

## **MyPlayCity awarded a \$500,001 judgment against Conduit**

ALEXANDRIA, Va., May 30, 2013 /PRNewswire/ -- A jury in the United States District Court for Southern District of New York recently held that Conduit Limited ([www.conduit.com](http://www.conduit.com)) was liable to MyPlayCity, Inc. ([www.myplaycity.com](http://www.myplaycity.com)) for \$500,001. The jury concluded that Conduit had unjustly enriched itself by continuing to distribute MyPlayCity's toolbar bearing MyPlayCity's trademark after the contract between the parties ended, and keeping all of the revenues which it received.

Conduit claimed it had done nothing wrong and was entitled to keep all of the \$566,551.44 in profits which it made from its illegal use of MyPlayCity's trademark. However, after hearing all the facts in the case, the jury rejected Conduit's arguments, including its assertion that MyPlayCity was entitled to no more than \$17,000, and awarded MyPlayCity, represented by Femida law firm ([femida.us](http://femida.us)), \$500,001 from the total profits Conduit claimed it received. The Court also noted that Conduit should have settled the case before trial.

The Court further concluded that Conduit had acted in bad faith and that many of the positions it took in the case were a "joke" and "patently unreasonable." For example, Conduit tried to claim that it only passively broke the law by continuing to distribute MyPlayCity's trademark without a license to do so. The Court rejected this argument as "nonsense." However, the Court held that Conduit's conduct, while in bad faith, was not so morally reprehensible as to merit punitive damages. The Court also ruled that a limitation of liability clause capped Conduit's liability at \$5,000 during the period before the contract was terminated, regardless of the extent of Conduit's failure to properly pay MyPlayCity revenues owed to MyPlayCity. In MyPlayCity's opinion, the Court's ruling ignored MyPlayCity's well-documented evidence that Conduit had misled MyPlayCity, acted willfully and grossly underpaid it during the contract between the parties. As a result of the Judge's findings, MyPlayCity was not allowed to show the extent of Conduit's bad faith to the jury so that the jury could decide the proper amount of punitive damages. MyPlayCity strongly believes that such rulings were not warranted and, therefore, MyPlayCity is appealing these rulings to ensure that a jury is able to see the full extent of Conduit's bad faith conduct so that MyPlayCity can fully recover its pre-termination damages.

Alexander Rodichev, the CEO of MyPlayCity, noted: "We are very happy with the court's recognition of Conduit's unjust post-termination behavior. Despite Conduit's reported statements that 'Conduit committed a technical trademark violation' and that 'it passively did not take down MPC's internet toolbars', the jury's conclusion as to Conduit's unjust enrichment speaks for itself and signifies Conduit's failure to take responsibility for its wrongdoings. Furthermore, we believed that the Court erred in not allowing the jury to hear all of the evidence about Conduit's conduct and hope for that to see the light of day as a result of our appeal. Because Conduit's conduct was clearly willful, the limitation of liability under the contract should not have applied and that issue, along with the punitive damages, should have been left up to the jury to decide. Therefore, MyPlayCity is appealing these rulings made by the judge.

Because, as the Judge put it, 'equity and good conscience require that [MyPlayCity] not go uncompensated,' MyPlayCity vehemently pursues justice to make sure that Conduit's illicit practices disregarding the truth and fair dealing do not become commonplace in the Internet industry, which MyPlayCity regards as its home. This unequivocal victory for MyPlayCity demonstrates that even a corporation of Conduit's size and resources cannot trample the intellectual property rights of smaller companies without being held accountable for its actions."

MyPlayCity, Inc. (<http://www.myplaycity.com>), a Virginia-based company, is one of the world's largest publishers of free casual games.