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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91185411
Party	Plaintiff Bart Enterprises International LTD
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Submission	Motion to Suspend for Civil Action
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Attachments	Motion Requesting Suspension Astrologos.pdf (4 pages)(106386 bytes) Dkt 1- Complaint.pdf (76 pages)(3452482 bytes) Dkt 36.pdf (55 pages)(793094 bytes) Dkt 45_Paintiff Counter Deffandants.pdf (20 pages)(1123120 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the matter of Application Serial No. 77/047242
Publication in the *Official Gazette* of June 24, 2008
For: LOS ASTROLOGOS DE WALTER MERCADO

BART ENTERPRISES INTERNATIONAL LTD.
Opposer

v.

ASTROMUNDO INC.
Applicant

Opposition No. 91185411

Commissioner for Trademarks
Attn: Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

MOTION REQUESTING STAY OF PROCEEDINGS
PENDING RESOLUTION OF FEDERAL CASE

COMES NOW, Bart Enterprises International, LTD.
(hereinafter "Bart"), by its undersigned attorneys, and
very respectfully states and prays:

1. On July 24, 2008 Opposer filed its Notice of
Opposition to the above referenced mark, based on the fact
that it is the rightful owner of said mark by means of an
Agreement executed by Walter Mercado and Bart on June 7,
1995, and has not authorized Applicant to use or register
it.

2. Trademark Rule 2.117 provides:

"(a) Whenever it shall come to the attention of the TTAB that a party or parties to a pending case are engaged in a civil action or another Board proceeding which may have a bearing on the case, proceedings before the Board may be suspended until termination of the civil action or the other Board proceeding."

3. On January 17, 2007, a Complaint was filed a Complaint before the United States District Court - Southern District of Florida Miami Division by Walter International Productions, Inc. et al. v. Walter Mercado Salinas, et al., Civil No. 07-20136. In this case, among other things, defendants, which includes the Applicant in the case at bar, have alleged that the Agreement whereby Mercado assigned all right, title and interests to all of his trademarks to Opposer is null.

4. It is Opposer's contention that the agreement is valid and enforceable. Furthermore, Walter Mercado authorized and signed a living consent for Bart to register his name, and he also granted Bart all rights of ownership and authority to any and all of the trademark names in the United States of America and elsewhere in the world.

5. Opposer respectfully submits the following documents, all pertaining to Walter International Productions, Inc. et. al. v. Walter Mercado Salinas, et. al., Civil No. 07-20136 in the United States District Court - Southern

District of Florida, Miami Division (hereinafter, "the Case"):

- a. Complaint - Docket Number 1 (Exhibit A);
- b. Answer, Affirmative Defenses and Counterclaim - Docket Number 36 (Exhibit B);
- c. Plaintiffs/Counter-Defendants' Answer and Affirmative Defenses to Defendants' Counterclaim - Docket Number 45 (Exhibit C);

6. As the accompanied documents evince the "Walter Mercado" trademarks, including LOS ASTROLOGOS DE WALTER MERCADO, is a central issue in the Case. The ownership of the "Walter Mercado" trademark and its derivatives, including LOS ASTROLOGOS DE WALTER MERCADO, will be effectively determined in the Case. The trial in this case is currently scheduled for January 5, 2009.

7. We hereby include the Docket Sheet for the Case. In the event that the TTAB wishes to examine any other pleadings and/or motions in the case, Opposer will immediately file it accordingly.

WHEREFORE, Opposer respectfully requests that the Trademark Trial and Appeal Board stay this proceeding until resolution of the Florida federal case is resolved. The case is currently in the summary judgment stage.

I HEREBY CERTIFY that on this same date a true and exact copy of the foregoing Motion has been sent by e-mail and by First Class Mail to: Jill Sarnoff, Akerman Seterfitt, 420 S. Orange Ave., Orlando, Florida 32801 (jill.riola@akerman.com).

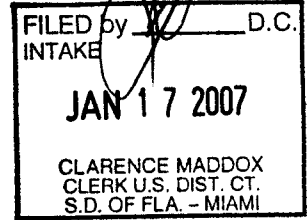
RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 17th day of September, 2008.

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

CASE NO.

07-20136
CIV-SEITZ

McALLEY

WALTER INTERNATIONAL PRODUCTIONS, INC., a Florida Corporation,
WATERVISION, INC., a Florida Corporation,
WALTERVISION PRODUCTIONS, INC., a Florida Corporation,
WALTER MERCADO RADIO PRODUCTIONS, INC., a Florida Corporation,
BART ENTERPRISES INTERNATIONAL, LTD., a Bahamas Corporation,
and **WALTER MERCADO ENTERPRISES CORP.**, a Florida Corporation

Plaintiffs,

v.

WALTER MERCADO SALINAS, a natural person, and **ASTROMUNDO, INC.**, a Puerto Rico Corporation

Defendants.

COMPLAINT

Plaintiffs, Walter International Productions, Inc. (“International Productions”), Watervision, Inc. (“Watervision”), WalterVision Productions, Inc. (“WalterVision”), Walter Mercado Radio Productions, Inc. (“Radio Productions”), Bart Enterprises International, Ltd. (“Bart Enterprises” or “Bart”) and Walter Mercado Enterprises Corp. (“Walter Enterprises”) (collectively, “Plaintiffs”), sue the Defendants, Walter Mercado Salinas (“Mercado”) and Astromundo, Inc. (“Astromundo”) (collectively, the “Defendants”), and state as follows:

PRELIMINARY STATEMENT

1. This action arises from a breach of contract and tortious interference with contract by the Defendants.

JURISDICTION AND VENUE

2. The Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1332, because it involves a dispute between citizens of different states with an amount in controversy exceeding \$75,000. Upon information and belief, the actual damages to Plaintiffs are estimated to be in excess of \$1,000,000 and are increasing exponentially and on a duly basis.

3. Venue is proper in this Court because most of the acts underlying this Complaint occurred within this judicial district.

4. All conditions precedent to bringing this action, if any, have occurred or have been excused or waived.

5. Plaintiffs have been required to retain undersigned counsel to enforce their rights through this action, and are obligated to pay their counsel a reasonable fee for those services.

IDENTITY OF THE PARTIES

6. Plaintiff, Bart Enterprises is a Bahamian corporation with its principal place of business in Nassau, Bahamas.

7. Plaintiff, International Productions is a Florida corporation with its principal place of business in Miami, Florida.

8. Plaintiff, Watervision is a Florida corporation with its principal place of business in Miami, Florida.

9. Plaintiff, WalterVision is a Florida corporation with its principal place of business in Miami, Florida.

10. Plaintiff, Radio Productions is a Florida corporation with its principal place of business in Miami, Florida.

11. Plaintiff, Walter Enterprises is a Florida corporation with its principal place of business in Miami, Florida.

12. Defendant, Mercado is a natural person residing in San Juan, Puerto Rico. Mercado travels to Florida for business on a regular basis.

13. Defendant, Astromundo is a Puerto Rico corporation with its principal place of business in San Juan, Puerto Rico.

CONTRACTS

Agreement Between Bart Enterprises and Mercado

14. On August 4, 1995, Bart Enterprises entered into an agreement with Mercado (the "Agreement"), effective as of June 7, 1995. (A true and correct copy of the contract is attached hereto as Exhibit "A"). The Agreement was executed by Guillermo Bakula ("Mr. Bakula") - president of Bart Enterprises - and Mercado.

15. Pursuant to the Agreement, Mercado granted "to Bart the exclusive right and license ... to develop, produce, distribute and copyright in its own name new materials, in any language, relating to Mercado's psychic and astrological services of whatever nature whatsoever, including but not limited to print, audiotext, audiovisual and radio programming, computer software, merchandise and advertising and promotion in connection therewith ..., through the Territory by any and all means and in any and all media..." (Exh. "A," Section 1(b))

16. Moreover, Mercado “irrevocably assign[ed] to Bart ... all rights, title and interest in and to the Mark, together with the part of the goodwill of Mercado’s business connected with and symbolized by said Mark, for use in connection with the Pre-existing Materials and the New Materials, if any.” (Exh. “A,” Section 2 (b))

17. Mercado also granted “to Bart the right and license ... to use Mercado’s performance, name, signature, photographs, voice, picture, likeness, or other indicia of his identity (collectively ‘Name and Likeness’) in connection with the Preexisting Materials and New Materials by any means and in any and all” (Exh. “A,” Section 3(b))

18. Mercado “agree[d] to provide additional psychic and astrological services to Bart in connection with the creation of the New Materials during the Additional Services Period... Such Additional Services shall include but not limited to creating audiotext recordings for pay per call services, appearing in long form commercials (‘Infomercials’), creating print, radio and television advertising and making personal appearances. ...” (Exh. “A,” Section 6 (b)(i))

19. Mercado admitted that the “services to be performed by Mercado and the rights granted [pursuant to the Agreement] are special, unique, extraordinary and impossible of replacement, giving them a particular value, the loss of which cannot reasonably or adequately be compensated in damages in an action at law and that Mercado’s failure or refusal to perform his obligations hereunder would cause irreparable harm or damage. Therefore, should Mercado fail or refuse to perform such obligations, Bart shall be entitled in addition to any of its other rights and remedies Bart may have, to seek injunctive or other equitable relief.” (Exh. “A,” Section 15)

20. Mercado agreed to “attend and participate in all rehearsals, filming or taping and photography sessions required and will render his services [pursuant to the Agreement] in accordance with the scripts or other materials Bart shall furnish to Mercado for such purposes. Mercado agrees to render Bart’s services in a competent and artistic manner to the best of his ability, and that all Mercado’s services will be subject to Bart’s approval, direction and reasonable control at all times. Mercado will promptly comply with whatever reasonable instructions, suggestions, and recommendations Bart may give Mercado in connection with the rendition of such services.” (Exh. “A,” Section 18)

21. The Agreement further stated that it “... shall not be assignable by Mercado without the prior written consent of Bart. Bart has full and unrestricted right to assign this Agreement...” (Exh. “A,” Section 20 (e))

22. From June 1995 through the beginning of November 2006, Mercado performed his obligations and complied with all the requirements pursuant to the Agreement without interruption.

23. In mid November 2006, however, Mercado began to breach the Agreement.

Assignment by Bart Enterprises to International Productions

24. On February 8, 2002, pursuant to paragraph 20(e) of the Agreement, Bart Enterprises lawfully assigned the rights set forth below to International Productions (“International Productions Assignment”). (A true and correct copy of the International Productions Assignment is attached hereto as Exhibit “B.”) (See Exh. “A” paragraph 20(e) and ¶ 21 above)

25. Mercado had knowledge of the International Productions Assignment and, in fact, received payments from International Productions.

26. Pursuant to the International Productions Assignment, International Productions' rights include, but are not limited to: "(1) the exploitation of the following business(es) utilizing Walter Mercado's name, likeness and image in the United States: (i) televised daily horoscope segments on Univision and its affiliates, including Univision Puerto Rico; (ii) internet website; (2) the exploitation of the following business(es) utilizing Walter Mercado's name, likeness and image in Central America: (i) newspaper publication of horoscope content; (ii) IVR (integrated voice response) daily pre-recorded horoscope services." (Exh. "B")

Assignment by Bart Enterprises to Watervision

27. On March 1, 2004, pursuant to paragraph 20(e) of the Agreement, Bart Enterprises lawfully assigned the rights set forth below to Watervision ("Watervision Assignment"). (A true and correct copy of the Watervision Assignment is attached hereto as Exhibit "C.") (See Exh. "A" paragraph 20(e) and ¶ 21 above)

28. Mercado had knowledge of the Watervision Assignment and, in fact, received payments from Watervision.

29. Pursuant to the Watervision Assignment, Watervision's rights include, but are not limited to: "the exploitation of any and all business utilizing Walter Mercado's name, likeness and image in Central America, including, but not limited to: (i) Psychic 900 pay-per-call service; (ii) SMS (Short Messaging Service), which may include horoscopes, lucky numbers, chat, etc.; (iii) ring tones, logos and wallpapers for mobile devices; (iv) internet websites; (v) lottery and sweepstakes; (vi) DVDs; (vii) Club

Membership Packages; (viii) prepaid Calling Cards; (ix) Televised daily horoscopes segments; (x) Audio horoscope transmission via radio; [and] (xi) Magazine publication of horoscope content, excluding newspapers.” (Exh. “C”)

Assignment by Bart Enterprises to Waltervision

30. On March 4, 2004, pursuant to paragraph 20(e) of the Agreement, Bart Enterprises lawfully assigned the rights set forth below to Waltervision (“Waltervision Assignment”). (A true and correct copy of the Waltervision Assignment is attached hereto as Exhibit “D.”) (See Exh. “A” paragraph 20(e) and ¶ 21 above)

31. Mercado had knowledge of the Waltervision Assignment and, in fact, received payments from Waltervision.

32. Pursuant to the Waltervision Assignment, Waltervision’s rights include, but are not limited to: “the exploitation of the following business(es) utilizing Walter Mercado’s name, likeness and image in the United States, both in the Hispanic and Anglo markets: (i) SMS (short messaging service), which may include horoscopes, lucky numbers, chat, etc; (ii) prepaid calling cards; (iii) lottery and sweepstakes; (iv) Club membership packages; (v) magazine publication of horoscope content; (vi) representing products in a capacity of spokesperson (products to be previously approved, in writing, by Bart).” (Exh. “D”)

Assignment by Bart Enterprises to Radio Productions

33. On October 14, 2004, pursuant to paragraph 20(e) of the Agreement, Bart Enterprises lawfully assigned the rights set forth below to Radio Productions (“Radio Productions Assignment”). (A true and correct copy of the Radio Productions

Assignment is attached hereto as Exhibit "E.") (See Exh. "A" paragraph 20(e) and ¶ 21 above)

34. Mercado had knowledge of the Radio Productions Assignment and, in fact, received payments from Radio Productions.

35. Pursuant to the Radio Productions Assignment, Radio Productions' rights include, but are not limited to the "transmission of audio horoscopes via radio in the United States." (Exh. "E")

Assignment by Bart Enterprises to Walter Enterprises

36. On May 4, 2005, pursuant to paragraph 20(e) of the Agreement, Bart Enterprises lawfully assigned the rights set forth below to Walter Enterprises ("Walter Enterprises Assignment"). (A true and correct copy of the Walter Enterprises Assignment is attached hereto as Exhibit "F.") (See Exh. "A" paragraph 20(e) and ¶ 21 above)

37. Mercado had knowledge of the Walter Enterprises Assignment and, in fact, received payments from Walter Enterprises.

38. Pursuant to the Walter Enterprises Assignment, Walter Enterprises' rights include, but are not limited to "the exploitation of the following business(es) utilizing Walter Mercado's name, likeness and image in the United States: (i) Development, production and marketing of DVD's containing Mercado content." (Exh. "F")

ADDITIONAL FACTS COMMON TO ALL COUNTS

39. On November 17 and November 18, 2006, Defendant Astromundo registered all the trademarks - owned by Bart Enterprises - in its name.

40. On November 18, 2006, Mercado by a unilateral power of attorney attempted to revoke all the powers granted to Mr. Bakula. (A true and correct copy of the attempted revocation is attached hereto as Exhibit "G"). He sent said letter to Mr. Bakula via certified mail on November 22, 2006 and Mr. Bakula received it on November 27, 2006.

41. On November 22, 2006, Astromundo sent a letter to Mr. Bakula attempting to terminate the business relationship between Mercado and the Plaintiffs. (A true and correct copy of the attempted revocation is attached hereto as Exhibit "H")

42. On November 28, 2006, Mercado sent a letter to Watervision's client - Televisa S.A. de C.V. - soliciting copies of any contracts or documents executed by Televisa which involve Mercado's participation. (A true and correct copy of the letter is attached hereto as Exhibit "I"). Televisa S.A. de C.V. ("Televisa") is a Mexican corporation with its principal place of business in Mexico City, Mexico.

43. On November 29, 2006, Mercado sent a letter to Televisa advising it that Mercado had ceased all business relations with Mr. Bakula and any and all of his enterprises. Specifically, Mercado informed Televisa that he had officially rescinded Mr. Bakula's power of attorney privileges and that he had no rights or title to any of the following: "(i) [Mercado's] name and any associated trademarks; (ii) [Mercado's] likeness; (iii) [Mercado's] images and photographs; (iv) [Mercado's] video or audio works and presentations and any associated copyrights; (iv) [Mercado's] astrological scripts and text(s), including those claimed to be written by [Mercado] or on [Mercado's] behalf; (v) books written or co-written by [Mercado] or on [Mercado's] behalf; (vi) CDs or DVDs published and/or distributed bearing [Mercado] or [Mercado's] likeness; (vii)

websites bearing [Mercado] or [Mercado's] likeness; (viii) text messaging and cell phone streaming services bearing [Mercado] or [Mercado's] likeness or [Mercado's] astrological text, including those claimed to be written by [Mercado] or on [Mercado's] behalf; (viii) any other uses of [Mercado's] name and any of the above for the purposes of transaction business with Mr. Bakula or any of his business enterprises.” (A true and correct copy of the letter is attached hereto as Exhibit “J”).

44. Further, Mercado informed Televisa that he had retained a new and exclusive agent. (See Exh. “J”)

45. On information and belief, in late November, 2006, Mercado contacted International Productions' client - Univision - soliciting copies of any contracts or documents executed by Univision which involve Mercado's participation and informing Univision that International Productions does not have the right to contract with Univision regarding Mercado's name, image and likeness.

46. On November 29, 2006, Mercado did not appear in Miami for the taping of the televised horoscope segments to be aired on Univision, Univision Puerto Rico, and Televisa.

47. On or about November 29, 2006, Mercado delivered material taped by someone other than Bart Enterprises to be aired on Univision, Univision Puerto Rico, and Televisa.

48. On November 29, 2006, Mercado failed to appear in Miami for the taping of commercials for 900 business in Mexico, the US SMS business, the US Club Memberships, and the US prepaid calling cards.

49. Since December 6, 2006, Mercado has failed to deliver the audio horoscopes for use with the Club Membership Packages, Radio dissemination, SMS messaging transcription, and the Guatemala IVR horoscope service.

50. In or about December 2006, Jorge Concepcion, former shareholder and director of some of Bakula's corporations, and Mercado contacted Rodrigo Montenegro ("Montenegro"), the managing director of Naranya in Colombia. Montenegro had distributed Mercado's programs in Colombia from 1997 through 2000. Bakula had been negotiating with Montenegro a new contract to continue to distribute the programs there. Concepcion and Mercado contacted Montenegro and solicited information regarding his dealings with Bakula. As a result, Bakula's business relationship with Montenegro has been damaged.

51. Further, Mercado directly contacted *People en Español* and submitted his ad for the February 2007 issues. The ad promotes a competing SMS horoscope messaging service. (A true and correct copy of the ad is attached hereto as Exhibit "K").

52. Mercado also failed to deliver in Florida the content for *People en Español* due on or before December 7, 2006 for the March 2007 issue of the magazine.

53. Mercado failed to deliver in Florida the audio predictions for 2007 for radio dissemination.

54. Mercado failed to deliver in Florida the written 2007 predictions for magazine and website publication.

55. On January 1, 2007, Mercado contacted Abraham Askenazi ("Askenazi"). Askenazi is the President of Megamedia, the service bureau that handles the 1-900 pay per calls in Mexico. Mercado informed Askenazi that he was no longer represented by

Bakula because Bakula was not paying him. Mercado asked Askenazi to send any and all funds directly to Mercado.

56. Mercado, by his actions and inactions, has breached and continues to breach his contractual obligations to Plaintiffs.

COUNT I

Breach of the Agreement between Bart Enterprises and Mercado

57. Plaintiffs reallege and reincorporate as if fully set forth herein the allegations contained in paragraphs 1 through 56, above.

58. Pursuant to Section 1 (b) of the Agreement, Mercado granted to Bart Enterprises the exclusive right and license to develop, produce, distribute and copyright in its own name materials, in any language, relating to Mercado's psychic and astrological services. (Exh. "A," Section 1 (b)) Mercado breached the Agreement by engaging in the conduct described in paragraphs 39 through 56 above, including, without limitations, by: (1) registering the trademarks in Astromundo's name; (2) attempting to revoke Bart's power of attorney privileges; and (3) attempting to assign all the rights granted to Bart Enterprises to a new and independent agent.

59. Pursuant to Section 2 (b) of the Agreement, Mercado assigned to Bart Enterprises all rights, title and interest in and to the Mark. (Exh. "A," Section 2 (b)) Mercado breached the Agreement by engaging in the conduct described in paragraphs 39 through 56 above, including, without limitations, by: (1) registering the trademarks in Astromundo's name; (2) attempting to revoke Bart's power of attorney privileges; and (3) attempting to assign all the rights granted to Bart Enterprises to a new and independent agent.

60. Pursuant Section 3(b) of the Agreement, Mercado assigned to Bart Enterprises the right and license to use Mercado's Name and Likeness by any means and in any and all media. (Exh. "A," Section 3(b)) Mercado breached the Agreement by engaging in the conduct described in paragraphs 39 through 56 above, including, without limitations, by: (1) registering the trademarks in Astromundo's name; (2) attempting to revoke Bart's power of attorney privileges; and (3) attempting to assign all the rights granted to Bart Enterprises to a new and independent agent.

61. Pursuant to Section 6 (b)(i) of the Agreement, Mercado agreed to provide psychic and astrological services to Bart including creating audiotext recordings for pay per call services, appearing in long form commercials, creating print, radio and television advertising and making personal appearances. (Exh. "A," Section 6 (b)(i)) Mercado breached the Agreement by engaging in the conduct described in paragraphs 39 through 56 above, including, without limitations, by:

- a. failing to appear for the tapings of the televised horoscope and commercials on November 29, 2006;
- b. failing to deliver the audio horoscopes since December 6, 2006;
- c. failing to deliver the content for *People en Español* due on or before December 7, 2006 for the March 2007 issue of the magazine;
- d. failing to deliver the audio predictions for 2007 for radio dissemination; and
- e. failing to deliver the written 2007 predictions for magazine and website publication.

62. Pursuant to Section 11 (b) of the Agreement, Mercado agreed to take such steps as Bart reasonably requests to cooperate with any necessary legal action in case any third party uses or threatens to use Mercado's name, signature, photograph, voice, picture, likeness, or other indicia of his identity or the name, signature, photograph, voice, picture, likeness. (Exh. "A," Section 11 (b)) Mercado breached the Agreement by engaging in the conduct described in paragraphs 39 through 56 above, including, without limitations, by: (1) allowing a third party to use his name; (2) retaining a new and independent agent to act on his behalf; and (3) failing to take reasonable steps requested by Bart to cure the breach.

63. Pursuant to Section 18 of the Agreement, Mercado agreed to "attend and participate in all rehearsals, filming or taping and photography sessions required and will render his services [provided for in the Agreement] in accordance with the scripts or other materials Bart shall furnish to Mercado for such purposes. Mercado agrees to render Bart's services in a competent and artistic manner to the best of his ability, and that all Mercado's services will be subject to Bart's approval, direction and reasonable control at all times. Mercado will promptly comply with whatever reasonable instructions, suggestions, and recommendations Bart may give Mercado in connection with the rendition of such services." (Exh. "A," Section 18) Mercado breached the Agreement by engaging in the conduct described in paragraphs 39 through 56 above, including, without limitations, by:

- a. failing to appear for the taping of the televised horoscope and commercials on November 29, 2006;
- b. failing to deliver the audio horoscopes since December 6, 2006;

- c. failing to deliver the audio predictions for 2007 for radio dissemination; and
- d. failing to comply with Bart's instructions and recommendations in connection with the rendition of the services listed in paragraph 56 (a) - (c).

64. As a direct and proximate result of Mercado's breach of contract, Plaintiffs have suffered and continue to suffer injury and substantial monetary damages for which they are entitled to be compensated.

COUNT II

Action for Tortious Interference with Contract Against Mercado

65. Plaintiffs reallege and reincorporate as if fully set forth herein the allegations contained in paragraphs 1 through 56, above.

66. Defendant, Mercado has tortiously interfered with Watervision's contractual relationship with Televisa by, among other things:

- a. contacting Televisa and informing it that Mr. Bakula no longer represents Mercado;
- b. contacting Televisa and informing it that Mr. Bakula had no rights or title to any of the following: (i) Mercado's name, any associated trademarks, likeness, images and photographs; (ii) video or audio works and presentations and any associated copyrights, astrological scripts and text(s); (iii) books written or co-written by Mercado or on Mercado's behalf; (iv) CDs or DVDs published and/or distributed bearing Mercado or Mercado's likeness; (v) websites bearing Mercado or Mercado's likeness; (vi) text

messaging and cell phone streaming services bearing Mercado or Mercado's likeness or Mercado's astrological text, including those claimed to be written by Mercado or on Mercado's behalf;

- c. soliciting confidential and proprietary information, including trade secrets; and
- d. soliciting all contracts with Televisa involving Mercado's participation.

67. The wrongful actions taken by Mercado as described above were intentional and taken with the knowledge that Mercado was bound by the Agreement and was breaching its obligations to Bart Enterprises under the Agreement.

68. The wrongful actions taken by Mercado as described above were not privileged and were undertaken by improper means.

69. As a result of Mercado's wrongful actions, Plaintiffs have suffered damages and will suffer irreparable injury if such wrongful actions are not enjoined.

70. Plaintiffs will suffer irreparable injury if injunctive relief is not awarded by this Court, enjoining and prohibiting Mercado from continuing to contact Plaintiffs' clients: (1) to solicit privileged and confidential information; and (2) to inform them that Mr. Bakula no longer represents him and has no proprietary rights as to Mercado.

71. There is no adequate remedy at law to protect fully the Plaintiffs' interests.

72. Plaintiffs have a clear legal right to injunctive relief under Florida law.

73. As a direct and proximate result of Mercado's breach of contract, Plaintiffs have suffered and continue to suffer injury and substantial monetary damages for which they are entitled to be compensated.

COUNT III
Action for Tortious Interference with Contract Against Mercado

74. Plaintiffs reallege and reincorporate as if fully set forth herein the allegations contained in paragraphs 1 through 56, above.

75. Defendant Mercado has tortiously interfered with International Productions' contractual relationship with Univision by, among other things:

- a. contacting Univision and informing it that Mr. Bakula no longer represents Mercado;
- b. contacting Univision and informing it that Mr. Bakula had no rights or title to any of Mercado's programming content, name, image and likeness;
- c. soliciting confidential and proprietary information, including trade secrets; and
- d. soliciting all contracts with Univision involving Mercado's participation.

76. The wrongful actions taken by Mercado as described above were taken with knowledge that Mercado was bound by the Agreement and was breaching its obligations to Bart Enterprises under the Agreement.

77. The wrongful actions taken by Mercado as described above were not privileged and were undertaken by improper means.

78. As a result of Mercado's wrongful actions, Plaintiffs have suffered damages and will suffer irreparable injury if such wrongful actions are not enjoined.

79. Plaintiffs will suffer irreparable injury if injunctive relief is not awarded by this Court, enjoining and prohibiting Mercado from continuing to contact Plaintiffs'

clients: (1) to solicit privileged and confidential information; and (2) to inform them that Mr. Bakula no longer represents him and has no proprietary rights as to Mercado.

80. There is no adequate remedy at law to protect fully the Plaintiffs' interests.

81. Plaintiffs have a clear legal right to injunctive relief under Florida law.

82. As a direct and proximate result of Mercado's breach of contract, Plaintiffs have suffered and continue to suffer injury and substantial monetary damages for which they are entitled to be compensated.

COUNT IV

Breach of the Agreement Assigned by Bart Enterprises to International Productions

83. Plaintiffs reallege and reincorporate as if fully set forth herein the allegations contained in paragraphs 1 through 56, above.

84. Bart Enterprises lawfully assigned the rights in the Agreement to International Productions. (¶¶ 24-25 above)

85. The assigned rights include, but are not limited to, the right to: (1) televised daily horoscope segments on Univision's Primer Impacto, and its affiliate Univision Puerto Rico; (2) internet website in the US; (3) Horoscopes published in magazines in Guatemala & Mexico; and (4) IVR daily horoscope service in Guatemala. (¶ 26 above)

86. Mercado breached the International Productions Assignment by, among other things:

- a. failing to appear in Miami for the taping of the televised horoscope segments and/or deliver the material taped by someone other than Bart Enterprises to be aired on Univision, Univision Puerto Rico, and Televisa on November 29, 2006;

- b. failing to deliver the audio horoscopes for the Guatemala IVR horoscope service since December 6, 2006; and
- c. failing to deliver the written 2007 predictions for magazine and website publication.

87. As a direct and proximate result of Mercado's breach of contract, Plaintiffs have suffered and continue to suffer injury and substantial monetary damages for which they are entitled to be compensated.

COUNT V
Breach of the Agreement Assigned by Bart Enterprises to Watervision

88. Plaintiffs reallege and reincorporate as if fully set forth herein the allegations contained in paragraphs 1 through 56, above.

89. Bart Enterprises lawfully assigned the rights in the Agreement to Watervision. (¶¶ 27-28 above)

90. The rights include, but are not limited to, the right to: (1) 900 pay-per-call psychic business in Central America; (2) Short Messaging Service ("SMS") on mobile phones in Central America; (3) internet website in Central America; (4) lottery and sweepstakes in Central America; (4) DVD (distributed by Universal) in Mexico; (5) ringtones logo and wallpapers for mobile devices in Central America; (6) WM Club membership packages in Central America; and (7) televised daily horoscope segments on Televisa Network in Mexico. (¶ 29 above)

91. Mercado breached the Watervision Assignment by, among other things:

- a. failing to appear in Miami for the taping of commercials for 900 business in Mexico, the US SMS business, the US Club

Memberships, and the US prepaid calling cards on November 29, 2006;

- b. failing to deliver the audio horoscopes for use with the Club Membership Packages, and SMS messaging transcription since December 6, 2006; and
- c. failing to deliver the written 2007 predictions for magazine and website publication.

92. As a direct and proximate result of Mercado's breach of contract, Plaintiffs have suffered and continue to suffer injury and substantial monetary damages for which they are entitled to be compensated.

COUNT VI

Breach of the Agreement Assigned by Bart Enterprises to Waltervision

93. Plaintiffs reallege and reincorporate as if fully set forth herein the allegations contained in paragraphs 1 through 56, above.

94. Bart Enterprises lawfully assigned the rights in the Agreement to Waltervision Assignment. (¶¶ 30-31 above)

95. The assigned rights include, but are not limited to, the right to: (1) SMS mobile devices (including daily horoscopes, chat) in the US - both the Hispanic and Anglo markets; (2) WM Club membership packages in the US, Hispanic and Anglo; (3) prepaid calling cards in the US; (4) lottery and sweepstakes in the US; and (5) to have Mercado be the spokesperson for Oleo-Med natural products (Phar-Med products) both Hispanic and Anglo markets. (¶ 32 above)

96. Mercado breached the Waltelevision Assignment by failing to appear in Miami for the taping of commercials for 900 business in Mexico, the US SMS business, the US Club Memberships, and the US prepaid calling cards on November 29, 2006.

97. As a direct and proximate result of Mercado's breach of contract, Plaintiffs have suffered and continue to suffer injury and substantial monetary damages for which they are entitled to be compensated.

COUNT VII

Breach of the Agreement Assigned by Bart Enterprises to Radio Productions

98. Plaintiffs reallege and reincorporate as if fully set forth herein the allegations contained in paragraphs 1 through 56, above.

99. Bart Enterprises lawfully assigned the rights in the Agreement to Radio Productions. (¶¶ 33-34 above)

100. The assigned rights include, but are not limited to, the right to radio dissemination of Walter Mercado's audio daily horoscopes in the US. (¶ 35 above)

101. Mercado breached the Radio Productions Assignment by, among other things:

- a. failing to deliver the audio horoscopes for radio dissemination since December 6, 2006; and
- b. failing to deliver the audio predictions for 2007 for radio dissemination.

102. As a direct and proximate result of Mercado's breach of contract, Plaintiffs have suffered and continue to suffer injury and substantial monetary damages for which they are entitled to be compensated.

COUNT VIII

Breach of the Agreement Assigned by Bart Enterprises to Walter Enterprises

103. Plaintiffs reallege and reincorporate as if fully set forth herein the allegations contained in paragraphs 1 through 56, above.

104. Bart Enterprises lawfully assigned the rights in the Agreement to Water Enterprises. (¶¶ 36-37 above)

105. The assigned rights include the right to Mercado's DVD's in the US. (¶ 38 above)

106. Mercado breached the Walter Enterprises Assignment by attempting to rescind his contract with Bart in effect preventing Walter Enterprises from continuing to sell and promote Mercado's DVD's in the US.

107. As a direct and proximate result of Mercado's breach of contract, Plaintiffs have suffered and continue to suffer injury and substantial monetary damages for which they are entitled to be compensated.

WHEREFORE, Plaintiffs demand judgment against Mercado for compensatory damages, together with attorneys fees, and further request that the Court award injunctive relief enjoining and prohibiting Mercado from continuing to: (a) contact third parties and inform them that Mr. Bakula no longer represents Mercado; (b) contact third parties and inform them that Mr. Bakula had no rights or title to any of Mercado's programming content, name, image and likeness; (c) solicit confidential and proprietary information, including trade secrets; and (d) solicit any contracts with third parties involving

Mercado's participation. Plaintiffs further request that the Court award costs, interest and all other and further relief this Court deems just and proper.

DATED: January 17, 2007.

Respectfully submitted,

GREENBERG TRAUIG, P.A.

Attorneys for Plaintiffs

1221 Brickell Avenue

Miami, Florida 33131

Telephone: (305) 579-0500

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EXHIBIT "A"

AGREEMENT

THIS AGREEMENT, effective as of the 7 day of June, 1995, is by and between Bart Enterprises International, Ltd., an International Business Company organized and existing under the laws of the Commonwealth of the Bahamas (hereinafter referred to as "Bart") and Walter Mercado, an individual residing at San Juan, Puerto Rico (hereinafter referred to as "Mercado.")

W I T N E S S E T H

WHEREAS, Mercado is a well-known psychic and astrologer who provides psychic and astrological counseling to the public; and

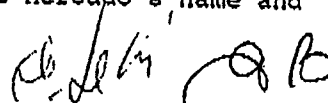
WHEREAS, Bart is in the business of producing and distributing entertainment programming, including but not limited to audiovisual, print and audiotext materials; and

WHEREAS, Bart has made provisions to obtain ownership rights to previously produced entertainment programming featuring Mercado performing and promoting his psychic and astrological services; and

WHEREAS, Bart and Mercado desire to confirm Bart's ownership rights in and to the results and proceeds of Mercado's past services, and in and to the common law trademark/service mark "Walter Mercado" in connection with the Preexisting Materials as more fully defined below; and

WHEREAS, Bart desires to produce and distribute Additional Materials, as more duly defined hereunder, featuring and promoting Mercado's psychic and astrological abilities; and

WHEREAS, Mercado desires to grant Bart the right to produce and distribute Additional Materials, and the right to use Mercado's name and



likeness and to own Mercado's common law trademark/service mark "Walter Mercado" in connection therewith:

NOW, THEREFORE, in consideration of Ten (\$10.00) Dollars, receipt of which is hereby acknowledged, and other valuable consideration including the mutual promises hereinafter set forth, the parties hereto agree as follows:

1. Grant of Rights.

(a) Preexisting Materials.

Mercado hereby irrevocably assigns to Bart throughout the Territory during the Term, all right, title and interest, including all copyrights in and to all Preexisting Materials as hereinafter defined, which Mercado heretofore created or originated for Jamie Shoop & Associates Inc., ("Shoop"), and all prior results thereof, in connection with Mercado's astrological and psychic activities, including but not limited to those materials listed on Schedule A attached hereto and made a part hereof ("Preexisting Materials"). Such assignment includes but is not limited to the right to exploit and distribute the Preexisting Materials in any language and in any and all media now known or hereafter developed, including but not limited to theatrical; non-theatrical; television, including but not limited to free, satellite, pay-per-view and cable transmission; home videotape, videodisc and other home video or audio/visual devices; print, including but not limited to books, newspapers, magazines and reprints thereof, direct mail, and point of purchase; electronic publishing; CD-ROMs and the "Internet," the right to

merchandises and the right to utilize the Preexisting Materials in all advertising, promotion and publicity created in connection therewith. If the assignment contained in this provision is inconsistent with any previous contract between the parties, this instant Agreement will govern and control.

(b) New Materials.

Mercado hereby grants to Bart the exclusive right and license during the Term and throughout the Territory to develop, produce, distribute and copyright in its own name new materials, in any language, relating to Mercado's psychic and astrological services of whatever nature whatsoever, including but not limited to print, audiotext, audiovisual and radio programming, computer software, merchandise and advertising and promotion in connection therewith ("New Materials"), throughout the Territory by any and all means and in any and all media now known or hereinafter devised, including but not limited to theatrical; non-theatrical; television, including but not limited to free, satellite, pay-per-view and cable transmission; home videotape, videodisc and other home video or audio/visual devices; print, including but not limited to books, newspapers, magazines and reprints thereof, direct mail, and point of purchase; electronic publishing; CD-ROMs and the "Internet."

2. "Walter Mercado" Mark.

(a) The parties acknowledge that the mark "Walter Mercado" has been used and associated with the Preexisting Materials (the "Mark"). As a result, the Mark has attained the status of a common law trademark and service mark.

(b) Mercado hereby irrevocably assigns to Bart throughout the Territory during the Term, all right, title and interest in and to the Mark, together with that part of the goodwill of Mercado's business connected with and symbolized by said Mark, for use in connection with the Pre-existing Materials and the New Materials, if any. Such assignment includes but is not limited to the right to use the Mark in connection with Preexisting Materials and the New Materials in any and all media now known or hereafter developed, including but not limited to theatrical; non-theatrical; television, including but not limited to free, satellite, pay-per-view and cable transmission; home videotape, videodisc and other home video or audio/visual devices; print, including but not limited to newspapers, magazines and reprints thereof, direct mail, and point of purchase; electronic publishing; and CD-ROMs and the "Internet", the right to merchandise and the right to utilize the Mark in all advertising, promotion and publicity created in connection therewith.

(c) Without limiting the breadth of the rights granted in this paragraph, Bart shall have all rights in the Mark which are afforded to owners of trademarks and service marks, including but not limited to the right to seek and obtain trademark protection and/or registration of the Mark in its name, and the right to enforce or defend Bart's rights against third parties. Mercado shall cooperate fully with Bart in Bart's exercise of any of the rights granted hereunder.

3. Name and Likeness.

(a) The parties acknowledge that Mercado's Name and Likeness (as defined below) has been used in connection with the production and exploitation of the Preexisting Materials, and Bart intends to use Mercado's Name and Likeness in connection with the New Materials.



(b) Mercado hereby grants to Bart the right and license during the Term and throughout the Territory to use Mercado's performance, name, signature, photographs, voice, picture, likeness, or other indicia of his identity (collectively "Name and Likeness") in connection with the Preexisting Materials and the New Materials by any

means and in any and all media now known or hereafter devised, subject, however, to Mercado's right to prior approve any such use, such approval not to be unreasonably withheld. If such approval is not communicated to Bart within forty-eight (48) hours of Mercado's receipt of the materials, such right of approval shall be deemed waived.

4. Territory.

The territory shall be the universe (the "Territory").

5. Term.

The term of this Agreement shall be in perpetuity (the "Term"), subject to the provisions of paragraph 12 hereinafter.

6. Mercado's Services.

(a) Prior Agreements.

The parties acknowledge that certain agreements and more specifically that Agreement, dated July 26, 1994, heretofore entered into between Mercado and Shoop, and which is currently in full force and effect, relating to astrological and psychic services Mercado shall provide to Shoop in connection with the creation of Preexisting and New Materials (collectively referred to as "Prior Services Agreements") are hereby deemed, upon execution of this agreement, canceled and terminated by

Mercado and Shoop, and therefore null and void and of no further force and effect. An acknowledgment and agreement of Mercado and Shoop that the said Prior Services Agreements are hereby terminated, as aforesaid, is evidenced by execution of this Agreement as hereinafter provided by their respective signatures on this Agreement. It is further understood that Shoop has retained no interest, of any nature whatsoever, in this Agreement and that Shoop has divested itself of any rights in the Preexisting Materials, aforesaid. It is agreed, however, that with respect to any compensation which may be due to Mercado pursuant to the said July 26, 1994 Agreement shall be paid up to the date of termination thereof.

(b) Additional Services Agreements

(i) Mercado agrees to provide additional psychic and astrological services to Bart in connection with the creation of the New Materials during the Additional Services Period, as defined hereunder. Such Additional Services shall

include but not be limited to creating audiotext recordings for pay per call services, appearing in long form commercials ("Infomercials"), creating print, radio and television advertising and making personal appearances. The dates on which such services shall be rendered shall be mutually agreed to by the parties.

(ii) Mercado shall provide Additional Services for a period of ten (10) years from the date hereof (the "Additional Services Period"). The Additional Services Period shall be automatically extended for additional two (2) year periods at the option of Bart, unless Bart notifies Mercado otherwise no less than thirty (30) days prior to the expiration of the then current Additional Services Period.



(iii) The parties agree that any and all New Materials or parts thereof created or supplied by Mercado shall be deemed works made for hire as such term is defined pursuant to the United States Copyright Law, International Copyright Law, or relevant jurisdiction copyright law, whichever the case may be, as amended from time to time. In the event that any of the results of Mercado's services are not copyrightable subject matter, or for any reason are deemed not to be works made for hire, then and in such event, by execution of this agreement, Mercado hereby assigns all right, title and interest in and to the results of his services to Bart and agrees to execute all further documents required to evidence such assignment.

(c) Compensation.

Bart agrees to pay to Mercado, in consideration of all services rendered by Mercado and the use of the results thereof and all rights granted by Mercado to Bart, the following compensation:

(i) A fee of Twelve Thousand Five Hundred (\$12,500) Dollars per month for each the continental United States and for Puerto Rico (collectively the "United States/Puerto Rico") for an aggregate total of Twenty-five Thousand (\$25,000) Dollars a month;

(ii) Five Thousand (\$5,000) Dollars per month for costumes;

(iii) A total of Two Thousand (\$2,000) Dollars for up to 25 three minute segments per month; and

(iv) An additional fee of up to an additional Twenty-five Thousand (\$25,000) Dollars per month for each additional country (other than the United States/Puerto Rico), in which gross income earned by Bart from such other country is at least equal to the gross income earned by Bart from the United States in that month, so long as the gross income

earned by Bart from the United States is a minimum of Two Million (\$2,000,000) Dollars. In the event the gross income earned by Bart from the activities conducted as above described in any country outside of the United States/Puerto Rico is less than that gross income earned in the United States for the period, Mercado's compensation for such country shall be paid on a pro-rata basis. All payments to Mercado hereunder shall be due on or before the 15th day of the month following the month in which such gross revenues are earned.

(v) Further, in addition to the foregoing, Mercado and Bart contemplate additional compensation for services and use of Mercado's name and likeness in connection with non-psyhic related activities. With respect to all necessary services which will be rendered by Walter in connection therewith, Walter shall be entitled to compensation therefor, of one-third (1/3) of the gross revenues generated therefrom. It is understood, however, that Walter shall be in no way hereunder prohibited or restricted, for his personal benefit, from conducting his present business endeavors consisting of radio, newspaper, magazines and personal consultation related to psychic activities.

7. No Obligation.

Nothing contained in this Agreement shall be construed to obligate in any way Bart to produce and/or distribute Preexisting Materials or New Materials. Bart shall determine in its sole and absolute discretion whether or not to exploit the rights granted hereunder.



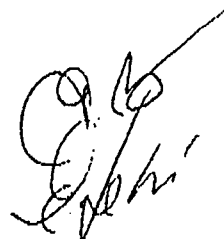
8. Reversion.

Notwithstanding anything contained herein to the contrary, in the event Bart ceases to exploit all of the Preexisting Materials or New Materials, if any, for a period of twelve (12) months or longer, the rights granted in paragraph 2 and 3 hereunder shall automatically revert back to Mercado.

9. Representations and Warranties.

(a) Mercado represents and warrants that:

- (i) He has the full right to enter into and fully perform this Agreement in accordance with its terms.
- (ii) All Preexisting or New Materials or parts thereof created or supplied by Mercado are or shall be original to him.
- (iii) The execution, delivery and performance of this Agreement and any Preexisting or New Materials created or supplied by Mercado shall not infringe upon the rights, including but not limited to, the rights of privacy or publicity and copyright or trademark or any other personal rights of any third party or violate the provisions of any agreement to which Mercado is a party.



- (iv) Throughout the Term hereof Mercado shall not, other than on behalf of Bart, directly or indirectly, participate in or authorize or permit his name, signature, photograph, voice, picture, likeness, or other indicia of his identity to be exploited in any manner, in connection with any commercial, advertisement, promotion, merchandising, publicity, endorsement, or other commercial exploitation, for any product, service, company, individual or entity whatsoever that may compete with any of the Preexisting of New Materials.
 - (v) Throughout the Term hereof Mercado shall not, other than on behalf of Bart, directly or indirectly, participate in or authorize or permit the Mark to be exploited in any manner, in connection with any commercial, advertisement, promotion, merchandising, publicity, endorsement, or other commercial exploitation, for any product, service, company, individual or entity whatsoever that may compete with any of the Preexisting or New Materials.
 - (vi) None of the Preexisting Materials or New Materials or parts thereof are or shall be in the public domain.
- (b) Bart represents and warrants that:
- (i) Bart has the full right to enter into and fully perform this Agreement in accordance with its terms.
 - (ii) All Materials and any parts thereof created or supplied by Bart shall be original to it.

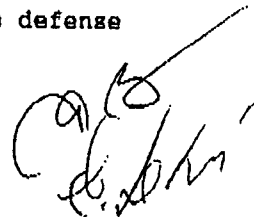


(iii) The execution, delivery and performance of this Agreement and the Materials supplied by Bart shall not infringe upon the rights, including but not limited to, the rights of privacy or publicity, and copyright or trademark or any other personal rights of any third party or violate the provisions of any agreement to which it is a party.

10. Indemnification.

(a) The parties shall defend, indemnify and hold harmless each other from third parties against any and all claims, actions, liabilities, costs and expenses, including court costs and reasonable attorneys' fees resulting from the breach by either party of any of their respective warranties, representations or agreements made herein.

(b) The party claiming right of indemnification ("Indemnitee") shall promptly notify the party from which indemnification is sought ("Indemnitor"), of any claim against the Indemnitee which might give rise to a claim against the Indemnitor under this Agreement, stating the nature and basis of the claim and, if known, the amount thereof. If a legal action or proceeding is brought against the Indemnitee with respect to which the Indemnitor may have liability under this Agreement, Indemnitor shall have the right, without prejudice, to the Indemnitee's rights under this Agreement, at the sole expense of the Indemnitor, to be represented by counsel of Indemnitor's own choosing (with whom counsel for the Indemnitee shall confer in connection with the defense of any such action or proceeding) and, to the extent that it shall wish, to assume the defense

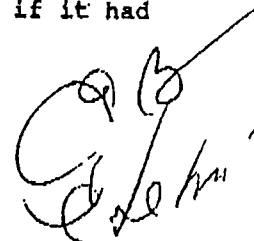


thereof with counsel approved by the Indemnatee, which approval will not be unreasonably withheld. After notice from the Indemnitor to the Indemnatee of the Indemnitor's election to assume the defense, the Indemnitor shall not be liable to the Indemnatee for any fees of other counsel or any other expenses incurred by the Indemnatee, except where such expenses are incurred at the request of the Indemnitor in connection with the defense of any action or proceeding. The Indemnatee shall make available to the Indemnitor and Indemnitor's counsel all materials relating to such action or proceeding and the parties shall cooperate with each other in defending against such action. The Indemnatee shall not make any settlement of any claims which might give rise to liability of the Indemnitor without the Indemnitor's prior written consent, which consent shall not be unreasonably withheld.

11. Affirmative Covenants.

(a) Mercado and Bart each agree that at no time, during the Term hereof, shall either party disparage the other or any of its products, services, business associates, directors, officers, employees or representatives or his association with them.

(b) If at any time during the Term any third party uses or threatens to use, in any manner, Mercado's name, signature, photograph, voice, picture, likeness, or other indicia of his identity or the name, signature, photograph, voice, picture, likeness, or other indicia of identity of a party other than Mercado in a manner which is likely to be confused with or taken to be that of Mercado and such use would, if it had

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been authorized by Mercado, constitute a violation of this paragraph, then at Bart's request, Mercado shall take such steps as Bart reasonably requests to cooperate with any legal action deemed necessary by Bart.

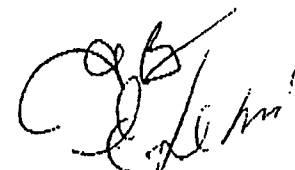
12. Termination.

(a) Right to Terminate.

(i) Bart shall have the right to terminate this Agreement immediately (A) in the event of a material breach by Mercado which remains uncured for a period of ten (10) days following written notice thereof; (B) if judicial proceedings are filed or institute against Mercado, which Bart reasonably believes may impact upon the reputation or integrity of Mercado, or have an impact upon Mercado's ability to perform its duties hereunder.

(ii) Mercado shall have the right to terminate this Agreement immediately (A) in the event of a material breach by Bart which remains uncured for a period of ten (10) days following written notice thereof; (B) if judicial proceedings are filed or instituted against Bart, which Mercado reasonably believes may impact upon the reputation or integrity of Bart, or have an impact upon Bart's ability to perform its duties hereunder.

(iii) Notwithstanding anything herein to the contrary, if Bart fails to make any of the above mentioned payments, in paragraph 6(c), within sixty (60) days from the due date, then Mercado shall have the option to declare this contract null and void and all payments already made on the part of Bart shall be retained by Mercado, provided Mercado gives

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part written notice at least fifteen (15) days prior to such date of termination and Bart fails to cure the non-payment within such time period or otherwise can justify its failure to make any such payments.

(b) Effect of Termination.

(i) In the event this Agreement is terminated, Bart shall have the right to sell-off any and all remaining Preexisting and New Materials for a period of six (6) months after the termination date, subject, however, to making the payments set forth in the respective underlying agreements for the remaining Preexisting and New Materials.

(ii) In the event this Agreement is terminated by either party for reasons other than non-payment of compensation to Walter as a material breach by Bart, and Mercado provides similar activities, employment, engagements and services in connection with his psychic and astrological services, Bart shall be entitled to receive ten (10%) percent of all gross Monies and other Consideration, as such term is defined hereunder for three (3) years following termination of this Agreement. Gross Monies and other Consideration shall mean any and all sums received by or credited to the account of Mercado resulting from the use of Mercado's psychic and astrological services and the results and proceeds thereof after termination of this Agreement including but not limited to, salaries, earnings, fees, royalties, residuals, repeat and rerun fees, gifts, bonuses, shares of profit, shares of stock, partnership interests, forgiveness of indebtedness, percentages and the total amount paid for any package, television or radio program, motion picture, print or other entertainment packages and any of which are earned or received directly or indirectly by Mercado or Mercado's heirs, executors, administrators or assigns, or by any other person, firm or corporation on Mercado's behalf.

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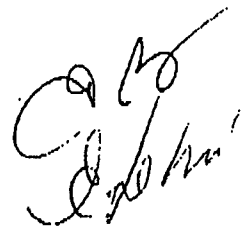
If any corporation, partnership, trust, joint venture or other business entity in which Mercado has a direct or indirect interest shall receive any compensation for permitting or contracting for the use of Mercado's services, name, likeness or endorsement, then such compensation shall be deemed "Gross Monies" for the purposes of this agreement.

(iii) Mercado shall maintain accurate books and records relating to Gross Monies and other Consideration, if any, for so long as Gross Monies and other Consideration continues to be earned. Mercado shall furnish Bart on a monthly basis with detailed accounting setting forth all Gross Monies and Other Consideration received or credited to the account of Mercado during the previous month accompanied by payment of any and all monies due to Bart. Bart and/or Bart's representative shall have the right upon reasonable request, during regular business hours, to inspect and make copies of such books and records. In the event of a disparity in Mercado's favor of more than five (5%) percent, Mercado shall be responsible for paying Bart's actual costs and expenses associated with the audit and immediately remitting to Bart all monies due.

(iv) Notwithstanding the foregoing, if Mercado enters into agreements with any third parties in connection with the exploitation of his psychic and/or astrological services, Mercado shall direct all such third parties to pay and account directly to Bart on the same basis as it pays and accounts to Mercado.

13. Remedies.

Subject to the terms of this agreement, all grants granted or assigned by this agreement shall be irrevocable under all or any circumstances, and shall not be subject to rescission, termination or injunction. In the case of breach of this agreement by Bart, Mercado's

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sole remedy shall be limited to an action at law for damages. Neither party shall be liable for damages for breach of this Agreement unless the party in breach has been given reasonable notice and opportunity to adjust or correct the matter complained of, provided such breach is capable of being adjusted or corrected.

14. Notices.

All notices to the parties hereby shall be deemed to have been duly given when sent by registered mail, return receipt requested, or cablegram or telex duly acknowledged, to such parties at the addresses herein below indicated for their principal office:

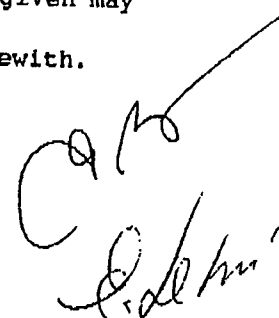
If to Bart:

Bart Enterprises International, Ltd.
c/o Lennox Paton Chambers
Claughton House
Charlotte Street
Nassau, Bahamas

If to Mercado:

Walter Mercado
c/ Jose Delgado Cadilla
Castro, Delgado, Cadilla & Ramos
Chase Building (Housing)
416 Ponce de Leon Avenue
Suite 615
San Juan, Puerto Rico 00918

or to such other address as the party to whom notice is to be given may have furnished to the other party in writing in accordance herewith.

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15. Services Unique.

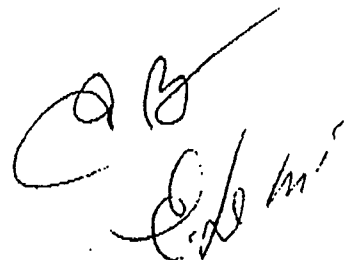
The services to be performed by Mercado and the rights granted hereunder are special, unique, extraordinary and impossible of replacement, giving them a particular value, the loss of which cannot reasonably or adequately be compensated in damages in an action at law and that Mercado's failure or refusal to perform his obligations hereunder would cause irreparable harm or damage. Therefore, should Mercado fail or refuse to perform such obligations, Bart shall be entitled in addition to any of its other rights and remedies Bart may have, to seek injunctive or other equitable relief.

16. Hiring and Employment of Psychics.

The hiring of psychics who will answer calls shall be carried out by Bart, which will seek and follow Mercado's advice in the selection and screening of credentials and abilities of such psychics. While Bart has discretion in the hiring and employment of said psychics, Bart shall not hire or keep under contract or employment any psychic whom Mercado deems unfit or unacceptable for the purposes described in this Agreement.

17. Inspection of Accounting Books.

Mercado may appoint a certified public accountant to examine the books and records of Bart, but solely with reference to the subject matters of this Agreement. Such examination may be made during normal business hours upon twenty (20) days written notice prior to Bart, but there shall be not more than one such examination during any calendar year.



18. Professional Rendition of Services.

Mercado will attend and participate in all rehearsals, filming or taping and photography sessions required and will render his services hereunder in accordance with the scripts or other materials Bart shall furnish to Mercado for such purposes. Mercado agrees to render Bart's services in a competent and artistic manner to the best of his ability, and that all Mercado's services will be subject to Bart's approval, direction and reasonable control at all times. Mercado will promptly comply with whatever reasonable instructions, suggestions, and recommendations Bart may give Mercado in connection with the rendition of such services.

Notwithstanding the foregoing, nothing contained in this paragraph shall be deemed to diminish Mercado rights of approval as otherwise provided in this Agreement.

19. Life Insurance.

Mercado agrees that Bart may obtain, in its discretion and at its sole cost and expense, a life insurance policy on the life of Mercado in any amount up to and including Five Million (\$5,000,000) Dollars which names Bart or anyone appointed by Bart as beneficiary. Mercado agrees to execute any and all documents reasonably requested by Bart to give effect to this provision.

20. Miscellaneous.

(a) Any waiver by Bart or Mercado of a breach of any term or condition of this Agreement shall not be considered as a waiver of any subsequent breach of the same or any other condition hereof.

(b) If any provision of this Agreement is declared void or unenforceable by any judicial or administrative authority, this shall not in and of itself nullify the remaining provisions of this Agreement.

(c) This Agreement shall not be deemed to constitute the parties a partnership, joint venture, association or any type of combination. This Agreement shall also not be deemed to constitute any party the agent of the other, or to authorize any party to incur any obligations on behalf of any other or to make on behalf of the other party any promises, warranties or representations.

(d) This Agreement shall be deemed to have been made in Puerto Rico, and shall be governed by and construed in accordance with the laws of Puerto Rico and the parties hereto submit to the jurisdiction of the courts of Puerto Rico.

(e) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, parents, subsidiaries or otherwise related or affiliated company(ies).

Notwithstanding the foregoing, this Agreement shall not be assignable by Mercado without the prior written consent of Bart. Bart has the full and unrestricted right to assign this Agreement, provided Guillermo Bakula shall thereafter remain and act in a consultant or advisory capacity of Executive Producer hereunder.

(f) The paragraph headings of this Agreement are for convenience only and shall not be deemed to affect in any way the meaning of the provisions to which they refer.

(g) This Agreement represents the entire agreement of the parties, and all prior assertions, understandings, warranties and representations are merged herein. It is a final integrated agreement which includes all the terms, conditions, and representations between the parties, and the parties make no warranty, covenants or agreements, express or implied, except those expressly set forth herein. This Agreement may be modified or amended only by a writing signed by all parties to this Agreement.

(h) This agreement may be executed in counterparts, each of which shall constitute an original.

(i) The effective date of this Agreement shall be June 7, 1995. *DM*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in by their duly authorized officers effective as of the day and year first above written.

WITNESSES:

BART ENTERPRISES INTERNATIONAL, LTD.

By: *Guillermo Bakula*
Guillermo Bakula, President
Dated: August 4, 1995

Walter Mercado
Walter Mercado
Dated: August _____, 1995

E. B. W.

AGREED AND ACCEPTED AS TO PARAGRAPHS 1(a) and 6(a) ABOVE:

WITNESSES:

[Signature]
[Signature]

JAMIE SHOOP & ASSOCIATES, INC.

By: *[Signature]*
Jamie Shoop, Vice President
Dated: August 15, 1995

[Signature]
Walter Mercado
Dated: August 4, 1995

[Handwritten initials]
[Handwritten initials]

[Handwritten signature]

Schedule "A"

"Preexisting Materials" include all previous materials which Mercado created or originated, and all prior results and proceeds of Mercado's services, all in connection with Mercado's astrological and psychic activities, including but not limited to the following:

	<u>NAME</u>	<u>TIME</u>	
(1)	Maya	60"	
(2)	Triangle	60"	
(3)	Azul	60"	
(4)	Corazon	30"	
(5)	Corazon	2'	
(6)	Impresionado	60"	
(7)	Impresionado	30"	
(8)	Estrellas	60"	
(9)	Sol	30"	
(10)	Sol	60"	
(11)	Amanecer	60"	
(12)	Angelica	60"	
(13)	Angelica	2'	
(14)	Vida	60"	
(15)	Vida	30"	
(16)	Vida	30"	
(17)	Zodiac	60"	
(18)	Zodiac	30"	
(19)	Walter	60"	
(20)	Walter M.	30"	
(21)	Walter Mercado	60"	
(22)	South Beach	60"	
(23)	South Beach	30"	
(24)	Clouds	60"	
(25)	Walter (Mexico)	60"	
(26)	Walter (Mexico)	30"	
(27)	Walter (Mexico)	10"	
(28)	Ruins	60"	
(29)	Peluqueria (Mexico)	30"	
(30)	Peluqueria (Mexico)	60"	
(31)	Walter Predicts	30"	
(32)	Walter Predicts (Spanish)	60"	
(33)	Walter/PWN (English)	60"	
(34)	Walter Predicts	60"	
(35)	Gane Con Walter	60"	
(36)	Antiguedades	60"	
(37)	Antiguedades	30"	
(38)	Antiguedades	1'	
(39)	Antiguedades	30"	
(40)	Guardian Angels	60"	
(41)	Guardian Angels	2'	
(42)	Gane Con Walter (Revised)	60"	
(43)	New Angels	1'	
(44)	New Angels	30"	
(45)	Biblioteca	60"	
(46)	Biblioteca	30"	
(47)	Psiquico	60"	
(48)	Psiquico	30"	
(49)	Walter Linea Astrologica	60"	(Argentina)
(50)	Walter Linea Astrologica	30"	(Argentina)

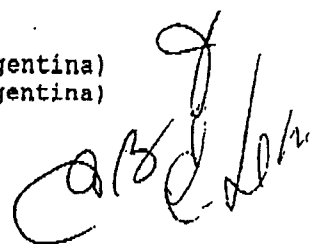


EXHIBIT “B”

ASSIGNMENT OF RIGHTS

Pursuant to paragraph 20 (e) of the agreement dated June 7, 1995 by and between **Bart Enterprises International, Ltd.**, ("Bart") and **Walter Mercado** ("Mercado"), wherein it states:

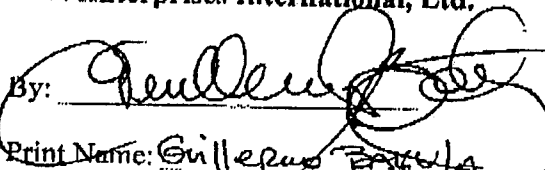
"This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, parents, subsidiaries or otherwise related or affiliated company(ies). Notwithstanding the foregoing, this Agreement shall not be assignable by Mercado without the prior written consent of Bart. Bart has the full and unrestricted right to assign this Agreement, provided Guillermo Bakula shall thereafter remain and act in a consultant or advisory capacity of Executive Producer hereunder."

THEREFORE, as of February 8, 2002, Bart hereby assigns the following rights to **WALTER INTERNATIONAL PRODUCTIONS, INC.**, ("WIP"):

- (1) The exploitation of the following business(es) utilizing Walter Mercado's name, likeness and image in the United States:
 - (i) Televised daily horoscope segments on Univision and its affiliates, including Univision Puerto Rico;
 - (ii) Internet website;
- (2) The exploitation of the following business(es) utilizing Walter Mercado's name, likeness and image in Central America:
 - (i) Newspaper publication of horoscope content.
 - (ii) IVR (integrated voice response) daily pre-recorded horoscope services.

Assignment executed on this 8 day of February, 2002.

Bart Enterprises International, Ltd.

By: 
 Print Name: Guillermo Bakula
 Title: President

Witnesses:

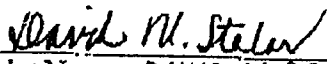
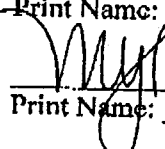

 Print Name: DAVID M. STOLAR

 Print Name: Marisela Carvajal

EXHIBIT "C"

ASSIGNMENT OF RIGHTS

Pursuant to paragraph 20 (e) of the agreement dated June 7, 1995 by and between **Bart Enterprises International, Ltd.**, ("Bart") and **Walter Mercado** ("Mercado"), wherein it states:

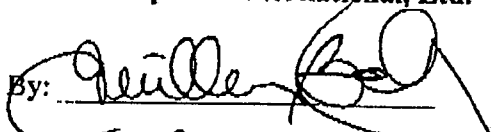
"This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, parents, subsidiaries or otherwise related or affiliated company(ies). Notwithstanding the foregoing, this Agreement shall not be assignable by Mercado without the prior written consent of Bart. Bart has the full and unrestricted right to assign this Agreement, provided Guillermo Bakula shall thereafter remain and act in a consultant or advisory capacity of Executive Producer hereunder."

THEREFORE, as of March 1, 2004, Bart hereby assigns the following rights to **WATERVISION, INC.**, ("Watervision"):

- (1) The exploitation of any and all business utilizing Walter Mercado's name, likeness and image in Central America, including, but not limited to:
 - (i) Psychic 900 pay-per-call service;
 - (ii) SMS (short messaging service), which may include horoscopes, lucky numbers, chat, etc.
 - (iii) Ring tones, logos and wallpapers for mobile devices;
 - (iv) Internet Websites;
 - (v) Lottery and sweepstakes;
 - (vi) DVDs;
 - (vii) Club Membership Packages;
 - (viii) Prepaid Calling Cards
 - (ix) Televised daily horoscopes segments;
 - (x) Audio horoscope transmission via radio;
 - (xi) Magazine publication of horoscope content, excluding newspapers.

Assignment executed on this 1 day of March, 2004.

Bart Enterprises International, Ltd.

By: 
 Print Name: Guillermo Bakula
 Title: Director

Witnesses:

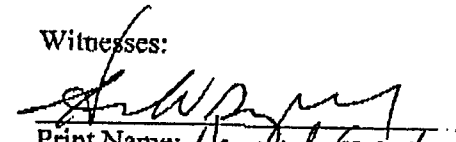
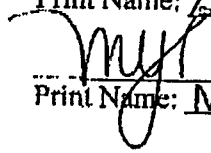

 Print Name: Marisela Carvajal

 Print Name: Marisela Carvajal

EXHIBIT "D"

ASSIGNMENT OF RIGHTS

Pursuant to paragraph 20 (e) of the agreement dated June 7, 1995 by and between **Bart Enterprises International, Ltd.**, ("Bart") and **Walter Mercado** ("Mercado"), wherein it states:

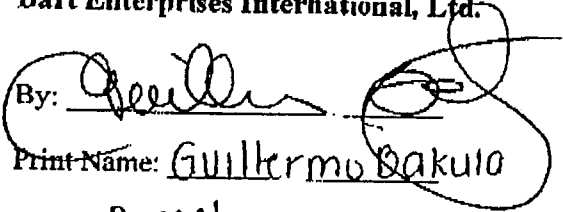
"This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, parents, subsidiaries or otherwise related or affiliated company(ies). Notwithstanding the foregoing, this Agreement shall not be assignable by Mercado without the prior written consent of Bart. Bart has the full and unrestricted right to assign this Agreement, provided Guillermo Bakula shall thereafter remain and act in a consultant or advisory capacity of Executive Producer hereunder."

THEREFORE, as of March 4, 2004, Bart hereby assigns the following rights to **WALTERVISION PRODUCTIONS, INC.**, ("WalterVision"):

- (1) The exploitation of the following business(es) utilizing Walter Mercado's name, likeness and image in the United States, both in the Hispanic and Anglo markets:
 - (i) SMS (short messaging service), which may include horoscopes, lucky numbers, chat, etc.
 - (ii) Prepaid Calling Cards
 - (iii) Lottery and sweepstakes;
 - (iv) Club Membership Packages;
 - (v) Magazine publication of horoscope content;
 - (vi) Representing products in a capacity of spokesperson (products to be previously approved, in writing, by Bart)

Assignment executed on this 4 day of March, 2004.

Bart Enterprises International, Ltd.

By: 
 Print Name: Guillermo Bakula
 Title: Director

Witnesses:

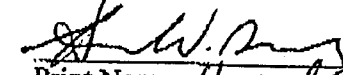
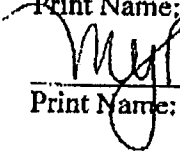

 Print Name: Howard Gonzalez

 Print Name: Marisela Carvajal

EXHIBIT “E”

ASSIGNMENT OF RIGHTS

Pursuant to paragraph 20 (e) of the agreement dated June 7, 1995 by and between **Bart Enterprises International, Ltd.**, ("Bart") and **Walter Mercado** ("Mercado"), wherein it states:


"This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, parents, subsidiaries or otherwise related or affiliated company(ies). Notwithstanding the foregoing, this Agreement shall not be assignable by Mercado without the prior written consent of Bart. Bart has the full and unrestricted right to assign this Agreement, provided Guillermo Bakula shall thereafter remain and act in a consultant or advisory capacity of Executive Producer hereunder."

THEREFORE, as of October 14, 2004, Bart hereby assigns the following rights to **WALTER MERCADO RADIO PRODUCTIONS, INC.**, ("WMRP"):

- (1) Transmission of audio horoscopes via radio in the United States;
 - (i) Horoscope transmission may be sold or bartered in exchange for advertising to be utilized for Mercado products or to be sold to third parties.

Assignment executed on this 14 day of October, 2004.

Bart Enterprises International, Ltd.

By: 
 Print Name: Guillermo Bakula
 Title: Director

Witnesses:


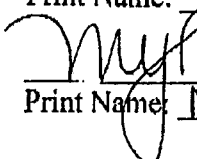

 Print Name: José M. Avila

 Print Name: Marisela Carvajal

EXHIBIT “F”

ASSIGNMENT OF RIGHTS

Pursuant to paragraph 20 (e) of the agreement dated June 7, 1995 by and between **Bart Enterprises International, Ltd.**, ("Bart") and **Walter Mercado** ("Mercado"), wherein it states:

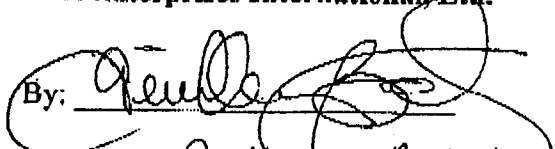
"This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, parents, subsidiaries or otherwise related or affiliated company(ies). Notwithstanding the foregoing, this Agreement shall not be assignable by Mercado without the prior written consent of Bart. Bart has the full and unrestricted right to assign this Agreement, provided Guillermo Bakula shall thereafter remain and act in a consultant or advisory capacity of Executive Producer hereunder."

THEREFORE, as of May 4, 2005, Bart hereby assigns the following rights to **WALTER MERCADO ENTERPRISES CORP.**, ("WME"):

- (1) The exploitation of the following business(es) utilizing Walter Mercado's name, likeness and image in the United States:
 - (i) Development, production and marketing of DVD's containing Mercado content.

Assignment executed on this 4 day of MAY, 2005.

Bart Enterprises International, Ltd.

By: 
 Print Name: Guillermo Bakula
 Title: Director

Witnesses:

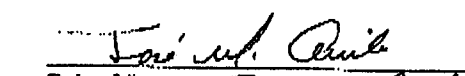
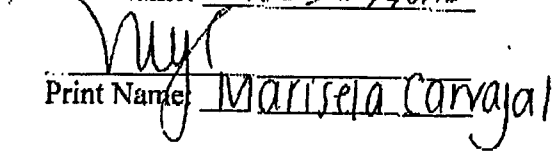

 Print Name: José M. Avila

 Print Name: Marisela Carvajal

EXHIBIT "G"

-----ESCRITURA NUMERO CUARENTA Y CINCO-----

-----REVOCACION DE PODER-----

--En la ciudad de Bayamón, Puerto Rico, a los dieciocho días del mes de noviembre del año dos mil seis (2006),-----

-----ANTE MI-----

--MARCELINO RUIZ CORUJO, Abogado y Notario Público de Puerto Rico, con residencia en la municipalidad de Toa Alta, y estudio abierto en la ciudad de Bayamón, Puerto Rico.-----

-----COMPARECE-----

--DE UNA SOLA PARTE: DON WALTER MERCADO SALINAS también conocido como WALTER MERCADO, mayor de edad, soltero, propietario y vecino de San Juan, Puerto Rico.-----



--DOY FE de conocer personalmente al compareciente y por sus dichos y mi creencia la doy también de su edad, estado civil y vecindad. Me asegura tener, y a mi juicio tiene, la capacidad legal necesaria para este otorgamiento y en tal virtud libre y voluntariamente-----

-----EXPONE-----

--PRIMERO: Que por la Escritura Número Cuarenta y Tres (43), otorgada en la ciudad de San Juan, Puerto Rico, el día diez (10) de mayo del año dos mil cinco (2005), ante el notario público Augusto José Rosario Chaves, el compareciente confirió poder general a don Bill Bakula, con seguro social 263-79-5477, mayor de edad, casado, propietario y residente de Miami, Florida, Estados Unidos de América.-----

SEGUNDO: Que el compareciente desea revocar el

poder y dejar sin efecto el mismo.-----

--TERCERO: En consecuencia de dicha revocación, el compareciente manifiesta que al autorizarse esta escritura notificará inmediatamente después a don Bill Bakula, para que se abstenga en lo sucesivo de hacer uso del poder revocado.-----

-----ACEPTACION Y ADVERTENCIAS-----

--El compareciente acepta esta escritura en todas sus partes por encontrarla redactada conforme a sus instrucciones.-----

--Yo, el Notario, en cumplimiento con lo dispuesto en la Ley, le hice las advertencias legales pertinentes a este otorgamiento, en especial, que: Copia certificada de esta escritura se notificará al Tribunal Supremo de Puerto Rico para ser inscrito en dicha dependencia, y el mismo se notificará al apoderado inmediatamente se otorgue.-----

-----LECTURA Y OTORGAMIENTO-----

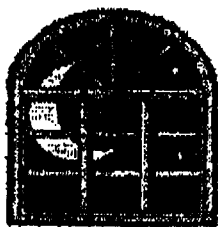
--Así lo dice y otorga el compareciente ante mí, el infrascrito Notario, luego de haber renunciado al derecho que le hice saber tenía para requerir la presencia de testigos instrumentales. Leída en alta voz esta escritura al compareciente por mí el Notario, y también leída personalmente por el otorgante, se ratifica en la misma y fija sus iniciales al margen izquierdo de todos y cada uno de los folios, y firma al final del último, ante mí, el Notario, que de todo lo que consigno en el presente documento DOY FE.-----

--DE TODO LO CONTENIDO en este instrumento público y de quedar adheridos y cancelados los correspondientes sellos de Rentas Internas y el sello del Impuesto Notarial del Colegio de Abogados de Puerto Rico, Yo, el Notario, que firmo, rubrico, signo y



sello, REPITO LA FE.-----
--FIRMADO: WALTER MERCADO SALINAS-----
-----FIRMADO, SIGNADO, SELLADO Y RUBRICADO-----
-----MARCELINO RUIZ CORUJO, NOTARIO PUBLICO-----
-ES COPIA SIMPLE-----

EXHIBIT "H"



ASTROMUNDO, INC.

352 AVE. SAN CLAUDIO SUITE 215
SAN JUAN, PUERTO RICO 00926
787-748-2050 TELEFONO Y FAX

22 de noviembre de 2006

Sr. Bill Bakula
Miami, Florida

Estimado Sr. Bakula:

Efectivo el 22 de noviembre de 2006 damos por concluida la relación de negocios entre usted, sus empresas y el Sr. Walter Mercado y su empresa Astromundo, Inc.

En relación a la deuda que usted tiene con el Sr. Mercado y su empresa agradeceré sea satisfecha a la mayor brevedad posible.

Oportunamente estaremos comunicándonos para la realización de una auditoría de los negocios que usted efectuó con el nombre y la figura del Sr. Mercado durante los pasados cinco años.

Conforme a la determinación tomada, queda cancelada todo tipo de actividad en la que usted ha estado representando y/o utilizando el nombre y la figura del Sr. Walter Mercado.

Cordialmente,

Carmen Dolores Ruiz López
Asesora legal de Astromundo, Inc.

Translation of letter dated November 22, 2006 from Astromundo, Inc. to Bill Bakula

November 22, 2006

Mr. Bill Bakula
Miami, Florida

Dear Mr. Bakula:

Effective November 22, 2006 we consider the business relations between you, your companies and Mr. Walter Mercado and his company, Astromundo, Inc. to be terminated.

In regards to the balance that you have with Mr. Mercado and his company, I would appreciate that it be satisfied as soon as possible.

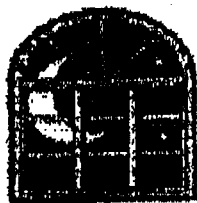
We will be contacting you soon in order to accomplish an audit of the businesses that you achieved with the name and image of Mr. Mercado during the last five years.

According to the determination taken, all activity in which you have been representing and/or utilizing the name and image of Mr. Walter Mercado are hereby cancelled.

Cordially,

Carmen Dolores Ruiz Lopez
Legal representative of Astromundo, Inc.

EXHIBIT "I"



ASTROMUNDO, INC.

352 AVE. SAN CLAUDIO SUITE 215
SAN JUAN, PUERTO RICO 00926
787-748-2050 TELEFONO Y FAX

28 de noviembre de 2006

TELEVISA, S. A. D. C. V.
México

Estimados señores de Televisa:

Por medio de esta carta queremos solicitarles nos envíen copia de cualquier contrato o documento que ustedes hayan firmado en donde esté envuelta mi participación. También les pido que se le envíe una copia de toda esta información al señor Anthony Hernández. Pueden enviarme la información solicitada a las siguientes direcciones:

Astromundo, Inc.
352 Ave. San Claudio
Suite 215
San Juan, Puerto Rico 00926

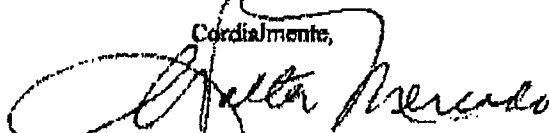
Fax: (787)748-2050

Sr. Anthony Hernández
8815 Convoy Windermere
#181
Orlando, Florida 32835

Fax: (407)876-1560
(407)386-7885

Muy agradecida por su atención y amabilidad.

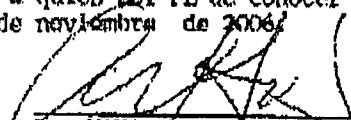
Cordialmente,


Walter Mercado

Testimonio Núm. 9,971



Leído y suscrito ante mí por WALTER MORALES, mayor de edad, soltero,
vecino de San Juan, Puerto Rico, a quien DOY FE de conocer personalmente.
En San Juan, Puerto Rico, a 29 de noviembre de 2006.


NOTARIO PÚBLICO

**Translation of letter dated November 28, 2006 to
Televisa from Walter Mercado, Astromundo Inc.**

November 28, 2006-12-06

Televisa, S.A. de C.V.
Mexico

Dear Sirs at Televisa:

By way of this letter, we would like to solicit copies of any contracts or documents that you executed which involves my participation. Also, I ask that you send a copy of all this information to Mr. Anthony Hernandez. You may send the solicited information to the following addresses:

Astromundo, Inc.
352 Ave. San Claudio
Suite 215
San Juan, Puerto Rico 00926
Fax: (787) 748-2050

Mr. Anthony Hernandez
8815 Convoy Windermere
#181
Orlando, Florida 32835
Fax: (407) 876-1560
(407) 386-7885

I am very appreciative for your attention and kindness.

Cordially,

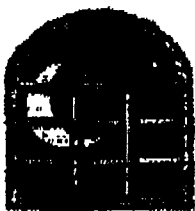
Walter Mercado

Testimony # 9971

Sworn and subscribed to before me by WALTER MORALES, of legal age, single, neighbor of San Juan, Puerto Rico, whom I swear to know personally. In San Juan, Puerto Rico, November 29, 2006.

Signed by Notary Public

EXHIBIT “J”



ASTROMUNDO, INC.

152 AVE. SAN CLAUDIO SUITE 215
SAN JUAN, PUERTO RICO 00926
787-748-2050 TELEFONO Y FAX

29 de noviembre de 2006

Mr. Luis Canseco
Televisa, S.A.D.C.V

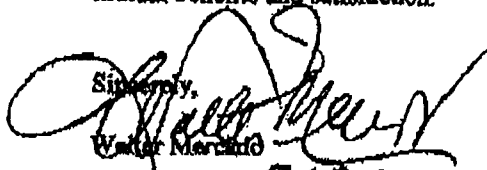
Re: Walter Mercado

Dear Mr. Luis Canseco,

Please be advised that I, Walter Mercado, have ceased all business relations with my now former agent, Bill Bakula, and any and all of his business enterprises. I have officially rescinded Mr. Bakula's power of attorney privileges and he holds no official and sanctioned trademarks bearing my name. Furthermore, Mr. Bakula has no rights or title to any of the following in any way, shape or form: (i) my name and any associated trademarks; (ii) my likeness; (iii) my images and photographs; (iv) my video or audio works and presentations and any associated copyrights; (v) my astrological scripts and text(s), including those claimed to be written by me or on my behalf; (vi) books written or co-written by me or on my behalf; (vii) CDs or DVDs published and/or distributed bearing me or my likeness; (viii) websites bearing me or my likeness; (ix) text messaging and cell phone streaming services bearing me or my likeness or my astrological text, including those claimed to be written by me or on my behalf; (x) any other uses of my name and any of the above for the purposes of transacting business with Mr. Bakula or any of his business enterprises. This disengagement is immediate. To the extent that your company may have an existing contract with Mr. Bakula, or any of his business enterprises, regarding the above, take note that Mr. Bakula will no longer be able to legally deliver such product to your company.

I have hired WM Management Co., LLC ("WMMC") as my new and exclusive agent and any business related affairs for any and all forms of my name, likeness and products must be handled exclusively through WMMC and their designated representatives from this point forward. You can reach WMMC by calling Mr. Anthony M. Hernandez at (321) 246-2050.

I sincerely apologize in advance for any interruptions that my new business arrangements may cause you and your company. I look forward to having you work closely with WMMC to explore any and all opportunities in which we may work together for our mutual benefits and satisfaction.

Sincerely,

Walter Mercado



Testimonio N.º 9974
Jurado y suscrito ante mí, por WALTER MERCADO, soltero y vecino de San Juan, PR, a quien comparece personalmente. En San Juan, P.R. el 29 de Noviembre de 2006.

EXHIBIT "K"

Sofía Vergara y su hijo: fotos exclusivas

Edición de colección

www.peopleen espanol.com

Exclusiva
**JENNIFER
LOPEZ**
Regresa a
sus raíces

LOS 100 HISPANOS MÁS INFLUYENTES

CON FOTOS
Y ENTREVISTAS DE TUS
ESTRELLAS FAVORITAS



Verónica Castro



Juanes



Luis Miguel



María Celeste

ADEMÁS

Los Tigres del Norte
Ricky Martin
Gloria y Emilio Estefan
Juan Gabriel
Carolina Herrera
Lucero
y muchos más

Display until 7/4
Exhibición hasta 24 de febrero

\$2.99US \$3.99CAN \$29.00MEX

02 >

0 72440 10229 3

FEBRERO 2007

LOS QUE → PERDURAN

← Walter Mercado

■ Astrólogo

Hay quienes no comienzan su día ni salen de casa sin antes leer lo que les vaticina este puertorriqueño. "Siento que Dios me ha escogido para llevar un mensaje de esperanza", reflexiona Mercado a sus 74 años. Pero lo cierto es que el otrora actor y bailarín no se imaginó que se convertiría en el astrólogo de Latinoamérica. "Dicen que [existen] dos épocas, A.W. y D.W: antes de Walter y después de Walter", comenta. "Desde que [el mundo] me conoce, ha habido una revolución". Bueno, con tal que la suya no termine de forma funesta como otras revoluciones. "Ya tengo 280 años con mis últimas encarnaciones", confiesa. "Y seguiré reencarnando. Esa es la visión que tengo de mi futuro". Veremos a ver cómo regresa en la próxima vida.



Gustavo Cisneros

■ Presidente,

Organización Cisneros

Este magnate venezolano de 60 años ha hecho su fortuna (\$5,000 millones en el 2006, según la revista *Forbes*), en las telecomunicaciones en Venezuela (Venevisión) y Estados Unidos (Univision Communications Inc., Claxson Interactive Group Inc.). Y como si fuera poco, en sus momentos de ocio no es raro verlo de pesca con su amigo, el ex presidente George H.W. Bush.

100

Gabriel García Márquez

■ Escritor

En sus obras se empezó a hablar de realismo mágico. Su obra maestra, *Cien años de soledad* es uno de los libros más leídos del mundo, y con sólo 54 años ganó el premio Nobel de literatura. A sus 78 años, no cabe duda de que el colombiano, parte del círculo allegados del gobernante cubano Fidel Castro, es un fenómeno cultural sinónimo del boom literario latinoamericano.

Sonia Manzano

■ Protagonista y libretista, *Sesame Street* (Sesame Workshop)

Este programa fue el trampolín que catapultó a la fama a Manzano, mejor conocida como María, pionera indiscutible en la televisión infantil y una de las primeras hispanas en aparecer en la pantalla chica. "De niña veía televisión y era depidamente no ver a nadie que reflejara mi cultura", confiesa la puertorriqueña nacida en Nueva York, ganadora de 15 premios Emmy como escritora del programa. En cuanto a las opciones para niños en la televisión, Manzano critica la frivolidad actual. "Hay un vacío, les falta corazón". No es sorpresa que sean los niños su mayor inspiración. "Cuando ves niños jugando en las barricadas de sitios en guerra, creo que ellos inclinan la balanza hacia el lado positivo", dice la joven de 56 años.

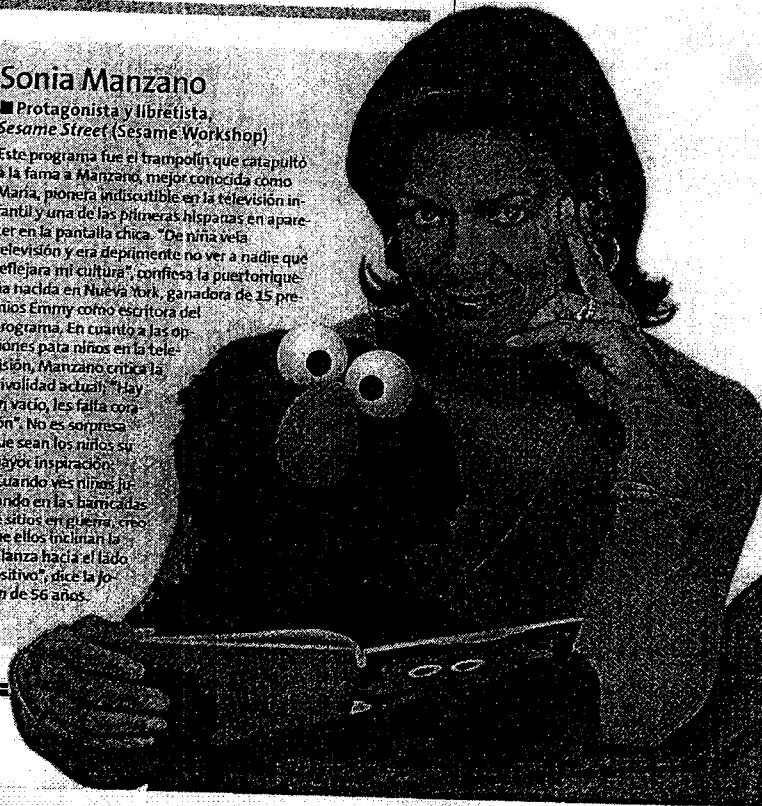
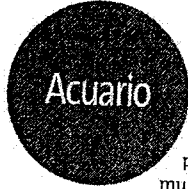


Foto exclusiva por Omar Cruz



TUSIGNO*

por Walter Mercado



enero 20 + febrero 18

En el mes del amor, tú resplandesces. La independencia personal y la capacidad para configurar tu vida según tus condiciones serán más fuertes que en el 2006. Hasta el día 18, avanzarás en tu profesión. Te impones por tu talento y originalidad. Mes extraordinariamente próspero, Urano trae dinero a tus manos en forma misteriosa. Notarás que el mundo cambia a tu favor. Tu salud será excelente y puedes fortalecerla aún más cuidando lo que comes y bebes, haciendo ejercicio y practicando yoga o meditación. Acaba un ciclo de doce años según la mística oriental. El día 18 empieza el año del jabalí o del cerdo, tu año de renacimiento a una nueva vida. **Tus números:** 3, 9, 18, 21.

♥ Enterrarás todo lo triste del pasado y te abrirás a un nuevo amanecer. Experimentarás todos los placeres de la carne y tendrás con quien compartirlos. Tu carisma, dulzura y espiritualidad serán tus armas para la conquista del amor. El día 14 será especial para ti y para tu pareja.



Símbolo: El aguador

Elemento: Aire

Piedra: Ámbar

Colores: Violeta y azul eléctrico

Símbolo místico: Urano

Planeta Regente: Urano

Compatibilidades para este mes:

Libra, Géminis, Sagitario y Aries

Características positivas:

Amigable, trabajadora y tolerante

Características negativas:

Arrogante, obsesiva y manipuladora

Gloria Trevi

[15 de febrero]

Gloria de México, gloria del arte y gloria para quienes en verdad la conocen. Criticada por algunos y adorada por miles. Personalidad fascinante, con mucho de Acuario y mucho de Piscis. Es individualista, rebelde y con un espíritu libre que quiere llevar un mensaje al mundo.

Su luna en Géminis la hace creativa, versátil y capaz de todo por amor.

Como madre es ejemplar. Ya tiene aprendidas sus lecciones y ahora emerge con más fuego, más inspiración, en control de su vida y especialmente de su corazón. El 2007 será un año de mayores éxitos y logros.





Piscis febrero 19 → marzo 20

Febrero es un mes místico en un año de enorme espiritualidad. Las experiencias extrasensoriales serán comunes y normales. Tu juicio financiero será acertado. Atraes fama y dinero a caudales. Todo cambio en tu mundo profesional será el inicio de un nuevo mundo en lo que a trabajo se refiere. Tu planeta del dinero te quiere ver feliz obteniendo todo lo que deseas. Tu salud estará mejor. Venus favorece tu apariencia e imagen. Todo lo astral te favorece en este, el mes del amor. **Tus números:** 5, 9, 17, 21.

♥ El amor te persigue y te encuentra. Tu pareja se desvive por complacerte. Será un mes fundamentalmente feliz. Tu relación se torna más intensa según pasan los días. Estarás en la cima del placer personal. Virgo y Cáncer te harán feliz.



Aries marzo 21 → abril 19

Estarás valiente, agresiva, confiada y más segura de ti misma. Te valorarás más y ganarás más dinero como resultado. Te destacan y te premian. Tus amigos serán los puentes para alcanzar logros mayores. Le darás punto final a todo lo que comenzaste en el 2006. Será un periodo de comedia y felicidad ya que la tragedia terminó. Cultiva la paciencia y la diplomacia y no tendrás piedras en tu camino. Hazte un buen examen médico en este mes para asegurarte que todo está bien con tu salud. **Tus números:** 5, 16, 20, 32.

♥ Urano seguirá sacudiendo tu mundo sentimental. Se quedará a tu lado quien realmente te haga feliz. Controla tu carácter y no explotes por tonterías. Febrero es un mes de mucha sensualidad y erotismo. Nadie de tu pasado te conviene.



Tauro abril 20 → mayo 20

El Sol en tu cumbre profesional te vaticina éxitos y reconocimientos. Tú representas la riqueza y esa misma riqueza se incrementará para ti en febrero. Vences pensamientos de limitación y pobreza. Según cambias tu forma de pensar y de actuar, tu mundo económico mejora dramáticamente. Plutón te abre puertas que estuvieron cerradas para ti. Caminarás por senderos no transitados anteriormente. Sal de tu testarudez y oye el consejo de quien más te quiere. **Tus números:** 1, 6, 8, 13.

♥ Muchos te cortejarán, pero tú sabrás quien te conviene. No es mes para bodas precipitadas, pero sí para tórridos romances. La luna llena del día 2 te llevará a un encuentro inolvidable. Con Venus en Piscis, un sueño de amor se realizará.



Géminis mayo 21 → junio 20

Con todo lo astral a tu favor no tendrás de qué quejarte. Todo lo que pidas se te concederá. Podrás probar tu legendaria versatilidad al buscar empleo. Talentos ocultos que ignorabas poseer salen a la luz. El Sol te impulsa a viajar y a expandir tus horizontes. Todo lo legal estará de tu parte. No te compliques la vida opinando de política. Tu poder de sanación será ilimitado. No hay enfermedad que pueda afectarte si decretas diariamente salud, salud y más salud. **Tus números:** 2, 21, 33, 42.

♥ Júpiter, el gran benefactor, sigue iluminando tu sector de uniones y matrimonio. Te sientes más preparada para entregar de nuevo tu corazón a la persona indicada. Revolotea socialmente ya que tu príncipe azul te espera.



Cáncer junio 21 → julio 22

Febrero te pide salir del encierro y lanzarte a vivir la vida a tu manera y bajo tus reglas. La salud y el trabajo estarán bajo los rayos poderosos del Sol. En tu carrera te reconocen tus quilates de profesional. Cultivarás tu belleza interior y exterior. Ocurrirán recuperaciones milagrosas. Con las fuertes lecciones de Saturno en tu sector económico, sabrás cuidar, valorar y multiplicar los ingresos. Desarrolla una segunda piel para que las críticas y los comentarios negativos no te afecten. **Tus números:** 17, 19, 25, 32.

♥ Tu planeta del amor estará en tu sector económico hasta el 4 de septiembre. Amor y dinero van de la mano. Un amor diferente y extraño sacude tu vida y tu corazón. En esta nueva relación, no hagas el papel de madre con tu pareja.

ILUSTRACIONES FICIONARIAS DE PAUL

MENSAJE DEL MES

Ha llegado tu mes del amor. Ponle alas a tu corazón porque en febrero el romance reina en tu vida



Leo julio 23 → agosto 22

Verás un enorme avance hacia tus metas. Revisa tus papeles y documentos y ponte al día pagando deudas. Te colmas de entusiasmos y de creatividad. Te atreves a todo y todo lo harás bien. Trabajarás más y con mayor dedicación, pero mayores serán las ganancias y los reconocimientos. Se sanan males del alma y del cuerpo. Tu mundo de amigos se enriquecerá con excelentes colaboradores. Ya la época de sacrificios inútiles y limitaciones finalmente acabó. **Tus números:** 6, 9, 21, 33.

♥ El Sol sale para ti en asuntos sentimentales. Un nuevo (o tal vez viejo) interés romántico alborotará tu vida. No te precipites a matrimonios o ataduras muy formales. Disfruta, pero sin complicaciones. Saca provecho de este mes del amor.



Virgo agosto 23 → septiembre 22

Cuidado con la comunicación. Explica una y mil veces lo que quieres y cómo lo quieres. Mercurio estará retrógrado en Piscis a partir del día 14. La luna llena del 2 y la nueva del 17 acentúan la importancia de que te cuides física, mental y emocionalmente. Date valor y recupera tu autoestima. Saca tiempo para distraerte y cambiar de panorama. Las finanzas y los éxitos profesionales van de la mano. Reina la armonía familiar y se aclaran dudas y sospechas. **Tus números:** 11, 13, 18, 25.

♥ Tu vida amorosa se beneficiará con Marte en Capricornio. Este planeta estimula tu vida social y te hará reina de conquistas sentimentales. Un nuevo romance te sorprenderá este mes. Piscis y Cáncer pueden atrapar tu corazón.



Libra septiembre 23 → octubre 22

Debes tener prudencia y cautela en decisiones familiares. Tu planeta de la familia continúa retrógrado. Tu salud estará bajo excelentes aspectos planetarios. Podrás embellecer tu apariencia física y tu popularidad personal no tendrá límites. Febrero será mes de prosperidad. Te caerá maná del cielo. El Sol, en elemento aire, te colma de creatividad. Sé implacable al hablar, no comentes nada negativo de otro ser humano. Lo que por meses esperaste, te llegará como un regalo divino. **Tus números:** 3, 9, 12, 17.

♥ Mes de enorme placer personal. Nadie podrá resistirse a tus encantos. Si estás ya casada o unida, tu relación se convertirá en una nueva luna de miel. El amor será más intenso y emotivo. La intimidad emocional será lo más importante.



Escorpión octubre 23 → noviembre 21

Tu hogar y familia tendrán toda tu atención. Harás milagros para hacerlos felices. Tú serás la estrella que brillará en el corazón de todos ellos. Todo lo negativo que te afectó recientemente se torna a tu favor. Con la luna llena del día 2 en tu cumbre profesional, espera reconocimientos y ganancias extras. Marte te lleva a embellecer y remodelar tu hogar. Febrero es mes de éxitos financieros en un año donde reinan las ganancias y los logros profesionales. **Tus números:** 1, 7, 14, 23.

♥ Buscarás relaciones serias, perdurables y compatibles y yo sé que lo podrás lograr. Alguien de tu pasado desea regresar a tu lado, pero ya su cuarto de hora pasó. Está empezando un ciclo de estabilidad emocional y de encuentro con tu alma gemela.



Sagitario noviembre 22 → diciembre 21

Marte te abandonó y se lleva la ira y el mal genio. Tu poder de persuasión será inimaginable. Serás la reina en el mundo de las comunicaciones. Ha llegado un período de cambiar las cosas a tu manera y adaptarte a todo lo que se va a presentar. Hermanos y amigos harán mucho por ti. Si buscas trabajo, tendrás éxito. El dinero se multiplica y te hará feliz. Visualiza, fija metas, afirma lo que deseas en este año y planta las semillas que germinarán para tu bien y el de los tuyos. **Tus números:** 3, 12, 17, 24.

♥ Da tiempo y espacio para que el amor crezca y florezca. Escoge tus palabras con cuidado ya que pueden surgir malentendidos entre tu pareja y tú. Con el Sol del día 18 y Venus en tu signo doméstico disfrutarás del amor como nunca antes.



Capricornio diciembre 22 → enero 19

Vences males del alma y del cuerpo. La prosperidad continúa fuerte durante todo el mes. Sigue en pleno apogeo tu cumbre financiera. Todo viaje al extranjero te traerá suerte. Enfrenta toda situación que se presente con fe en ti misma y la vencerás. Tu familia necesita de tu presencia. Aunque no te lo pidan, atiende a sus necesidades. Entre el 6 y el 9 de este mes se te presenta una excelente oportunidad profesional. Estudia toda oferta, pero reflexiona antes de comprometerte. **Tus números:** 4, 12, 24, 36.

♥ Aunque tu mansión del amor y del matrimonio luce vacía, tú no estarás sola ni abandonada. Un ser muy especial calentará tu corazón y tu cama. Sal de complejos y traumas del ayer y ábrete a esta relación con alma y corazón. Ama y déjate amar. □



LAS PREDICCIONES DE
**WALTER
MERCADO**

EN TU CELULAR

A partir de hoy, tus asuntos de trabajo, amor, y familia serán guiados por la palabra diaria de Walter Mercado a través de tu celular.

SIGUE ESTAS INSTRUCCIONES PARA RECIBIR DIARIAMENTE LAS PREDICCIONES DEL MAESTRO DE LA ASTROLOGIA:

ENVIA LA PALABRA ASTRO1 <Y TU SIGNO DEL ZODIACO> EN UN MENSAJE DE TEXTO AL NUMERO

70777

POR EJEMPLO: ASTRO1 LEO

EL SERVICIO DE HORÓSCOPOS O LAS PREDICCIONES DE WALTER MERCADO ("SERVICIO") CONLLEVA UN COSTO DE SUSCRIPCIÓN DE \$9.99 AL MES, EL QUE SE COBRARÁ VÍA SU FACTURA MENSUAL O SE DEDUCIRÁ DEL PLAN DE PREPAGO. EL SERVICIO ESTÁ DISPONIBLE PARA USUARIOS MAYORES DE 16 AÑOS (CON EL CONSENTIMIENTO DE SUS PADRES O GUARDIANES LEGALES) Y SÓLO EN LOS ESTADOS UNIDOS, INCLUYENDO SUS TERRITORIOS Y POSESIONES. APLICARÁN ADEMÁS CARGOS REGULARES DE MENSAJE DE TEXTO DE SU PROVEEDOR Y PLAN DE SERVICIO CELULAR. EL SERVICIO DE MENSAJES DE TEXTO PUEDE NO ESTAR DISPONIBLE EN TODOS LOS LUGARES. PARA TERMINOS DE USO, CONDICIONES, O SERVICIO AL CLIENTE, ENVIE UN MENSAJE TEXTO CON LA PALABRA "HELP" AL 70777, O LLAME AL 866-376-9281, O VISITENOS EN WWW.TERACOMM.TV. PARA CANCELAR EL SERVICIO ENVIE LA PALABRA STOP AL 70777.

CIVIL COVER SHEET

The JS-44 Civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initialing the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

07-20136

1(a) PLAINTIFFS

WALTER INTERNATIONAL PRODUCTIONS, INC., a Florida Corporation, **WATERVISION, INC.**, a Florida Corporation, **WALTERVISION PRODUCTIONS, INC.**, a Florida Corporation, **WALTER MERCADO RADIO PRODUCTIONS, INC.**, a Florida Corporation, **BART ENTERPRISES INTERNATIONAL, LTD.**, a Bahamas Corporation, a Florida Corporation, and **WALTER MERCADO ENTERPRISES CORP.**, a Florida Corporation

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF: Miami-Dade (EXCEPT IN U.S. PLAINTIFF CASES)

Miami - 07cv20136 PAS/McAliley

DEFENDANTS

WALTER MERCADO SALINAS, a natural person, and **ASTROMUNDO, INC.**, a Puerto Rico Corporation

CIV - SEITZ

/McAliley

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT

State of Puerto Rico (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)

Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, Florida 33131
(305) 579-0500
Marlene K. Silverman, Esq.
Jessica Carvalho Morris, Esq.

WALTER MERCADO SALINAS
352 Ave. San Claudio Suite 215
San Juan, Puerto Rico 00926-0417

ASTROMUNDO
352 Ave. San Claudio Suite 215
San Juan, Puerto Rico 00926-0417

FILED by [Signature] D.C.
INTAKE
JAN 17 2007

(d) CIRCLE COUNTY WHERE ACTION AROSE:

DADE, MONROE, BROWARD, PALM BEACH, MARTIN, ST. LUCIE, INDIAN RIVER, OKEECHOBEE, HIGHLANDS

II. BASIS OF JURISDICTION

(PLACE AN X IN ONE BOX ONLY)

- 1. U.S. Government Plaintiff
- 2. U.S. Government Defendant
- 3. Federal Question (U.S. Government Not a Party)
- 4. Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES

(For Diversity Case Only)

- Citizen of This State
- Citizen of Another State
- Citizen or Subject of a Foreign Country

PTF DEF (PLACE AN X IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

- 1 1 Incorporated of Principal Place of Business in This State
- 2 2 Incorporated and Principal Place of Business in Another State
- 3 3 Foreign Nation

- 4 4
- 5 5
- 6 6

IV. CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE. 28 U.S.C. §§ 1331 and 1338(a) Patent Infringement DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY.)

IVa. Undetermined Days estimated (for both sides) to try entire case

V. NATURE OF SUIT

(PLACE AN X IN ONE BOX ONLY)

A CONTRACT	A TORTS	B FORFEITURE PENALTY	A BANKRUPTCY	A OTHER STATUS
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl Veterans) B <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits B <input type="checkbox"/> 160 Stockholder's Suits <input checked="" type="checkbox"/> 190 Other Contact <input type="checkbox"/> 195 Contract Product Liability	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employer's Liability <input type="checkbox"/> 340 Maine <input type="checkbox"/> 345 Main Product Liability <input type="checkbox"/> 360 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury PERSONAL PROPERTY <input type="checkbox"/> 362 Personal Injury-Med. Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 368 Asbestos Personnel Injury Product Liability <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending B <input type="checkbox"/> 380 Other Personnel Property Damage <input type="checkbox"/> 385 Property Damage Product Liability A CIVIL RIGHTS <input type="checkbox"/> All Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety-Health <input type="checkbox"/> 690 Other A LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor Management Relations B <input type="checkbox"/> 730 Labor Management Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 780 Other Labor Litigation <input type="checkbox"/> 791 Employee Ret. Inc. Security Act B	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 A PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input checked="" type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark B SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395)(f) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW 405(g) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) A FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS Third Party 26 USC 7609	<input type="checkbox"/> 400 States Reappointment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commercial/CC Rates/etc. B <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12USC3410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes <input type="checkbox"/> 890 Other Statutory Actions* * A or B

VI. ORIGIN

(PLACE AN X IN ONE BOX ONLY)

- 1. Original Proceeding
- 2. Removed From State Court
- 3. Remanded from Appellate Court
- 4. Refiled
- 5. Transferred from another district (Specify)
- 6. Multidistrict Litigation
- 7. Appeal to District Judge from Magistrate Judgment

VII. REQUESTED IN COMPLAINT

CHECK IF THIS IS A under F.R.C.P. 23

CLASS ACTION

DEMAND

Check YES only if demanded in complaint. Yes No

JURY DEMAND:

VIII. RELATED CASE(S) IF ANY

(See Instructions):

JUDGE _____

DOCKET NUMBER _____

DATE 1/17/07

UNITED STATES DISTRICT COURT

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY: RECEIPT NO. 953229

Amount: \$ 350.00

Date Paid: _____

M/iff: _____

01/17/07

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 07-20136-CIV-SEITZ/McALILEY

WALTER INTERNATIONAL PRODUCTIONS,
INC., WATERVISION, INC., WATERVISION
PRODUCTIONS, INC., WALTER MERCADO
RADIO PRODUCTIONS, INC., BART
ENTERPRISES INTERNATIONAL, LTD., and
WALTER MERCADO ENTERPRISES CORP.,
Plaintiffs,

vs.

WALTER MERCADO-SALINAS, and
ASTROMUNDO, INC.,
Defendant.

WALTER MERCADO-SALINAS; and
ASTROMUNDO, INC.

ANSWER, AFFIRMATIVE
DEFENSES AND COUNTERCLAIM

Counter- Plaintiffs,

vs.

WALTER INTERNATIONAL PRODUCTIONS,
INC., WATERVISION, INC., WATERVISION
PRODUCTIONS, INC., WALTER MERCADO
RADIO PRODUCTIONS, INC., BART
ENTERPRISES INTERNATIONAL, LTD., and
WALTER MERCADO ENTERPRISES CORP.,

Counter-Defendants.

COME NOW, the Defendants, WALTER MERCADO-SALINAS and
ASTROMUNDO, INC., through the undersigned counsel, and respectfully file this Answer,
Affirmative Defenses and Counterclaim as follows:

ANSWER

1. Denied.

2. Admits that this matter involves citizens of different states, otherwise is denied.
3. Denied.
4. Denied.
5. Without knowledge and therefore denied.
6. Denied.
7. Without knowledge and therefore denied.
8. Without knowledge and therefore denied.
9. Without knowledge and therefore denied.
10. Without knowledge and therefore denied.
11. Without knowledge and therefore denied.
12. Admitted.
13. Admitted.

CONTRACTS

Agreement between Bart Enterprises and Mercado

14. Admitted.
15. Denied.
16. Denied.
17. Denied.
18. Denied.
19. Denied.
20. Denied.
21. Denied.
22. Admitted.

23. Denied.

Assignment by Bart Enterprises to International Productions

24. Without knowledge of this relationship and therefore denied.

25. Denied.

26. Denied.

Assignment by Bart Enterprises to Watervision

27. Without knowledge of this relationship and therefore denied.

28. Denied.

29. Denied.

Assignment by Bart Enterprises to Walter vision

30. Without knowledge of this relationship and therefore denied.

31. Denied.

32. Denied.

Assignment by Bart Enterprises to Radio Productions

33. Without knowledge of this relationship and therefore denied.

34. Denied.

35. Denied.

Assignment by Bart Enterprises to Walter Enterprises

36. Without knowledge and therefore denied.

37. Denied.

38. Denied.

ADDITIONAL FACTS COMMON TO ALL COUNTS

39. Denied.

- 40. Denied as stated.
- 41. Denied as stated.
- 42. Admitted.
- 43. Admitted.
- 44. Admitted.
- 45. Denied.
- 46. Denied.
- 47. Admitted.
- 48. Denied.
- 49. Denied.
- 50. Without knowledge and therefore denied.
- 51. Denied.
- 52. Denied.
- 53. Denied.
- 54. Denied.
- 55. Denied.
- 56. Denied.

COUNT I

Breach of the Agreement between Bart Enterprises and Mercado

- 57. Denied.
- 58. Denied.
- 59. Denied.
- 60. Denied.

61. Denied.

62. Denied.

63. Denied.

64. Denied.

COUNT II

Action for Tortious Interference with Contract Against Mercado

65. Denied.

66. Denied.

67. Denied.

68. Denied.

69. Denied.

70. Denied.

71. Denied.

72. Denied.

73. Denied.

COUNT III

Action for Tortious Interference with Contract Against Mercado

74. Denied.

75. Denied.

76. Denied.

77. Denied.

78. Denied.

79. Denied.

80. Denied.

81. Denied.

82. Denied.

COUNT IV

Breach of the Agreement Assigned by Bart Enterprises to International Productions

83. Denied.

84. Without knowledge and therefore denied.

85. Denied.

86. Denied.

87. Denied.

COUNT V

Breach of the Agreement Assigned by Bart Enterprises to Watervision

88. Denied.

89. Without knowledge and therefore denied.

90. Denied.

91. Denied.

92. Denied.

COUNT VI

Breach of the Agreement Assigned by Bart Enterprises to Waltervision

93. Denied.

94. Without knowledge and therefore denied.

95. Denied.

96. Denied.

97. Denied.

COUNT VII

Breach of the Agreement Assigned by Bart Enterprises to Radio Production

98. Denied.

99. Without knowledge and therefore denied.

100. Denied.

101. Denied.

102. Denied.

COUNT VIII

Breach of the Agreement Assigned by Bart Enterprises to Walter Enterprises

103. Denied.

104. Without knowledge and therefore denied.

105. Denied.

106. Denied.

107. Denied.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

As for the Defendants' First Affirmative Defense, Plaintiffs' claims are barred for failure to state a cause of action. More specifically, Plaintiffs' claims for breach of contract and tortious interference are legally and factually unsupported and therefore are barred for failure to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

As for the Defendants' Second Affirmative Defense, Plaintiff's, BART ENTERPRISES INTERNATIONAL, LTD., claims are barred for lack of capacity to bring forth any action or to sue.

THIRD AFFIRMATIVE DEFENSE

As for the Defendants' Third Affirmative Defense, Plaintiffs' claims are barred by the doctrine of accord and satisfaction.

FOURTH AFFIRMATIVE DEFENSE

As for the Defendants' Fourth Affirmative Defense, Defendants allege waiver.

FIFTH AFFIRMATIVE DEFENSE

As for the Defendants' Fifth Affirmative Defense, Defendants allege estoppel.

SIXTH AFFIRMATIVE DEFENSE

As for the Defendants' Sixth Affirmative Defense, Defendants allege negligent misrepresentation and fraud in the inducement.

SEVENTH AFFIRMATIVE DEFENSE

As for the Defendants' Seventh Affirmative Defense, Defendants allege that the Plaintiffs have been guilty of inequitable conduct to the extent and degree that the relief prayed for in their Complaint should be denied.

EIGHTH AFFIRMATIVE DEFENSE

As for the Defendants' Eighth Affirmative Defense, Defendants state Plaintiffs have breached a fiduciary duty and owed to the Defendants, thus Plaintiffs are barred, as a matter of law from seeking any recovery against these Defendants.

NINTH AFFIRMATIVE DEFENSE

As for the Defendants' Ninth Affirmative Defense, Plaintiffs have not suffered any damages and therefore have no cause of action.

TENTH AFFIRMATIVE DEFENSE

As for Defendants' Tenth Affirmative Defense, Plaintiffs have failed to mitigate any alleged damages.

ELEVENTH AFFIRMATIVE DEFENSE

As for Defendants' Eleventh Affirmative Defense, Defendants' obligations, if any, were excused as Plaintiffs have failed to meet any and all of their obligations.

TWELFTH AFFIRMATIVE DEFENSE

As for Defendants' Twelfth Affirmative Defense, Defendants allege that the Plaintiffs are precluded from maintaining their Complaint pursuant to the equitable Doctrine of Unclean Hands.

THIRTEENTH AFFIRMATIVE DEFENSE

As for Defendants' Thirteenth Affirmative Defense, Defendants allege that the Plaintiffs' claims are subject to foreign law, more specifically to the laws of the Commonwealth of Puerto Rico.

FOURTEENTH AFFIRMATIVE DEFENSE

As for Defendants' Fourteenth Affirmative Defense, Defendants allege that the Plaintiffs do not have a cause of action for breach of the Agreement, as the Agreement sued upon was legally terminated due to Plaintiffs' failure to make payments to the Defendants.

FIFTEENTH AFFIRMATIVE DEFENSE

As for Defendants' Fifteenth Affirmative Defense, Defendants allege that the Plaintiffs' have failed to state a cause of action against Defendant, Astromundo, Inc., as this Defendant is not a party to the Agreement between Defendant, Walter Mercado, and the Plaintiff, Bart Enterprises, Ltd. Furthermore, Plaintiffs have failed to allege sufficient facts or allegations to which Defendant, Astromundo, Inc., can properly formulate a response to the Complaint.

RIGHT TO AMEND

Defendants reserve the right to amend the answer and affirmative defenses as this case proceeds.

REQUEST FOR JURY TRIAL

Defendants further request trial by jury of all issues so triable.

WHEREFORE the Defendant, WALTER MERCADO and ASTROMUNDO, INC., pray for judgment against their favor, dismissal of the action, attorney's fees, costs, and any other relief that this Honorable Court may deem just and proper.

COUNTERCLAIM

COME NOW, the Defendants/Counter-Plaintiffs, WALTER MERCADO-SALINAS and ASTROMUNDO, INC., through the undersigned counsel, and respectfully file this Counterclaim against the Plaintiffs/Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WATERVISION PRODUCTIONS, INC., WALTER MERCADO RADIO PRODUCTIONS, INC., BART ENTERPRISES INTERNATIONAL, LTD., and WALTER MERCADO ENTERPRISES CORP., (hereinafter referred as "Counter-Defendants") as follows:

I. NATURE OF THE ACTION

1. This is an action for damages for breach of contract, breach of fiduciary duty, declaratory relief and equitable remedies brought under applicable federal, common federal and state law, to prevent and enjoin the Counter-Defendants from illegally, continue using, abusing, damaging and profiting from Counter-Plaintiffs' artistic work, name, voice, image, likeness, productions, common law trademark or service marks, intellectual property, copyright and/or author rights; and/or to render null and void promises made as per contractual agreement, that illegally and unreasonably infringed upon Counter-Plaintiffs' copyrights, trademark and legal rights; and, to further recover and collect money owed and unduly denied by Counter-Defendants, as per contractual agreement or otherwise; as well as real and treble damages and/or loss of profits –past and present - compensatory damages, statutory damages, declaratory judgment, prejudgment interest, attorney's fees and costs.

2. Counter-Plaintiffs, WALTER MERCADO-SALINAS and ASTROMUNDO, INC., both residents of Puerto Rico, are and continue to be deprived from the product of their ongoing artistic work and/or persona, and suffer as well from illegal and unauthorized reproduction and use of their intellectual property and copyrights.

3. Hence, Counter-Plaintiffs have brought this action against Counter-Defendants, as well as against its agents, officers, related or affiliated companies, and insurance companies, for compensation for damages and/or sufferings, loss of profits and default, and most importantly, for temporary, preliminary and/or permanent injunction against the practices complained of herein, and for declaratory relief by this Court.

II. JURISDICTION AND VENUE

4. The jurisdiction of this Court is invoked pursuant to §1332, of Title 28 of the United States Code, whereas the matter in controversy involves citizens of different states and/or subjects to foreign states; and exceeds \$75,000, exclusive of interests and costs.

5. Furthermore, the matter in controversy involves federal questions arising under the Constitution, as well as copyright and trademark laws of the United States; Constitution of the United States, Art. 1, Sect. 8; Federal Copyright Act of 1976, as amended, 17 USCA §§ 101, *et sq.*, and Trademark Laws of the United States, 15 USCA §§ 1051 *et seq.*

III. PARTIES

6. Counter-Plaintiff, WALTER MERCADO-SALINAS, (hereinafter referred as “Mercado”) a resident of Puerto Rico, is a well known individual, artist, media and entertainment public, figure, name, common law and service trademark in the international artistic and entertainment business.

7. Counter-Plaintiff, ASTROMUNDO, INC., (hereinafter, “Astromundo”), is a corporation duly organized and existing under the laws of the Commonwealth of Puerto Rico, engaged in all artistic, promotional, marketing and entertainment business related, to Walter Mercado’s services, name, publications or products, with its principle place of business in San Juan, Puerto Rico.

8. Counter-Defendant, BART ENTERPRISES INTERNATIONAL, LTD., (hereinafter referred as “Bart Enterprises”) is now a dissolved corporation and was, at all times relevant to this Counterclaim, a corporation organized, and presumably still existing, under the laws of the Commonwealth of the Bahamas, with principal place of business in Nassau, Bahamas, allegedly engaged in the production and distribution of entertainment programming.

9. Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC.”, “WATERVISION, INC.”, “WALTERVISION PRODUCTIONS, INC.”, “WALTER MERCADO RADIO PRODUCTIONS, INC.”, “WALTER MERCADO ENTERPRISES CORP.”, (collectively hereinafter referred as “Counter-Defendants”) are and were, at all times relevant to this Counterclaim, corporations organized and existing under the laws of the state of Florida, with their principle place of business in Miami, Florida, affiliated to, or related thereto, or subsidiaries, or assignees of Bart Enterprises.

IV. STATEMENT OF CLAIM

10. Counter-Plaintiff, WALTER MERCADO-SALINAS ,(hereinafter, " Mercado") is a well known individual, artist, media and entertainment public figure, name and common law and service trademark, in the international artistic and entertainment scenario, of distinctive uniqueness and creative traits, for over forty (40) years.

11. Counter-Plaintiff’s Mercado attributes, appearances, publications and/or consulting services are well renowned and have long been recognized, appreciated and valued by the public and all media, as a “psychic” and “astrologer”.

12. Counter-Plaintiff, Astromundo, was incorporated in Puerto Rico in October 27, 1992, and has been registered in good standing by the Department of State of Puerto Rico, since that time.

13. On August 4, 1995, Counter-Plaintiff Walter Mercado agreed to a “leonine”, one-sided, extensive, over-reaching and legally questionable “Agreement” with Counter-Defendant Bart Enterprises by which, among other things, Bart Enterprises would produce and distribute entertainment programming featuring and promoting Walter Mercado’s artistic abilities as a psychic and astrologer. (*See*, Agreement dated August 4, 1995, attached hereto as Exhibit A).

14. The Agreement, by which Bart Enterprises acquired all ownership rights over Mercado's past, present and future proceeds and artistic work, services, image, name, likeness, voice, programming or materials, was said to be valid over the "Territory" – defined in the Agreement as "the universe" – and executable "in perpetuity", which as per the terms of the Agreement was deemed to be the "Term". (*See*, Exhibit A, §§ 4 and 5, p. 5).

15. By means of said Agreement entered into by Mercado, in consideration of ten dollars (\$10), Mercado allegedly lost and assigned to Counter-Defendant Bart Enterprises throughout "the Territory" (the Universe) and during "the Term" (Perpetuity), all right, titles and interests, including all copyrights "in connection with Mercado's astrological and psychic activities". *See*, Exhibit A, Introduction; § 1(a), p. 2.

16. Also, by means of the Agreement, Counter-Plaintiff, Walter Mercado, allegedly lost and assigned perpetually to Counter-Defendant Bart Enterprises, the right to exploit Walter Mercado's artistic work, materials, products or programming, in any language and in any and all media, known at said time or developed thereafter. *Id.*

17. Counter-Defendant, Bart Enterprises, also took advantage of Walter Mercado's good faith, by allegedly acquiring the right to develop, produce, distribute and copyright in its own name, new materials – in any language – relating to Mercado's psychic and astrological services, throughout the Universe and for perpetuity. (*See*, Exhibit A, § 1(b), p. 3).

18. In addition, recognizing Counter-Plaintiff's Walter Mercado well known status as a "common law trademark and service mark", Counter-Defendant Bart Enterprises seized "irrevocably", as per the terms of the Agreement, all rights, title and interests in Walter Mercado's mark "together with that part of the goodwill of Mercado's business connected with and symbolized by said mark..." (*See*, Exhibit A, § 3 (a) – (c), p. 4).

19. By contrast, even though Counter-Plaintiff Walter Mercado was deemed to have forever rendered or assigned all rights to said corporation, Counter-Defendant Bart Enterprises had no obligation to produce and/or distribute Walter Mercado's materials and could determine in "its sole and absolute discretion whether or not to exploit the rights granted thereunder". Exhibit A, ¶ 7, p. 8.

20. Also, Counter-Defendant Bart Enterprises allegedly had no obligation under said Agreement, to inform Counter-Plaintiff Walter Mercado of any affiliate, subsidiary, or related company to which Counter-Defendant Bart Enterprises unilaterally assigned or transferred any rights.

21. Even further Counter-Defendant Bart Enterprises had no obligation under the Agreement, to notify or account for any contract executed under Walter Mercado's name and/or obligating Mercado.

22. Moreover Counter-Defendant Bart Enterprises had no obligation under the Agreement, to account for any profits, revenues, proceeds or expenses, making it almost impossible for Counter-Plaintiff Walter Mercado to obtain access to essential information and/or ascertain his rights or obligations, as per the Agreement.

23. In exchange for Counter-Plaintiff's Walter Mercado surrender of rights, titles or interests, Counter-Defendant Bart Enterprises agreed to pay Walter Mercado a "fee" of twenty five thousand dollars (\$25,000) a month; five thousand dollars (\$5,000) per month for costumes; two thousand dollars (\$2,000) for up to 25 three minute segments; and an additional fee of \$25,000 per month for each additional country (other than the United States/Puerto Rico) in which the gross income earned by Bart Enterprises equaled that earned in the United States that month, "so long as the income earned by Bart from the United States is a minimum of Two

Million \$2,000,000 –sic.- Dollars.”; and additional compensation of 1/3 of the gross revenues, for services and use of Mercado’s name and likeness in connection of “non-psychic” related activities”. (See, Exhibit A, ¶ 6 (c), pp. 7 – 8).

24. During the years following the Agreement, it became usual for Counter-Plaintiff, Astromundo, to inconsistently receive payments, for Counter-Plaintiff’s, Walter Mercado, services, under a myriad of unknown and allegedly related corporations or entities on behalf of Counter-Defendant Bart Enterprises.

25. The alleged addresses of any of Counter-Defendants, or assignees, as well as the accounts, continuously changed or varied.

26. Due to the proliferation of corporations, associations and trademarks by Counter-Defendant, Bart Enterprises, without any knowledge or notice to Walter Mercado, and/or due to the continuous change of addresses or whereabouts of the related companies, affiliates, subsidiaries or assignees, or even its officers, directors or agents, it became very difficult to trace the profits, proceeds, revenues or even use of Walter Mercado’s name, publications, programming, rights or titles, during the years following the Agreement.

27. Neither Counter-Defendants, Bart Enterprises, Guillermo Bakula and/or named Defendants and/or Defendant Related Companies, have ever rendered to Walter Mercado, neither Astromundo, any audited records, or books, or sufficient evidence, whatsoever, of the source of and/or profits, proceeds and revenues and/or any use of Walter Mercado’s name, rights and titles.

28. At all times relevant to the Counterclaim, including to this date, Counter-Plaintiffs Walter Mercado and Astromundo, have been unable to determine whether payments made by

Counter-Defendant Bart Enterprises, or any of the named Counter-Defendants and/or Counter-Defendant Related Companies, correspond to the actual amounts due under the Agreement.

29. The proliferation of corporations, associations, names and trademarks by Bart Enterprises and/or Guillermo Bakula, without any knowledge or notice to Walter Mercado, caused and causes great and ongoing harm to Walter Mercado's name, mark, image, copyrights and/or goodwill, by infringing upon his intrinsic author and copyrights, and causing dilution to the common law or service mark of "Walter Mercado".

30. Counter-Defendants' acts and omissions, have exposed Counter-Plaintiffs to grave harm, liability, loss of goodwill, economic and/or damage to reputation, by reproducing randomly and altering, in written, oral and televised media, without any consideration or regard to Walter Mercado's craft author rights service mark, any zodiac readings or publications, made by Walter Mercado and attributing them to other zodiac signs and/or for periods of time different than the ones intended by the author.

31. Counter-Defendant's acts or omissions have blurred and damaged the unique association which has long existed between Counter-Plaintiff Mercado and his name, common law trademark or service mark, causing likelihood of confusion among the public and dilution of the mark.

32. Counter-Defendants' acts and omissions, in the past and which continue to date, expose Counter-Plaintiffs to liability, damage to goodwill and/or investigation by proper authorities - i.e., in Mexico for deceptive or misleading advertising of psychic lines or products, even though Counter-Plaintiffs have no control over said enterprise and even though they have terminated the Agreement with Counter-Defendants, as explained hereinafter.

33. Counter-Defendants' have consistently failed to make payments in accordance with the agreement and have been in default since April and May, 2006.

34. On or about September 29, 2006, Guillermo Bakula and Counter-Defendants, as assignees of Bart Enterprises, were informed in writing, of the need to cure deficiencies and to effectuate all payments due, in lieu of invoking the termination clause of the Agreement.

35. Counter-Defendants opted to continue breaching the Agreement and made insufficient, incomplete, and or no payment as of October, 2006.

36. At said time, Counter-Defendants were 10 months in arrears, which, constitutes material default, as per Clause 6 of the Agreement (Complaint, ¶ 12), in addition to other defaulted payments mentioned hereinbefore.

37. The estimated combined loss of earnings, revenues and profits of both Counter-Plaintiffs, Walter Mercado and Astromundo, during the actual term of the Agreement, is now calculated to exceed five million dollars (\$5,000,000.00).

38. On November 22, 2006, after more than 10 days had elapsed following written notice, Counter-Plaintiffs exercised their right to terminate the Agreement.

39. Since that time and without authority Counter-Defendants, and a myriad of other unknown corporations, entities or persons, affiliated or associated with Counter-Defendants, have continued to collect and claim all payments, benefits, revenues or profits generated by Counter-Plaintiff's Walter Mercado artistic work or production and/or due to Counter-Plaintiff Astromundo, Inc., for their own and exclusive benefit.

40. Subsequently, Counter-Defendants and a myriad of other unknown corporations, entities or persons, affiliated or associated with Counter-Defendants, continue to deny Counter-

Plaintiffs of all payments, benefits, revenues or profits generated by Counter-Plaintiff's Walter Mercado artistic work or production and/or due to Counter-Plaintiff Astromundo, Inc.

41. Upon information and belief, entities such as Televisa, Univisión or SBS (Spanish Broadcasting System), Megamedia, which operates in Mexico, continue making payments to Counter-Defendants, in fear of interfering with any agreement or contract with Counter-Defendants and/or as per threats made by Counter-Defendants.

42. As a result of the events described herein, Counter-Plaintiffs, Mercado and Astromundo have suffered, and continue to suffer irreparable and considerable damages, including loss of profits, damage to goodwill, depletion of funds and risk of liability, due to inability to comply with obligations, presently calculated in excess of \$5 million dollars.

43. Additionally, Counter-Defendants' acts or omissions have blurred and damaged the unique association which have existed between Counter-Plaintiff Walter Mercado and his name, or common law trademark and/or service mark, which are federally and state statutorily protected.

44. Furthermore, upon termination of the Agreement, and without consent of the Counter-Plaintiffs Walter Mercado and Astromundo, Inc., Counter-Defendants continue and/or threaten to use, in commerce reproductions, counterfeit copies or colorable imitation of the registered and/or service marks, associated with the name, image, voice or publications of Walter Mercado.

45. All conditions precedent have been met prior to the filing of this Counterclaim.

COUNT I
BREACH OF CONTRACT
BART ENTERPRISES INTERNATIONAL, LTD.

46. The Counter-Plaintiff, WALTER MERCADO, reavers and realleges all the allegations set forth in paragraphs 1 through 45 and further alleges as follows:

47. Pursuant to section 6(c) of the Agreement, Counter-Plaintiff, Mercado, was to receive compensation as set forth bellow:

(c) Compensation.

Bart agrees to pay to Mercado, in consideration of all services rendered by Mercado and the use of the results thereof and all rights granted by Mercado to Bart, the following compensation:

(i) A fee of Twelve Thousand Five Hundred (\$12,500) Dollars per month for each the continental United states and for Puerto Rico (collectively the "United States/Puerto Rico") for an aggregate total of Twenty-five Thousand (\$25,000) Dollars a month;

(ii) Five Thousand (\$5,000) Dollars per month for costumes;

(iii) A total of Two Thousand (\$2,000) Dollars for up to 25 three minute segments per month; and

(iv) An additional fee of up to an additional Twenty-five Thousand (\$25,000) Dollars per month for each additional country (other than the United states/Puerto Rico), in which gross income earned by Bart from such other country is at least equal to the gross income earned by Bart from the United States in that month, so long as the gross earned by Bart from the United States is a minimum of Two Million (\$2,000,000) Dollars. In the event the gross income earned by Bart from the activities conducted as above described in any country outside of the United States/Puerto Rico is less than that gross income earned in the United states for the period, Mercado's compensation for such country shall be paid on a pro-rata basis. All payments to Mercado hereunder shall be due on or before the 15th day of the month following the month in which such gross revenues are earned.

(v) Further, in addition to the foregoing, Mercado and Bart contemplate additional compensation for services and use of Mercado's name and likeness in connection with non-psyhic related activities. With respect to all necessary services which will

be rendered by Walter in connection therewith, Walter shall be entitled to compensation therefor, of one-third (1/3) of the gross revenues generated therefrom. It is understood, however, that Walter shall be in no way hereunder prohibited or restricted, for his personal benefit, from conducting his present business endeavors consisting of radio, newspaper, magazines and personal consultation related to psychic activities.

48. That since April-May of 2006 Counter-Defendant Bart Enterprises has failed to make payments for the services rendered by the Counter-Plaintiff Mercado.

49. From April-May 2006 through November of 2006, Counter-Plaintiff continued to provide the agreed upon services but was never paid as required under the Agreement.

50. As a result of Counter-Defendant's Bart Enterprises breach of the Agreement Counter-Plaintiff Mercado exercised his right to terminate the Agreement by providing written notice of a material breach which remained uncured for a period of 10 day following receipt of the written notice; (*See*, Exhibit B attached hereto); Paragraph 12(a)(ii):

(ii) Mercado shall have the right to terminate this Agreement immediately (A) in the event of a material breach by Bart which remains uncured for a period of ten (10) days following written notice thereof; ...

51. The Agreement referenced herein further provided Mercado with the option to inspect accounting books as stated bellow:

17. Inspection of Accounting Books.

Mercado may appoint a certified public accountant to examine the books and records of Bart, but solely with reference to the subject matters of this Agreement. Such examination may be made during normal business hours upon twenty (20) days written notice prior to Bart, but there shall be not more than one such examination during any calendar year.

52. The Counter-Plaintiff Mercado has requested an opportunity to inspect the accounting books and such request has been either ignored or denied.

53. As a result Counter-Plaintiff Mercado has not since the execution of the Agreement been able to properly assess and verify the accuracy of the payments which has been received for his services.

54. As direct and proximate result of Counter-Defendants' material breaches, Mercado has suffered substantial damages.

WHEREFORE the Counter-Plaintiff, WALTER MERCADO, prays for judgment against the Counter-Defendants, for damages in amount to be proven at trial and for the Court to further order the Counter-Defendants to produce for an inspection all of the accounting books and supporting documentation thereof since the execution of the Agreement to date, together with costs, prejudgment interest, statutory interest, attorney's fees and any other relief that this Honorable Court may deem just and proper.

COUNT II
BREACH OF CONTRACT
WALTER INTERNATIONAL PRODUCTIONS, INC.,
WATERVISION, INC., WATERVISION PRODUCTIONS, INC.,
WALTER MERCADO RADIO PRODUCTIONS, INC.,
and WALTER MERCADO ENTERPRISES CORP.

55. The Counter-Plaintiff, WALTER MERCADO, reavers and realleges all the allegations set forth in paragraphs 1 through 45 and further allege as follows:

56. That upon information and belief Counter-Defendant Bart has assigned its rights under the Agreement to several different entities.

57. That several of those entities are Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WATERVISION

PRODUCTIONS, INC., WALTER MERCADO RADIO PRODUCTIONS, INC., and WALTER MERCADO ENTERPRISES CORP.

58. That pursuant to section 6(c) of the Agreement, Counter-Plaintiff, Mercado, was to receive payment in consideration for all his services and on all rights originally granted to Bart and subsequently assigned to the Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WALTERVISION PRODUCTIONS, INC., WALTER MERCADO RADIO PRODUCTIONS, INC., and WALTER MERCADO ENTERPRISES CORP.

59. That as assignees of the original Agreement, the Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WALTERVISION PRODUCTIONS, INC., WALTER MERCADO RADIO PRODUCTIONS, INC., and WALTER MERCADO ENTERPRISES CORP., have the obligation to compensate Mercado for his services.

60. That since April-May of 2006 the Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WALTERVISION PRODUCTIONS, INC., WALTER MERCADO RADIO PRODUCTIONS, INC., and WALTER MERCADO ENTERPRISES CORP., have failed to make payments for the services rendered by the Counter-Plaintiff Mercado.

61. From April-May 2006 through November of 2006, Counter-Plaintiff Mercado continued to provide the agreed upon services but was never paid as required under the Agreement.

62. As a result of Counter-Defendants', WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WALTERVISION PRODUCTIONS, INC.,

WALTER MERCADO RADIO PRODUCTIONS, INC., and WALTER MERCADO ENTERPRISES CORP., failure to pay for the above said services, the Counter-Plaintiff Mercado has suffered substantial damages in an amount to be proven at trial.

WHEREFORE the Counter-Plaintiff, WALTER MERCADO, prays for judgment against the Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WALTERVISION PRODUCTIONS, INC., WALTER MERCADO RADIO PRODUCTIONS, INC., and WALTER MERCADO ENTERPRISES CORP., for damages in amount to be proven at trial together with costs, prejudgment interest, statutory interest, attorney's fees and any other relief that this Honorable Court may deem just and proper.

COUNT III
DECLARATORY JUDGMENT
BART ENTERPRISES INTERNATIONAL, LTD

63. The Counter-Plaintiff, WALTER MERCADO, reavers and realleges all the allegations set forth in paragraphs 1 through 45 and further allege as follows:

64. That a justifiable controversy exists as to the interpretation of the herein referenced Agreement between Counter-Plaintiff, Mercado, and Counter-Defendant, Bart Enterprises, and as to the rights and obligations of Mercado and Bart respectively. (*See*, Agreement attached hereto and marked as Exhibit A).

65. That a justifiable controversy exists as to the application of Puerto Rico law to the referenced Agreement and as to the rights and obligations of Mercado and Bart therein.

WHEREFORE the Counter-Plaintiff, WALTER MERCADO, prays for judgment against Counter-Defendant, Bart Enterprises, and for a declaration as follows:

- a. That the entire Agreement referenced herein is invalid and void *ab-initio* as a matter of Puerto Rico law.
- b. Alternatively, for a declaration that Counter-Plaintiff, Mercado, properly terminated the Agreement on November 26, 2006 by giving Counter-Defendant proper notice and the opportunity to cure its default. Furthermore, by declaring that Bart was and continues to be in default of the Agreement by failing to compensate Mercado.
- c. Alternatively, for a declaration that fees and commissions are owed to Counter-Plaintiff, Mercado, from the beginning of the Agreement until the notice of termination and from the date of the notice of termination to date.
- d. Alternatively, for a declaration that Counter-Plaintiff, Mercado, has the right to inspect all of the accounting books and supporting documentation from the beginning of the Agreement to this date in order to verify and determine the amounts due to Mercado for services.
- e. For attorney's fees and court's cost prejudgment interest, statutory interest and such other relief this Court may deem just and proper.

COUNT IV
BREACH OF THE FIDUCIARY DUTY
BART ENTERPRISES INTERNATIONAL, LTD

66. The Counter-Plaintiff, WALTER MERCADO, reavers and realleges all the allegations set forth in paragraphs 1 through 45 and further alleges as follows:

67. Counter-Defendant Bart Enterprises, pursuant to the terms and conditions of the agreement between the parties agreed to market, promote, utilize, and distribute products featuring Counter-Plaintiff's psychic and astrological ability.

68. Counter-Defendant, Bart Enterprises, as the sole and exclusive producer, distributor and marketer of Counter-Plaintiff's, Mercado, image had a fiduciary duty of loyalty, care and good faith and is obligated to refrain from unjustly enriching itself.

69. Counter-Defendant, Bart Enterprises, violated his fiduciary duty of loyalty, good faith and unjust enrichment as set forth in the Agreement. Moreover, Counter-Defendant engaged in self dealing and obtained for benefits not shared with the Counter-Plaintiff, Mercado.

70. Counter-Defendant, Bart Enterprises, has violated his fiduciary duty of care, loyalty and candor to the Counter-Plaintiff, Mercado.

71. By the acts, transactions and course of conduct alleged herein Counter-Defendant unfairly deprived and continues to deprive of the true value of Counter-Plaintiff's promotional worth.

WHEREFORE the Counter-Plaintiff, WALTER MERCADO, prays for judgment against the Counter-Defendants, for damages in amount to be proven at trial and for the Court to further order the Counter-Defendants to produce for an inspection all of the accounting books and supporting documentation thereof since the execution of the Agreement to date, together with costs, prejudgment interest, statutory interest, attorney's fees and any other relief that this Honorable Court may deem just and proper.

COUNT V
BREACH OF COVENANT OF GOOD FAITH AND FAIR DEALING
BART ENTERPRISES INTERNATIONAL, LTD

72. The Counter-Plaintiff, WALTER MERCADO, reavers and realleges all the allegations set forth in paragraphs 1 through 45 and further alleges as follows:

73. The acts of Counter-Defendant, Bart Enterprises, described in paragraphs 5 through 45 constitute a breach of covenant of good faith and fail dealing.

74. The acts of Counter-Defendant described in the preceding paragraphs of the Counterclaim were intended by the Counter-Defendant to deprive Counter-Plaintiff of the rights granted and promised by Counter-Defendant.

75. The breaches of the covenant of good faith and fair dealing by Counter-Defendant described herein, have resulted in damage to Counter-Plaintiff including loss of monies due and owed, treble, damage to Counter-Plaintiffs' business, name and reputation.

WHEREFORE the Counter-Plaintiff, WALTER MERCADO, prays for judgment against the Counter-Defendants, for damages in amount to be proven at trial and for the Court to further order the Counter-Defendants to produce for an inspection all of the accounting books and supporting documentation thereof since the execution of the Agreement to date, together with costs, prejudgment interest, statutory interest, attorney's fees and any other relief that this Honorable Court may deem just and proper.

COUNT V
INJUNCTIVE RELIEF
WALTER INTERNATIONAL PRODUCTIONS, INC.,
WATERVISION, INC., WALTERVISION PRODUCTIONS, INC.,
WALTER MERCADO RADIO PRODUCTIONS, INC.,
BART ENTERPRISES INTERNATIONAL, LTD.,
and WALTER MERCADO ENTERPRISES CORP.,

76. The Counter-Plaintiff, WALTER MERCADO, reavers and realleges all the allegations set forth in paragraphs 1 through 45 and further alleges as follows:

77. Upon information, knowledge and belief the Counter-Defendants through its agents, employees and representatives have continued to act on behalf of Counter-Plaintiff, Mercado, and have continued to receive payments for services otherwise owed and due to Mercado.

78. By reasons of Counter-Defendants' acts and or omissions as alleged herein, Plaintiff has and will continue to suffer damages to its rights, business, reputation and goodwill.

79. By reason of Counter-Defendants' acts and or omissions, as alleged herein, Counter-Plaintiff are suffering real economic loss, including revenue and earnings that Counter-Plaintiff would have made but for the conduct of the Counter-Defendants as described herein.

80. That Counter-Defendant threatened to continue doing acts on behalf of Counter-Plaintiff as described herein and unless restored or enjoined will continue to do so to the detriment of Mercado.

81. That should the injunctive relief sought herein not be granted Counter-Plaintiff, Mercado, will suffer irreparable harm and consequences.

82. Counter-Plaintiff's remedies may have not be adequate to compensate for the substantial damages, even though his probabilities of success on the merits is high.

83. That an injunction in this matter will serve not only the interest of the Counter-Plaintiff, Mercado, but also serve the public interest.

WHEREFORE, Counter-Plaintiff, WALTER MERCADO prays for judgment in the form of injunctive relief enjoining Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WATERVISION PRODUCTIONS, INC., WALTER MERCADO RADIO PRODUCTIONS, INC., BART ENTERPRISES INTERNATIONAL, LTD., and WALTER MERCADO ENTERPRISES CORP., from acting on behalf of Counter-Plaintiff, Mercado, and or collecting any monies for his services, attorneys fees, court costs, together with any relief that this Court deems just and proper under the circumstances.

COUNT VI

VIOLATION OF COPYRIGHT AND TRADEMARK LAWS
WALTER INTERNATIONAL PRODUCTIONS, INC.,
WATERVISION, INC., WALTERVISION PRODUCTIONS, INC.,
WALTER MERCADO RADIO PRODUCTIONS, INC.,
BART ENTERPRISES INTERNATIONAL, LTD.,
and WALTER MERCADO ENTERPRISES CORP.

84. The Counter-Plaintiff, WALTER MERCADO, reavers and realleges all the allegations set forth in paragraphs 1 through 45 and further alleges as follows:

85. That Counter-Plaintiff's name, the right to the use of his name, image, likeness, work, and to profit and enjoy his artistic and intellectual right, materials and programming, belongs to him as part of his unique and distinctive creative work.

86. That upon proper notice of termination of the referenced agreement and without the consent of Counter-Plaintiff, Mercado, or his registrant Counter-Plaintiff, Astromundo, Inc., Counter-Defendants continue to use or threatened to use in commercial reproductions, counterfeit, copies or imitations of the registered marks associated with the name, image, voice or publications of Counter-Plaintiff Mercado.

87. That Counter-Defendants acts or omissions have damaged the uniqueness that existed between Counter-Plaintiff, Mercado, and his name or common law trademark, and or service trademark which are protected by Federal Law.

88. That Counter-Defendants' acts and omissions constitute a violation of Counter-Plaintiff's, Mercado, copyright laws of the United States and constitute a violation of State protected laws, redressing moral rights of authors such as the Counter-Plaintiff, Mercado.

89. As a direct and proximate result of Counter-Defendants' conduct, Counter-Plaintiff Mercado has sustained economic damages for loss of profits, earnings, and good will.

WHEREFORE the Counter-Plaintiff, WALTER MERCADO, prays for judgment against the Counter-Defendants, WALTER INTERNATIONAL PRODUCTIONS, INC., WATERVISION, INC., WALTERVISION PRODUCTIONS, INC., WALTER MERCADO RADIO PRODUCTIONS, INC., BART ENTERPRISES INTERNATIONAL, LTD., and WALTER MERCADO ENTERPRISES CORP., for damages in amount to be proven at trial together with costs, prejudgment interest, statutory interest, attorney's fees and any other relief that this Honorable Court may deem just and proper.

COUNT VII
UNJUST ENRICHMENT

WALTER INTERNATIONAL PRODUCTIONS, INC.,
WATERVISION, INC., WALTERVISION PRODUCTIONS, INC.,
WALTER MERCADO RADIO PRODUCTIONS, INC.,
BART ENTERPRISES INTERNATIONAL, LTD.,
and WALTER MERCADO ENTERPRISES CORP.

90. The Counter-Plaintiffs, WALTER MERCADO and ASTROMUNDO, INC., reaver and reallege all the allegations set forth in paragraphs 1 through 45 and further allege as follows:

91. Pursuant to the terms and conditions of the Agreement between Counter-Plaintiff, Mercado and Counter-Defendant, Bart Enterprises, attached hereto as Exhibit "A", Counter-Defendant was obligated to provide payment to Counter-Plaintiff and agreed to provide accounting of its books.

92. Counter-Plaintiff conferred a benefit on the Counter-Defendants, specifically, Counter-Plaintiff agreed to Counter-Defendant's use of Mercado's artist work, product, promotion and the right to develop, produce, distribute and copyright the same.

93. Counter-Defendants have knowledge of the benefit conferred on them by Counter-Plaintiff, yet have failed and refused to pay Counter-Plaintiff for such benefit.

94. Counter-Defendants voluntarily accepted and retained the benefit conferred upon them by the Counter-Plaintiff.

95. The circumstances are such that it would be inequitable for the Counter-Defendants to retain the full benefit conferred on them by the Counter-Plaintiff and not compensate Counter-Plaintiff as required by the agreement for such said services. The Counter-Defendants will be unjustly enriched if allowed to retain Counter-Plaintiff's benefits as they have done thus far.

WHEREFORE Counter-Plaintiffs WALTER MERCADO and ASTROMUNDO, INC., respectfully requests that this Honorable Court enter judgment in favor of the Counter-Plaintiffs and award damages as a result of Counter-Defendants' unjust enrichment and further award statutory, prejudgment interest, attorney's fees, costs and any other relief this Court deems just and proper.

DEMAND FOR JURY TRIAL

Counter-Plaintiffs demand a Jury Trial is hereby requested of all issues so triable.

Respectfully submitted,

The Law Offices of Carlos A. Velasquez, P. A.
Counsel for Defendants/Counter-Plaintiffs
101 North Pine Island Road, Suite 201
Plantation, Florida 33324
Phone:(954)382-0533 - Fax:(954)382-0585

s/ Carlos A. Velasquez
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s/ Carmen J. Cuetos
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SAN JUAN, PR 00919-1964
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FAX: (787) 722-7174
ifa@coqui.net

CERTIFICATE OF SERVICE

I HEREBY certify that on June 26th, 2007 I electronically filed the foregoing document with the Clerk of the Court using the CM/ECF System. I also certify that the foregoing document is being served this day on all counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

s/ Carlos A. Velasquez
CARLOS A. VELASQUEZ, ESQ.
Florida Bar No. 755982
carlos@velasquez-law.com
s/ Carmen J. Cuetos
CARMEN J. CUETOS, ESQ.
Florida Bar No. 619094
carmen@velasquez-law.com

EXHIBIT “A”

AGREEMENT

THIS AGREEMENT, effective as of the 7 day of June, 1995, is by and between Bart Enterprises International, Ltd., an International Business Company organized and existing under the laws of the Commonwealth of the Bahamas (hereinafter referred to as "Bart") and Walter Mercado, an individual residing at San Juan, Puerto Rico (hereinafter referred to as "Mercado.")

WITNESSETH

WHEREAS, Mercado is a well-known psychic and astrologer who provides psychic and astrological counseling to the public; and

WHEREAS, Bart is in the business of producing and distributing entertainment programming, including but not limited to audiovisual, print and audiotext material; and

WHEREAS, Bart has made provisions to obtain ownership rights to previously produced entertainment programming featuring Mercado performing and promoting his psychic and astrological services; and

WHEREAS, Bart and Mercado desire to confirm Bart's ownership rights in and to the results and proceeds of Mercado's past services, and in and to the common law trademark/service mark "Walter Mercado" in connection with, the Preexisting Materials as more fully defined below; and

WHEREAS, Bart desires to produce and distribute Additional Materials, as more fully defined hereunder, featuring and promoting Mercado's psychic and astrological abilities; and

WHEREAS, Mercado desires to grant the right to produce and distribute Additional Materials, and the right to use Mercado's name and "likeness and to own Mercado's common law trademark/service mark "Walter Mercado" in connection therewith:

NOW, THEREFORE, in consideration of Ten (\$10.00) Dollars, receipt of which is hereby acknowledged, and other valuable consideration including the mutual promises hereinafter set forth, the parties hereto agree as follows:

1. Grant of Rights.

(a) Preexisting Materials.

Mercado hereby irrevocably assigns to Bart throughout the Territory during the Term, all right, title and interest, including all copyrights in and to all Preexisting Materials as hereinafter defined, which Mercado heretofore created or originated for Jamie Shoop & Associates Inc., ("Shoop"), and all prior results thereof, in connection with Mercado's astrological and psychic activities, including but not limited to those materials listed on Schedule A attached hereto and made a part hereof ("Preexisting Materials"). Such assignment includes but is not limited to the right to exploit and distribute the Preexisting Materials in any language and in any and all media now known or hereafter developed, including but not limited to theatrical; non-theatrical; television, including but not limited to free, satellite, pay-per-view and cable transmission; home videotape, videodisc and other home video or audio/visual devices; print, including but not limited to books, newspapers, magazines and reprints thereof, direct mail, and point of purchase; electronic publishing; CD-ROMs and the "Internet," the right to merchandises and the right to utilize the Preexisting Materials in all advertising, promotion and publicity created in connection therewith. If the assignment contained in this provision is inconsistent with any previous contract between the parties, this instant Agreement will govern and control.

(b) New Materials.

Mercado hereby grants to Bart the exclusive right and license during the Term and throughout the Territory to develop, produce, distribute and copyright in its own name new materials, in any language, relating to Mercado's psychic and astrological services of whatever

nature whatsoever, including but not limited to print, audiotext, audiovisual and radio programming, computer software, merchandise and advertising and promotion in connection therewith ("New Materials"), throughout the Territory by any and all means and in any and all media now known or hereinafter devised, including but not limited to theatrical; non-theatrical; television, including but not limited to free, satellite, pay-per-view and cable transmission; home videotape, videodisc and other home video or audio/visual devices; print, including but not limited to books, newspapers, magazines and reprints thereof, direct mail, and point of purchase; electronic publishing; CD-ROMs and the "Internet."

2. "Walter Mercado" Mark.

(a) The parties acknowledge that the mark "Walter Mercado" has been used and associated with the Preexisting Materials (the "Mark"). As a result, the Mark has attained the status of a common law trademark and service mark.

(b) Mercado hereby irrevocably assigns to Bart throughout the Territory during the Term, all right, title and interest in and to the Mark, together with that part of the goodwill of Mercado's business connected with and symbolized by said Mark, for use in connection with the Preexisting Materials and the New Materials, if any. Such assignment includes but is not limited to the right to use the Mark in connection with Preexisting Materials and the New Materials in any and all media now known or hereafter developed, including but not limited to theatrical; non-theatrical; television, including but not limited to free, satellite, pay-per-view and cable transmission; home videotape, videodisc and other home video or audio/visual devices; print, including but not limited to newspapers, magazines and reprints thereof, direct mail, and point of purchase; electronic publishing; and CD-ROMs and the "Internet", the right to merchandise and the right to utilize the Mark in all advertising, promotion and publicity created in connection therewith.

(c) Without limiting the breadth of the rights granted in this paragraph, Bart shall have all rights in the Mark which are afforded to owners of trademarks and service marks, including but not limited to the right to seek and obtain trademark protection and/or registration of the Mark in its name, and the right to enforce or defend Bart's rights against third parties. Mercado shall cooperate fully with Bart in Bart's exercise of any of the rights granted hereunder.

3. Name and Likeness.

(a) The parties acknowledge that Mercado's Name and Likeness (as defined below) has been used in connection with the production and exploitation of the Preexisting Materials, and Bart intends to use Mercado's Name and Likeness in connection with the New Materials.

(b) Mercado hereby grants to Bart the right and license during the Term and throughout the Territory to use Mercado's performance, name, signature, photographs, voice, picture, likeness, or other indicia of his identity (collectively "Name and Likeness") in connection with the Preexisting Materials and the New Materials by any means and in any and all media now known or hereafter devised, subject, however, to Mercado's right to prior approve any such use, such approval not to be unreasonably withheld. If such approval is not communicated to Bart within forty-eight (48) hours of Mercado's receipt of the materials, such right of approval shall be deemed waived.

4. Territory

The territory shall be the universe (the "Territory").

5. Term

The term of this Agreement shall be in perpetuity (the "Term"), subject to the provisions of paragraph 12 hereinafter.

6. Mercado's Services.

(a) Prior Agreements.

The parties acknowledge that certain agreements and more specifically that Agreement, dated July 26, 1994, heretofore entered into between Mercado and Shoop, and which is currently in full force and effect, relating to astrological and psychic services Mercado shall provide to Shoop in connection with the creation of Preexisting and New Materials (collectively referred to as "Prior Services Agreements") are hereby deemed, upon execution of this agreement, canceled and terminated by Mercado and Shoop, and therefore null and void and of no further force and effect. An acknowledgment and agreement of Mercado and Shoop that the said Prior Services Agreements are hereby terminated, as aforesaid, is evidenced by execution of this Agreement as hereinafter provided by their respective signatures on this Agreement. It is further understood that Shoop has retained no interest, of any nature whatsoever, in this Agreement and that Shoop has divested itself of any rights in the Preexisting Materials, aforesaid. It is agreed, however, that with respect to any compensation which may be due to Mercado pursuant to the said July 26, 1994 Agreement I shall be paid up to the date of termination thereof.

(b) Additional Services Agreements

(i) Mercado agrees to provide additional psychic and astrological services to Bart in connection with the creation of the New Materials during the Additional Services Period, as defined hereunder. Such Additional Services shall include but not be limited to creating audiotext recordings for pay per call services, appearing in long form commercials ("Infomercials"), creating print, radio and television advertising and making personal appearances. The dates on which such services shall be rendered shall be mutually agreed to by the parties.

(ii) Mercado shall provide Additional Services for a period of ten (10) years from the date hereof (the "Additional Services Period"). The Additional Services Period shall be automatically extended for additional two (2) year periods at the option of Bart, unless

Bart notifies Mercado otherwise no less than thirty (30) days prior to the expiration of the then current Additional Services Period.

(iii) The parties agree that any and all New Materials or parts thereof created or supplied by Mercado shall be deemed works made for hire as such term is defined pursuant to the United states Copyright Law, International Copyright Law, or relevant jurisdiction copyright law, whichever the case may be, as amended from time to time. In the event that any of the results of Mercado's services are not copyrightable subject matter, or for any reason are deemed not to be works made for hire, then and in such event, by execution of this agreement, Mercado hereby assigns all right, title and interest in and to the results of his services to Bart and agrees to execute all further documents required to evidence such assignment.

(c) Compensation.

Bart agrees to pay to Mercado, in consideration of all services rendered by Mercado and the use of the results thereof and all rights granted by Mercado to Bart, the following compensation:

(i) A fee of Twelve Thousand Five Hundred (\$12,500) Dollars per month for each the continental United states and for Puerto Rico (collectively the "United States/Puerto Rico") for an aggregate total of Twenty-five Thousand (\$25,000) Dollars a month;

(ii) Five Thousand (\$5,000) Dollars per month for costumes;

(iii) A total of Two Thousand (\$2,000) Dollars for up to 25 three minute segments per month; and

(iv) An additional fee of up to an additional Twenty-five Thousand (\$25,000) Dollars per month for each additional country (other than the United states/Puerto Rico), in which gross income earned by Bart from such other country is at least equal to the gross income

earned by Bart from the United States in that month, so long as the gross earned by Bart from the United States is a minimum of Two Million (\$2,000,000) Dollars. In the event the gross income earned by Bart from the activities conducted as above described in any country outside of the United States/Puerto Rico is less than that gross income earned in the United States for the period, Mercado's compensation for such country shall be paid on a pro-rata basis. All payments to Mercado hereunder shall be due on or before the 15th day of the month following the month in which such gross revenues are earned.

(v) Further, in addition to the foregoing, Mercado and Bart contemplate additional compensation for services and use of Mercado's name and likeness in connection with non-psycho related activities. With respect to all necessary services which will be rendered by Walter in connection therewith, Walter shall be entitled to compensation therefor, of one-third (1/3) of the gross revenues generated therefrom. It is understood, however, that Walter shall be in no way hereunder prohibited or restricted, for his personal benefit, from conducting his present business endeavors consisting of radio, newspaper, magazines and personal consultation related to psychic activities.

7. No Obligation.

Nothing contained in this Agreement shall be construed to obligate in any way Bart to produce and/or distribute Preexisting Materials or New Materials. Bart shall determine in its sole and absolute discretion whether or not to exploit the rights granted hereunder.

8. Reversion.

Notwithstanding anything contained herein to the contrary, in the event Bart ceases to exploit all of the Preexisting Materials or New Materials, if any, for a period of twelve (12) months or longer, the rights granted in paragraph 2 and 3 hereunder shall automatically revert back to Mercado.

9. Representations and Warranties.

- (a) Mercado represents and warrants that:
 - (i) He has the full right to enter into and fully perform this Agreement in accordance with its terms.
 - (ii) All Preexisting or New Materials or parts thereof created or supplied by Mercado are or shall be original to him.
 - (iii) The execution, delivery and performance of this Agreement and any Preexisting or New Materials created or supplied by Mercado shall not infringe upon the rights, including but not limited to, the rights of privacy or publicity and copyright or trademark or any other personal rights of any third party of violate the provisions of any agreement to which Mercado is a party.
 - (iv) Throughout the Term hereof Mercado shall not, other than on behalf of Bart, directly or indirectly, participate in or authorize or permit his name, signature, photograph, voice, picture, likeness, or other indicia of his identity to be exploited in any manner, in connection with any commercial, advertisement, promotion, merchandising, publicity, endorsement, or other commercial exploitation, for any product, service, company, individual or entity whatsoever that may compete with any of the Preexisting of New Materials.
 - (v) Throughout the Term hereof Mercado shall not, other than on behalf of Bart, directly or indirectly, participate in or authorize or permit the Mark to be exploited in any manner, in connection with any commercial, advertisement, promotion, merchandising, publicity, endorsement, or other

commercial exploitation, for any product, service, company, individual or entity whatsoever that may compete with any of the Preexisting or New Materials.

(vi) None of the Preexisting Materials or New Materials or parts thereof are or shall be in the public domain.

(b) Bart represents and warrants that:

(i) Bart has the full right to enter into and fully perform this Agreement in accordance with its terms.

(ii) All Materials and any parts thereof created or supplied by Bart shall be original to it.

(iii) The execution, delivery and performance of this Agreement and the Materials supplied by Bart shall not infringe upon the rights, including but not limited to, the rights of privacy or publicity, and copyright or trademark or any other personal rights of any third party or violate the provisions of any agreement to which it is a party.

10. Indemnification.

(a) The parties shall defend, indemnify and hold harmless each other from third parties against any and all claims, actions, liabilities, costs and expenses, including court costs and reasonable attorneys fees resulting from the breach by either party of any of their respective warranties, representations or agreements made herein.

(b) The party claiming right of indemnification ("Indemnitee") shall promptly notify the party from which indemnification is sought ("Indemnitor"), of any claim against the Indemnitee which might give rise to a claim against the Indemnitor under this Agreement, stating

the nature and basis of the claim and, if known, the amount thereof. If a legal action or proceeding is brought against the Indemnitee with respect to which the Indemnitor may have liability under this Agreement, Indemnitor shall have the right, without prejudice, to the Indemnitee's rights under this Agreement, at the sole expense of the Indemnitor, to be represented by counsel of Indemnitor's own choosing (with whom counsel for the Indemnitee shall confer in connection with the defense of any such action or proceeding) and, to the extent that it shall wish, to assume the defense thereof with counsel approved by the Indemnitee, which approval will not be unreasonably withheld. After notice from the Indemnitor to the Indemnitee of the Indemnitor's election to assume the defense, the Indemnitor shall not be liable to the Indemnitee for any fees of other counsel or any other expenses incurred by the Indemnitee, except where such expenses are incurred at the request of the Indemnitor in connection with the defense of any action or proceeding. The Indemnitee shall make available to the Indemnitor and Indemnitor's counsel all materials relating to such action or proceeding and the parties shall cooperate with each other in defending against such action. The Indemnitee shall not make any settlement of any claims which might give rise to liability of the Indemnitor without the Indemnitor's prior written consent, which consent shall not be unreasonably withheld:

11. Affirmative Covenants.

(a) Mercado and Bart each agree that at no time, during the Term hereof, shall either party disparage the other or any of its products, services, business associates, directors, officers, employees or representatives or his association with them.

(b) If at any time during the Term any third party uses or threatens to use, in any manner, Mercado's name, signature, photograph, voice, picture, likeness, or other indicia of his identity or the name, signature, photograph, voice, picture, likeness, or other indicia of identity of

a party other than Mercado in a manner which is likely to be confused with or taken to be that of Mercado and such use would, if it had been authorized by Mercado, constitute a violation of this paragraph, then at Bart's request, Mercado shall take such steps as Bart reasonably requests to cooperate with any legal action deemed necessary by Bart.

12. Termination.

(a) Right to Terminate.

(i) Bart shall have the right to terminate this Agreement immediately (A) in the event of a material breach by Mercado which remains uncured for a period of ten (10) days following written notice thereof; (B) if judicial proceedings are filed or institute against Mercado, which Bart reasonably believes may impact upon the reputation or integrity of Mercado, or have an impact upon Mercado's ability to perform its duties hereunder.

(ii) Mercado shall have the right to terminate this Agreement immediately (A) in the event of a material breach by Bart wh5.ch remains uncured for a period of ten (10) days following written notice thereof; (B) if judicial proceedings are filed or instituted against Bart, which Mercado reasonably believes may impact upon the reputation or integrity of Bart, or have an impact upon Bart's ability to perform its duties hereunder.

(iii) Notwithstanding anything herein to the contrary, if Bart fails to make any of the above mentioned payments, in paragraph 6(c), within sixty (60) days from the due date, then Mercado shall have the option to declare this contract null and void and all payments already made on the part of Bart shall be retained by Mercado, provided Mercado gives Bart; written notice at least fifteen (15) days prior to such date of termination and Bart fails to cure the non-payment within such time period or otherwise can justify its failure to make any such payments.

(b) Effect of Termination.

(i) In the event this Agreement is terminated, Bart shall have the right to sell-off any and all remaining Preexisting and New Materials for a period of six (6) months after the termination date, subject, however, to making the payments set forth in the respective underlying agreements for the remaining Preexisting and New Materials.

(ii) In the event this Agreement is terminated by either party for reasons other than non-payment of compensation to Walter as a material breach by Bart, and Mercado provides similar activities, employment, engagements and services in connection with his psychic and astrological services, Bart shall be entitled to receive ten (10%) percent of all gross Monies and other Consideration, as such term is defined hereunder for three (3) years following termination of this Agreement. Gross Monies and other Consideration shall mean any and all sums received by or credited to the account of Mercado resulting from the use of Mercado's psychic and astrological services and the results and proceeds thereof after termination of this Agreement including but not limited to, salaries, earnings, fees, royalties, residuals, repeat and rerun fees, gifts, bonuses, shares of profit, shares of stock, partnership interests, forgiveness of indebtedness, percentages and the total amount paid for any package, television or radio program, motion picture, print or other entertainment packages and any of which are earned or received directly or indirectly by Mercado or Mercado's heirs, executors, administrators or assigns, or by any other person, firm or corporation on Mercado's behalf. If any corporation, partnership, trust, joint venture or other business entity in which Mercado has a direct or indirect interest shall receive any compensation for permitting or contracting for the use of Mercado's services, name, likeness or endorsement, then such compensation shall be deemed "Gross Monies" for the purposes of this agreement.

(iii) Mercado shall maintain accurate books and records relating to Gross Monies and other Consideration, if any, for so long as Gross Monies and other Consideration continues to be earned. Mercado shall furnish Bart on a monthly basis with detailed accounting setting forth all Gross Monies and Other Consideration received or credited to the account of Mercado during the previous month accompanied by payment of any and all monies due to Bart. Bart and/or Bart's representative shall have the right upon reasonable request, during regular business hours, to inspect and make copies of such books and records. In the event of a disparity in Mercado's favor of more than five (5%) percent, Mercado shall be responsible for paying Bart's actual costs and expenses associated with the audit and immediately remitting to Bart all monies due.

(iv) Notwithstanding the foregoing, if Mercado enters into agreements with any third parties in connection with the exploitation of his psychic and/or astrological services, Mercado shall direct all such third parties to pay and account directly to Bart on the same basis as it pays and accounts to Mercado.

13. Remedies.

Subject to the terms of this agreement, all grants granted or assigned by this agreement shall be irrevocable under all or any circumstances, and shall not be subject to rescission, termination or injunction. In the case of breach of this agreement by Bart, Mercado's sole remedy shall be limited to an action at law for damages. Neither party shall be liable for damages for breach of this Agreement unless the party in breach has been given reasonable notice and opportunity to adjust or correct the matter complained of, provided such breach is capable of being adjusted or corrected.

14. Notices.

All notices to the parties hereby shall be deemed to have been duly I given when sent by registered mail, return receipt requested, or cablegram j or telex duly acknowledged, to such parties at the addresses herein below indicated for their principal office:

If to Bart:

Bart Enterprises International, Ltd.

c/o Lennox Paton Chambers

Cloughton House

Charlotte Street

Nassau, Bahamas

If to Mercado:

Walter Mercado

c/ Jose Delgado Cadilla

Castro, Delgado, Cadilla & Ramos

Chase Building (Housing)

416 Ponce de Leon Avenue

Suite 615

San Juan, Puerto Rico 00918

or to such other address as the party to whom notice is to be given may i have furnished to the other party in writing in accordance herewith.

15. Services Unique.

The services to be performed by Mercado and the rights granted hereunder are special, unique, extraordinary and impossible of replacement, giving them a particular value, the loss of which cannot reasonably or adequately be compensated in damages in an action at law and that

Mercado's failure or refusal to perform his obligations hereunder would cause irreparable harm or damage. Therefore, should Mercado fail or refuse to perform such obligations, Bart shall be entitled in addition to any of its other rights and remedies Bart may have, to seek injunctive or other equitable relief.

16. Hiring and Employment of Psychics.

The hiring of psychics who will answer calls shall be carried out by Bart, which will seek and follow Mercado's advice in the selection and screening of credentials and abilities of such psychics. While Bart has discretion in the hiring and employment of said psychics, Bart shall not hire or keep under contract or employment any psychic whom Mercado deems unfit or unacceptable for the purposes described in this Agreement.

17. Inspection of Accounting Books.

Mercado may appoint a certified public accountant to examine the books and records of Bart, but solely with reference to the subject matters of this Agreement. Such examination may be made during normal business hours upon twenty (20) days written notice prior to Bart, but there shall be not more than one such examination during any calendar year.

18. Professional Rendition of Services.

Mercado will attend and participate in all rehearsals, filming or taping and photography sessions required and will render his services hereunder in accordance with the scripts or other materials Bart shall furnish to Mercado for such purposes. Mercado agrees to render Bart's services in a competent and artistic manner to the best of his ability, and that all Mercado's services will be subject to Bart's approval, direction and reasonable control at all times. Mercado will promptly comply with whatever reasonable instructions, suggestions, and recommendations Bart may give Mercado in connection with the rendition of such services. Notwithstanding the

foregoing, nothing contained in this paragraph shall be deemed to diminish Mercado rights of approval as otherwise provided in this Agreement.

19. Life Insurance.

Mercado agrees that Bart may obtain, in its discretion and at its sole cost and expense, a life insurance policy on the life of Mercado in any amount up to and including Five Million (\$5,000,000) Dollars which names Bart or anyone appointed by Bart as beneficiary. Mercado agrees to execute any and all documents reasonably requested by Bart to give effect to this provision.

20. Miscellaneous.

(a) Any waiver by Bart or Mercado of a breach of any term or condition of this Agreement shall not be considered as a waiver of any subsequent breach of the same or any other condition hereof.

(b) If any provision of this Agreement is declared void or unenforceable by any judicial or administrative authority, this shall not in and of itself nullify the remaining provisions of this Agreement.

(c) This Agreement shall not be deemed to constitute the parties a partnership, joint venture, association or any type of combination. This Agreement shall also not be deemed to constitute any party the agent of the other, or to authorize any party to incur any obligations on behalf of any other or to make on behalf of the other party any promises, warranties or representations.

(d) This Agreement shall be deemed to have been made in Puerto Rico, and shall be governed by and construed in accordance with the laws of Puerto Rico and the parties hereto submit to the jurisdiction of the courts of Puerto Rico.

(e) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, parents, subsidiaries or otherwise related or affiliated company(ies). Notwithstanding the foregoing, this Agreement shall not be assignable by Mercado without the prior written consent of Bart. Bart has the full and unrestricted right to assign this Agreement, provided Guillermo Bakula shall thereafter remain and act in a consultant or advisory capacity of Executive Producer hereunder.

(f) The paragraph headings of this Agreement are for convenience only and shall not be deemed to affect in any way the meaning of the provisions to which they refer.

(g) This Agreement represents the entire agreement of the parties, and all prior assertions, understandings, warranties and representations are merged herein. It is a final integrated agreement which includes all the terms, conditions, and representations between the parties, and the parties make no warranty, covenants or agreements, express or implied, except those expressly set forth herein. This Agreement may be modified or amended only by a writing signed by all parties to this Agreement.

(h) This agreement may be executed in counterparts, each of which shall constitute an original.

(i) The effective date of this Agreement shall be June 7, 1995.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in by their duly authorized officers effective as of the day and year first above written.

WITNESSES:

BART ENTERPRISES INTERNATIONAL , LTD.

BART ENTERPRISES INTERNATIONAL, LTD.

By: _____

Guillermo Bakula, President

Dated: August 4, 1995

Walter Mercado

Dated: August 4, 1995

EXHIBIT “B”

Translation of letter dated November 22, 2006 from Astromundo, Inc. to Bill Bakula

November 22, 2006

Mr. Bill Bakula
Miami, Florida

Dear Mr. Bakula:

Effective November 22, 2006 we consider the business relations between you, your companies and Mr. Walter Mercado and his company, Astromundo, Inc. to be terminated.

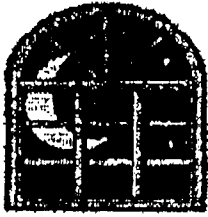
In regards to the balance that you have with Mr. Mercado and his company, I would appreciate that it be satisfied as soon as possible.

We will be contacting you soon in order to accomplish an audit of the businesses that you achieved with the name and image of Mr. Mercado during the last five years.

According to the determination taken, all activity in which you have been representing and/or utilizing the name and image of Mr. Walter Mercado are hereby cancelled.

Cordially,

Carmen Dolores Ruiz Lopez
Legal representative of Astromundo, Inc.



ASTROMUNDO, INC.

352 AVE. SAN CLAUDIO SUITE 215
SAN JUAN, PUERTO RICO 00926
787-748-2050 TELEFONO Y FAX

22 de noviembre de 2006

Sr. Bill Bakula
Miami, Florida

Estimado Sr. Bakula:

Efectivo el 22 de noviembre de 2006 damos por concluida la relación de negocios entre usted, sus empresas y el Sr. Walter Mercado y su empresa Astromundo, Inc.

En relación a la deuda que usted tiene con el Sr. Mercado y su empresa agradeceré sea satisfecha a la mayor brevedad posible.

Oportunamente estaremos comunicándonos para la realización de una auditoría de los negocios que usted efectuó con el nombre y la figura del Sr. Mercado durante los pasados cinco años.

Conforme a la determinación tomada, queda cancelada todo tipo de actividad en la que usted ha estado representando y/o utilizando el nombre y la figura del Sr. Walter Mercado.

Cordialmente,

Carmen Dolores Ruiz López
Asesora legal de Astromundo, Inc.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 07-20136 CIV SEITZ/McALILEY

WALTER INTERNATIONAL PRODUCTIONS, INC., a Florida Corporation, **WATERVISION, INC.**, a Florida Corporation, **WALTERVISION PRODUCTIONS, INC.**, a Florida Corporation, **WALTER MERCADO RADIO PRODUCTIONS, INC.**, a Florida Corporation, **BART ENTERPRISES INTERNATIONAL, LTD.**, a Bahamas Corporation, and **WALTER MERCADO ENTERPRISES CORP.**, a Florida Corporation,

Plaintiffs/Counter-Defendants,

v.

WALTER MERCADO SALINAS, a natural person, and **ASTROMUNDO, INC.**, a Puerto Rico Corporation,

Defendants.

PLAINTIFFS/COUNTER-DEFENDANTS' ANSWER AND AFFIRMATIVE DEFENSES TO DEFENDANTS' COUNTERCLAIM

Plaintiffs/Counter-Defendants, Walter International Productions, Inc. ("Walter International"), Watervision, Inc. ("Watervision"), WalterVision Productions, Inc. ("WalterVision"), Walter Mercado Radio Productions, Inc. ("Radio Productions"), Bart Enterprises International, Ltd. ("Bart Enterprises" or "Bart") and Walter Mercado Enterprises Corp. ("Walter Enterprises") (collectively, "Plaintiffs" or "Counter-Defendants"), by and through undersigned counsel, submit their Answer and Affirmative Defenses to Defendants', Walter Mercado Salinas ("Mercado") and Astromundo, Inc. ("Astromundo") (collectively, the "Defendants" or "Counter-Plaintiffs") Counterclaim and state:

I. NATURE OF THE ACTION

1. Plaintiffs/Counter-Defendants admit that this purports to be an action for damages for breach of contract, breach of fiduciary duty, declaratory relief and equitable remedies brought under applicable federal, common federal and state law. Plaintiffs/Counter-Defendants deny that Defendants/Counter-Plaintiffs have valid causes of action for breach of contract, breach of fiduciary duty, declaratory relief and equitable remedies brought under applicable federal, common federal and state law. Plaintiffs/Counter-Defendants deny the remaining allegations within paragraph no. 1 of the Counterclaim.

2. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs, Mercado and Astromundo, are both residents of Puerto Rico and affirmatively state that Mercado travels frequently to Miami. Plaintiffs/Counter-Defendants deny the remaining allegations within paragraph no. 2 of the Counterclaim.

3. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have brought this action against Plaintiffs/Counter-Defendants for compensation for damages and/or sufferings, loss of profits and default, temporary, preliminary and/or permanent injunction. Plaintiffs/Counter-Defendants deny that Defendants/Counter-Plaintiffs are entitled to the relief requested and deny the remaining allegations contained within paragraph no. 3 of the Counterclaim.

II. JURISDICTION AND VENUE

4. Plaintiffs/Counter-Defendants admit the allegations contained within paragraph no. 4 of the Counterclaim.

5. Plaintiffs/Counter-Defendants admit that the matter in controversy purports to involve federal questions arising under the Constitution, as well as copyright and trademark laws

of the United States; Constitution of the United States, Art. 1, Sect. 8; Federal Copyright Act of 1976, as amended, 17 U.S.C.A. §§ 101, *et. seq.*, and Trademark Laws of the United States, 15 U.S.C.A. §§ 1051 *et. seq.* Plaintiffs/Counter-Defendants deny that Defendants/Counter-Plaintiffs have valid causes of action under the aforementioned laws. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 5 of the Counterclaim.

III. PARTIES

6. Plaintiffs/Counter-Defendants admit that Walter Mercado is a well known individual, artist, media and entertainment public figure and affirmatively state that their efforts in large part created these factors. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 6 of the Counterclaim.

7. Plaintiffs/Counter-Defendants lack sufficient knowledge to admit or deny that Defendant/Counter-Plaintiff Astromundo is a corporation duly organized and existing under the laws of the Commonwealth of Puerto Rico with its principal place of business in San Juan, Puerto Rico. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 7 of the Counterclaim.

8. Plaintiffs/Counter-Defendants deny that Bart Enterprises is a dissolved corporation. Plaintiffs/Counter-Defendants admit the remaining allegations contained within paragraph no. 8 of the Counterclaim.

9. Plaintiffs/Counter-Defendants admit that Walter International Productions, Inc., Watervision, Inc., Waltervision Productions, Inc., Walter Mercado Radio Productions, Inc., and Walter Mercado Enterprises Corp. are and were, at all times relevant to the Counterclaim, corporations organized and existing under the laws of the state of Florida, with their principal

place of business in Miami, Florida and that they are the assignees of certain rights under the agreement between the parties. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 9 of the Counterclaim.

IV. STATEMENT OF CLAIM

10. Plaintiffs/Counter-Defendants admit that Mercado is now a well known individual, artist, media and entertainment public figure and affirmatively state that it is their efforts that in large part led to this result. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 10 of the Counterclaim.

11. Plaintiffs/Counter-Defendants admit that Mercado's attributes, appearances, publications and/or counseling services are valued by the public as a psychic and astrologer and affirmatively state that much of that value has been created by Plaintiffs/Counter-Defendants. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 11 of the Counterclaim.

12. Plaintiffs/Counter-Defendants lack sufficient knowledge to admit or deny the allegations contained within paragraph no. 12 of the Counterclaim.

13. Plaintiffs/Counter-Defendants admit that on August 4, 1995, Defendant/Counter-Plaintiff Mercado entered into an agreement which, among other things, allowed Bart Enterprises to produce and distribute entertainment programming featuring and promoting Mercado's artistic abilities as a psychic and astrologer. Plaintiffs/Counter-Defendants admit that the Agreement dated August 4, 1995 is attached to the Complaint. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 13 of the Counterclaim.

14. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted sections 4 and 5 of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 14 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 14 of the Counterclaim.

15. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted section 1(a) of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 15 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 15 of the Counterclaim.

16. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted section 1(a) of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 16 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 16 of the Counterclaim.

17. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted section 1(b) of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 17 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 17 of the Counterclaim.

18. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted sections 3(a) - 3(c) of Exhibit A and state that the document speaks for

itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 18 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 18 of the Counterclaim.

19. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted section 7 of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 19 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 19 of the Counterclaim.

20. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted a portion of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 20 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 20 of the Counterclaim.

21. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted a portion of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 21 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 21 of the Counterclaim.

22. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted a portion of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 22 of the

Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 22 of the Counterclaim.

23. Plaintiffs/Counter-Defendants admit that Defendants/Counter-Plaintiffs purport to have selectively quoted section 6(c) of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 23 of the Counterclaim to the extent that they are inconsistent therewith. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 23 of the Counterclaim.

24. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 24 of the Counterclaim.

25. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 25 of the Counterclaim.

26. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 26 of the Counterclaim.

27. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 27 of the Counterclaim.

28. Plaintiffs/Counter-Defendants lack sufficient knowledge to admit or deny the allegations contained within paragraph no. 28 of the Counterclaim.

29. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 29 of the Counterclaim.

30. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 30 of the Counterclaim.

31. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 31 of the Counterclaim.

32. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 32 of the Counterclaim.

33. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 33 of the Counterclaim.

34. Plaintiffs/Counter-Defendants lack sufficient knowledge to admit or deny the allegations contained within paragraph no. 34 of the Counterclaim.

35. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 35 of the Counterclaim.

36. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 36 of the Counterclaim.

37. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 37 of the Counterclaim.

38. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 38 of the Counterclaim.

39. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 39 of the Counterclaim.

40. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 40 of the Counterclaim.

41. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 41 of the Counterclaim.

42. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 42 of the Counterclaim.

43. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 43 of the Counterclaim.

44. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 44 of the Counterclaim.

45. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 45 of the Counterclaim.

**COUNT I
BREACH OF CONTRACT
BART ENTERPRISES**

46. Plaintiffs/Counter-Defendants adopt, re-allege and restate the answers to the allegations contained within paragraphs nos. 1-45.

47. Plaintiffs/Counter-Defendants admit Counter-Plaintiffs purport to have quoted section 6(c) of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny any implication that either Bart Enterprises breached the Agreement or that Counter-Plaintiffs are entitled to recover additional compensation based on section 6(c) of the Agreement and deny the remaining allegations contained within paragraph 47 of the Counterclaim.

48. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 48 of the Counterclaim.

49. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 49 of the Counterclaim as they are nothing more than legal conclusions.

50. Plaintiffs/Counter-Defendants admit Counter-Plaintiffs purport to have quoted paragraph 12(a)(ii) of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-

Defendants deny the remaining allegations contained within paragraph no. 50 of the Counterclaim.

51. Plaintiffs/Counter-Defendants admit Counter-Plaintiffs purport to have quoted paragraph 17 of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-Defendants deny any implication that Counter-Plaintiffs were prevented from inspecting the accounting books based on paragraph 17 and deny the remaining allegations contained within paragraph 51 of the Counterclaim.

52. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 52 of the Counterclaim.

53. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 53 of the Counterclaim.

54. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 54 of the Counterclaim.

COUNT II
BREACH OF CONTRACT
WALTER INTERNATIONAL, WATERVISION, WALTERVISION,
RADIO PRODUCTIONS, AND WALTER ENTERPRISES

55. Plaintiffs/Counter-Defendants adopt, re-allege and restate the answers to the allegations contained within paragraphs nos. 1-45.

56. Plaintiffs/Counter-Defendants admit the allegations contained within paragraph no. 56 of the Counterclaim.

57. Plaintiffs/Counter-Defendants admit the allegations contained within paragraph no. 57 of the Counterclaim.

58. Plaintiffs/Counter-Defendants admit that Counter-Plaintiffs purport to have quoted section 6(c) of Exhibit A and state that the document speaks for itself. Plaintiffs/Counter-

Defendants deny the remaining allegations contained within paragraph no. 58 of the Counterclaim.

59. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 59 of the Counterclaim as they are nothing more than legal conclusions.

60. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 60 of the Counterclaim.

61. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 61 of the Counterclaim.

62. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 62 of the Counterclaim.

**COUNT III
DECLARATORY JUDGMENT
BART ENTERPRISES**

63. Plaintiffs/Counter-Defendants adopt, re-allege and restate the answers to the allegations contained within paragraphs nos. 1-45.

64. Plaintiffs/Counter-Defendants admit that a justiciable controversy exists between the parties, but deny that Defendants/Counter-Plaintiffs interpretation of the agreement at issue is legally or factually correct. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 64 of the Counterclaim.

65. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 65 of the Counterclaim.

**COUNT IV
BREACH OF THE FIDUCIARY DUTY
BART ENTERPRISES**

66. Plaintiffs/Counter-Defendants adopt, re-allege and restate the answers to the allegations contained within paragraphs nos. 1-45.

67. Plaintiffs/Counter-Defendants state that the agreement between the parties attached to the Complaint speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 67 of the Counterclaim to the extent that they are inconsistent therewith.

68. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 68 of the Counterclaim as they are nothing more than legal conclusions.

69. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 69 of the Counterclaim.

70. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 70 of the Counterclaim.

71. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 71 of the Counterclaim.

**COUNT V
BREACH OF COVENANT OF GOOD FAITH AND FAIR DEALING
BART ENTERPRISES**

72. Plaintiffs/Counter-Defendants adopt, re-allege and restate the answers to the allegations contained within paragraphs nos. 1-45.

73. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 73 of the Counterclaim.

74. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 74 of the Counterclaim.

75. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 75 of the Counterclaim.

**COUNT VI
INJUNCTIVE RELIEF
WALTER INTERNATIONAL, WATERVISION, WALTERVISION, RADIO
PRODUCTIONS, BART ENTERPRISES and WALTER ENTERPRISES**

76. Plaintiffs/Counter-Defendants adopt, re-allege and restate the answers to the allegations contained within paragraphs nos. 1-45.

77. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 77 of the Counterclaim.

78. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 78 of the Counterclaim.

79. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 79 of the Counterclaim.

80. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 80 of the Counterclaim.

81. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 81 of the Counterclaim.

82. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 82 of the Counterclaim.

83. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 83 of the Counterclaim.

COUNT VII
VIOLATION OF COPYRIGHT AND TRADEMARK LAWS
WALTER INTERNATIONAL, WATERVISION, WALTERVISION,
RADIO PRODUCTIONS, BART ENTERPRISES, and WALTER ENTERPRISES

84. Plaintiffs/Counter-Defendants adopt, re-allege and restate the answers to the allegations contained within paragraphs nos. 1-45.

85. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 85 of the Counterclaim.

86. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 86 of the Counterclaim.

87. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 87 of the Counterclaim.

88. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 88 of the Counterclaim.

89. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 89 of the Counterclaim.

COUNT VIII
UNJUST ENRICHMENT
WALTER INTERNATIONAL, WATERVISION, WALTERVISION,
RADIO PRODUCTIONS, BART ENTERPRISES, and WALTER ENTERPRISES

90. Plaintiffs/Counter-Defendants adopt, re-allege and restate the answers to the allegations contained within paragraphs nos. 1-45.

91. Plaintiffs/Counter-Defendants state that the agreement between the parties attached to the Complaint speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 91 of the Counterclaim to the extent that they are inconsistent therewith.

92. Plaintiffs/Counter-Defendants state that the agreement between the parties attached to the Complaint speaks for itself. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 92 of the Counterclaim to the extent that they are inconsistent therewith.

93. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 93 of the Counterclaim.

94. Plaintiffs/Counter-Defendants affirmatively state that they accepted the benefits and burdens of the agreement between the parties and acted, at all times, in accordance with its terms. Plaintiffs/Counter-Defendants deny the remaining allegations contained within paragraph no. 94 of the Counterclaim.

95. Plaintiffs/Counter-Defendants deny the allegations contained within paragraph no. 95 of the Counterclaim.

WHEREFORE, Plaintiffs/Counter-Defendants and Counter-Defendants, Walter International Productions, Inc., Watervision, Inc., WalterVision Productions, Inc., Walter Mercado Radio Productions, Inc., Bart Enterprises International, Ltd. and Walter Mercado Enterprises Corp., respectfully request that this Court deny the relief sought by Defendants, Walter Mercado Salinas ("Mercado") and Astromundo, Inc., in their Counterclaim.

AFFIRMATIVE DEFENSES

Plaintiffs/Counter-Defendants assert the following affirmative defenses without assuming the burden of proof where such burden is otherwise on Defendants/Counter-Plaintiffs. Plaintiffs/Counter-Defendants reserve the right to amend their affirmative defenses, including without limitation, any defenses based upon information to be learned through discovery.

1. Defendants/Counter-Plaintiffs have waived their rights, if any, to assert any and all of their claims against Plaintiffs/Counter-Defendants by signing the contract, performing under the contract for almost 12 years and by accepting substantial financial compensation from Plaintiffs/Counter-Defendants, without raising any of the claims asserted in the counterclaim.

2. Defendants'/Counter-Plaintiffs' claims are barred by the doctrine of unclean hands.

3. Defendants/Counter-Plaintiffs are barred and estopped from pursuing their claims against Bart Enterprises by signing the contract, through their course of conduct for a period of almost 12 years and because they repudiated the contract by failing to meet the requirements fully stated therein.

4. Defendants/Counter-Plaintiffs are barred and estopped from alleging that the contract is invalid under the doctrine enouncing that no person can go against his/her own acts.

5. Defendants/Counter-Plaintiffs are barred and estopped from arguing that the contract was validly terminated because they failed to comply with conditions precedent.

6. Defendants/Counter-Plaintiffs failed to mitigate their damages by, among other things, having waited almost 12 years to assert the claims included in the counterclaim.

7. Defendants/Counter-Plaintiffs assumed the risk by signing the contract after receiving legal advice from counsel and by continuing to perform under the contract for a period of almost 12 years.

8. The claims asserted by the Defendants/Counter-Plaintiffs are totally or partially precluded by prescription, caducity and/or the statute of limitations.

9. Defendants/Counter-Plaintiffs are barred by the doctrine of laches, for having waited close to 12 years before asserting the claims included in the counterclaim.

10. Defendants/Counter-Plaintiffs are barred by the doctrine of *exceptio non adimpleti contractus*. By failing to comply with the obligations under the contract, Defendants/Counter-Plaintiffs are precluded from bringing forth a claim for breach of contract.

11. Defendants/Counter-Plaintiffs failed to comply with a condition precedent to asserting a claim for violation of moral rights. Specifically, Defendants/Counter-Plaintiffs failed to register the works for which they purportedly have rights under Puerto Rico law.

12. Defendants/Counter-Plaintiffs are barred and estopped from asserting any rights under trademark law insofar as Plaintiffs/Counter-Defendants have title over the trademarks/tradenames which are the subject of this litigation. In the alternative, Defendants/Counter-Plaintiffs granted a license to use the trademarks/tradenames expressly or by acquiescence, conduct, and/or equitable estoppel.

13. Defendants/Counter-Plaintiffs are not entitled to assert any rights under the Copyright Act insofar as Plaintiffs/Counter-Defendants have title over the works that are the subject of this litigation and/or the works were made-for-hire. In the alternative, Defendants/Counter-Plaintiffs granted an express or implied license to use the works subject to copyright protection.

14. Defendants/Counter-Plaintiffs have failed to state a cause of action upon which relief can be granted for breach of contract against Plaintiffs/Counter-Defendants Walter International, Watervision, Waltelevision, Radio Productions, and Walter Enterprises.

15. Defendants/Counter-Plaintiffs are barred and estopped from pursuing a claim for breach of fiduciary duty against Bart Enterprises because the relationship between the parties was at arms length and because all relevant information was fully disclosed to Defendants/Counter-Plaintiffs and Bart Enterprises did not participate in self-dealing or obtain

any benefits that Defendants/Counter-Plaintiffs were entitled to. Payments to Defendants/Counter-Plaintiffs were made in accordance with the express terms of the contract.

16. Bart Enterprises has always acted in good faith and is not guilty of wrongdoing. Bart Enterprises conducted itself at all times in accordance with the contract and the applicable standards and norms of this business. Bart Enterprises used good faith efforts to comply with the contract, which included paying Defendants/Counter-Plaintiffs according to the contract terms and providing Defendants/Counter-Plaintiffs with all information and other materials that Bart Enterprises deemed reasonable and appropriate.

17. Defendants/Counter-Plaintiffs are barred and estopped from pursuing a claim for injunctive relief because irreparable harm does not exist where the potential loss is compensable by money damages.

18. Defendants/Counter-Plaintiffs are barred and estopped from pursuing a claim for declaratory judgment.

19. Defendants/Counter-Plaintiffs have waived their rights, if any, to assert their claim of violation of copyright and trademark laws against Plaintiffs/Counter-Defendants. Defendants/Counter-Plaintiffs voluntarily relinquished their alleged rights, which include but are not limited to, the use and promotion of Mercado's image, name, likeness and voice, by fully executing the contract with Bart Enterprises.

20. Defendants/Counter-Plaintiffs are barred and estopped from pursuing a claim for unjust enrichment because Defendants/Counter-Plaintiffs had an express contract stating the terms and conditions upon which Defendants/Counter-Plaintiffs were to receive payments.

21. Defendants/Counter-Plaintiffs are barred and estopped from pursuing a claim for unjust enrichment because Defendants/Counter-Plaintiffs derived a substantial benefit from all the money paid from 1995 until Defendants/Counter-Plaintiffs breached the contract.

22. Defendants/Counter-Plaintiffs are barred and estopped from pursuing any tort claims because the economic loss rule applies and/or because there is an express contract stating the terms and conditions of the parties' relationship.

23. Damages Defendants/Counter-Plaintiffs averred to have suffered are excessive and are tantamount to punitive damages which are not available under applicable law.

24. Defendants/Counter-Plaintiffs are barred from receiving compensatory damages because they have not restored Plaintiffs/Counter-Defendants to their original position. Because Defendants/Counter-Plaintiffs now claim that they have suffered irreparable and considerable damages over the past 12 years and that the agreement is void *ab initio*, they need to restore Plaintiffs/Counter-Defendants to the *status quo ante* and to refund all the money that was paid by Plaintiffs/Counter-Defendants.

25. Defendants/Counter-Plaintiffs have failed to mitigate any damages.

26. Defendants/Counter-Plaintiffs have failed to meet any and all of their obligations.

Respectfully submitted,

GREENBERG TRAUIG, P.A.
Attorneys for Plaintiffs/Counter-Defendants
1221 Brickell Avenue
Miami, Florida 33131
Telephone: (305) 579-0500
Facsimile: (305) 579-0717

By: /s/ Marlene K. Silverman

MARLENE K. SILVERMAN
Florida Bar No. 226947
E-mail: silvermanm@gtlaw.com

CERTIFICATE OF SERVICE

I hereby certify that on July 27th, 2007, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record or pro se parties identified on the attached Service List in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

/s/ Marlene K. Silverman

MIA 179674848v3 7/27/2007