR. SELZ: Your Honor, their request -THE COURT: On this motion, you got

anything else you wish to argue?

MR. SELZ: On this motion -- The only other thing that I've got on this motion, Your Honor, right now, is the fact that clearly, my clients didn't have access to these documents. We've been making requests for production. We don't have a good faith basis right now to be able to plead an affirmative defense we don't have any proof of. My client has a feeling there was a problem, but if he doesn't have the evidence to back it up, then it would be a frivolous attempt on his part to plead it.

So to that extent Your Honor, I believe that we have acted diligently. We're trying to get these documents from the plaintiff to be able to show up this possible -- If it exists. If it doesn't exist and there's no basis in the documents that we get or in the testimony of the deponents, then we won't be able to assert it, anyway, Your Honor. And that's the point.

If it does exist in those documents and there's something that shows there's a conflict of interest or some other problem that

Proskauer Rose was involved in, then certainly,
the first opportunity we have that evidence is
when we're going to present it.

THE COURT: In the case of Noble N-o-b-l-e - versus Martin Memorial Hospital,
710 So. 2d. 567, Fourth DCA 1997, the Fourth
District held that, there comes a point in
litigation where each party is entitled to some
finality. The rules of liberality gradually
diminishes as the case progresses to trial."

The case -- We had docket call.

Everybody answered ready. And the case is set for trial in a month or so, a bit over a month. And here we are at this juncture, you're telling the other side that now we're going to rely on pretty much malpractice as a defense, and for that reason, we shouldn't have to pay you.

This case has been around for a year-and-a-half. And there has to come a point in time where the trial judges should draw the line. So I'm going to grant the motion in limine. Okay. And that's granted. And you can go to trial on what you've got.

MR. SELZ: Okay.

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THE COURT: Okay. Now what's the next thing?

MR. SELZ: The next thing, Your Honor, is an objection to Requests for Production. May I approach?

THE COURT: Sure can.

MR. SELZ: Your Honor, basically, we had a list of documents. And they relate to Proskauer Rose's representation of Iviewit and the Iviewit companies. And basically, it goes to requesting their files, any patent trademark, copyright, trade secret --

But let's get the broader picture. The broader picture here is when I transmitted these to Mr. Prusaski on September 19th, his - his response was that they had documents - his recent response, as well is he's got documents. He's got about 80 red rope binders with all kinds of documents in them that he hasn't reviewed or considered with regard to a privilege log or preparing a privilege log, and that he would give me access to those 80 red ropes if I dropped anything concerning anything else other than what's in their specific file concerning the Iviewit companies.

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Again, Your Honor, their position all along has been that their representation was limited to Iviewit. And there is actually only one company here that signed the Retainer Agreement with Proskauer Rose.

So what we want to do is take a look at all the documents concerning any of these other entities, if they exist, if they represented the former president of Iviewit who signed the Retainer Agreement, if they represented him individually, any of those people concerning clients of Proskauer there might have been conflicts with which they should have presented and didn't present to Iviewit as part of their representation.

And again, Your Honor, the key here is this - this request has been outstanding since approximately mid September and we haven't received any documents, other than a blanket objection saying, effectively, that they think it's overbroad, that it's designed to harass, that we're asking for scheduling of meeting rooms and things like that at Proskauer's offices.

Again, Your Honor, part of our position

is that they were involved and people in the firm were involved. And they're not reflected on their billing records. And that we were billed for things not directly involving Proskauer.

I think that was one of the defenses that was raised was that -- It goes ahead and says, that plaintiff's claims do not state cause of against the defendants to whom the invoices attached to the Amended Complaint were directed.

One of our affirmative defenses, they billed us for work that was done for other parties which are not parties to this action, and rightfully, should not be part of the claims against Iviewit, the defendants here.

So what we're asking for, Your Honor, is - is this plethora of documents, but the plethora of documents, Your Honor, is designed to show up these defenses, Your Honor, and to provide us with the documents relating to these defenses.

THE COURT: What do you say?

MR. PRUSASKI: The Request for Production was served one day before the discovery cutoff.

their case, home telephone records of Proskauer attorneys, Palm Pilot records of Proskauer attorneys, Proskauer's meeting room schedules from its New York and Florida offices. And most importantly and most offensively, they have asked for all of the Non-Compete Agreements that Proskauer's ever prepared for any client.

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So how am I supposed to respond to this in good faith?

I have told counsel that if the court resolves this today or if they withdraw this Request for Production, he can come and look at the file next week. I'll go through it. I'll check to make sure that there's no documents that have been incorrectly kept in the file for other clients. And he can come and spend as much time with it as he wants. But they're insisted on pursuing this document request.

THE COURT: I think in all my time in practicing law and on the bench, I have never seen a Request for Production so broad as this thing is.

I mean, let's look at one. Number four, you want all transactions for Ellen Degeneris,

Alanis Morrisette, Simon Bernstein, Huizenga 1 2 Holdings. I mean, it goes on and on. 3 Wachovia, Webcasts, Hollywood.Com, Notes, 4 Subscription Agreements, Brian Utley, Michael 5 Reale, Disney. 6 MR. SELZ: If I may, Your Honor, the 7 reason is because --8 MR. PRUSASKI: They want personal 9 employment files of lawyers. 10 MR. SELZ: -- Proskauer Rose was 11 representing Iviewit in negotiations with those 12 various parties. 13 And the idea here, Your Honor, again is basically that those parties, to the extent 14 15 that Proskauer Rose may have been representing 16 them, constituted some kind of conflict or --17 We got billed or Iviewit is being billed for work that is done concerning those matters. 18 19 Again, Your Honor, we don't have access 20 to any of the documents so far. 21 THE COURT: He says you can go look at 22 them. 23 MR. PRUSASKI: They would have had access 24 a year-and-a-half ago if they asked for --25 THE COURT: What I'm going to do, I'm

going to grant the protective order. This request for documents is just way too overbroad.

And if you wish, I'm going to order him to make whatever they have available at his office and you go look at it. Spend a day or two over there looking at it. And you clip whatever you need to clip. And he'll make copies for you. If you object to that, then come back and see me.

MR. PRUSASKI: I've told counsel that he can come next week, when I come back from California to take his client's depo since he wouldn't appear here. Anytime next week, he can come look through it. And that's been the offer all along.

MR. SELZ: Your Honor, so on the record then, Mr. Prusaski will make those available to me next week --

MR. PRUSASKI: Yeah.

MR. SELZ: So that I go ahead and examine them next week.

MR. PRUSASKI: Yeah.

THE COURT: Sure. He'll put them there on the conference table for you. You give him

whatever leeway he needs. And you take whoever you need to with you, sit down and take a look. What you do is take a bunch of these things and -- Post 'ems.

MR. SELZ: And post it, yes.

THE COURT: Post whatever you need. there's anything that you feel is privileged, just make a note of and come back and see me and I'll cross that bridge when I get there.

MR. PRUSASKI: Your Honor, I'm prepared to go through and make a log if there's any documents that are subject to privilege.

THE COURT: According to the Tigg case, you have to or you waive it.

MR. PRUSASKI: Your Honor pointed it out to us, and we told everybody in our office about the case. We have it up on the bulletin board.

THE COURT: All right, guys.

(Thereupon, at 8:32 a.m., the hearing was concluded.)

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### COURT CERTIFICATE STATE OF FLORIDA COUNTY OF BROWARD I, TAMARA EMERICK-MASCI, Registered Professional Reporter, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true and complete record of my stenographic notes. DATED THIS 5th day of November, 2002. Registered Professional Reporter

It was the first time the defendants had ever attempted to get documents in a year-and-a-half. So we filed a motion for protective order because it wasn't timely. And Your Honor subsequently extended the discovery

cutoff.

We have never had a problem showing

Proskauer's file to the former clients because

under the law, they have a right to look at it.

The file takes up an entire conference room

table. It was corporate work that was

performed over a course of several years.

However, if they had just asked to come and look at the file, I would have said, yeah; come look at it next week.

But what they did was the corporate representative of the defendants on his home computer typed up this Request for Production. It's 35 document requests of what he thinks should be in our file.

If he had said, we'd like to come look at the file, it would not have been an issue. But what they did was this lay person has asked for copies of the personal employment file of several of Proskauer's attorneys who worked on