UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF LOUISIANA

FIRST BANK AND TRUST,
Plaintiff

v.

GULF COAST BANK AND TRUST et al Defendants CIVIL ACTION NO. 12-02265

SECTION G

JUDGE JOLIVETTE BROWN

MAGISTRATE KNOWLES

ANSWER OF MUDBUG MEDIA, INC. TO FIRST AMENDED PETITION

Mudbug Media, Inc. ("Mudbug") responds to the First Amended Petition of First Bank and Trust ("FBT" or "Plaintiff") as follows:

Preliminary Statement

By way of a general response, all allegations are denied unless specifically admitted. Additionally, any factual allegation is admitted only with respect to the specific facts and not as to any conclusions, characterizations, implications, inferences or speculations which are contained in the allegations or in the Amended Petition as a whole.

First Affirmative Defense And Answer to the Allegations Contained In the Amended Petition

- 1-18. Mudbug incorporates and reiterates its responses to $\P\P$ 1-18 of the Petition as if repeated herein *in extenso*.
 - 19. Mudbug denies the allegations of ¶ 19 of the Amended Petition.
- 20-22. Mudbug incorporates and reiterates its responses to \P 20-22 of the Petition as if repeated herein *in extenso*.
- 23. The allegations contained in ¶ 23 of the Amended Petition do not require a response by Mudbug. To the extent a response is required, Mudbug denies the allegations

contained in ¶ 23 of the Amended Petition for lack of sufficient information to justify a belief therein.

- 23a. The allegations contained in ¶ 23a of the Petition do not require a response by Mudbug. To the extent a response is required, Mudbug denies the allegations contained in ¶ 23a of the Petition for lack of sufficient information to justify a belief therein.
- 24-25. Mudbug incorporates and reiterates its responses to \P 24-25 of the Petition as if repeated herein *in extenso*.
- 26. The allegations contained in \P 26 of the Amended Petition do not require a response by Mudbug. To the extent a response is required, Mudbug denies the allegations contained in \P 26 of the Amended Petition for lack of sufficient information to justify a belief therein.
- 27-50. Mudbug incorporates and reiterates its responses to \P 27-50 of the Petition as if repeated herein *in extenso*.
- 51. The allegations contained in \P 51 of the Amended Petition do not require a response by Mudbug. To the extent a response is required, Mudbug denies the allegations contained in \P 51 of the Amended Petition for lack of sufficient information to justify a belief therein.
- 52-81. Mudbug incorporates and reiterates its responses to \P 52-81 of the Petition as if repeated herein *in extenso*.
- 82. Mudbug incorporates and reiterates its responses to \P ¶ 1-81 of the Petition and Amended Petition as if repeated herein *in extenso*.
- 83. To the extent that the allegations contained in ¶ 83 of the Amended Petition are directed to other Defendants, they do not require a response from Mudbug, and Mudbug

2

otherwise denies such allegations for lack of sufficient information to justify a belief therein. Mudbug denies all other allegations contained in ¶83.

- 84. To the extent that the allegations contained in ¶ 84 of the Amended Petition are directed to other Defendants, they do not require a response from Mudbug, and Mudbug otherwise denies such allegations for lack of sufficient information to justify a belief therein.
- 85. To the extent that the allegations contained in ¶ 85 of the Amended Petition are directed to other Defendants, they do not require a response from Mudbug, and Mudbug otherwise denies such allegations for lack of sufficient information to justify a belief therein.
- 86. To the extent that the allegations contained in ¶ 86 of the Amended Petition are directed to other Defendants, they do not require a response from Mudbug, and Mudbug otherwise denies such allegations for lack of sufficient information to justify a belief therein.
- 87. To the extent that the allegations contained in ¶ 87 of the Amended Petition are directed to other Defendants, they do not require a response from Mudbug, and Mudbug otherwise denies such allegations for lack of sufficient information to justify a belief therein.
- 88. To the extent that the allegations contained in ¶ 88 of the Amended Petition are directed to other Defendants, they do not require a response from Mudbug, and Mudbug otherwise denies such allegations for lack of sufficient information to justify a belief therein.
- 89. Mudbug incorporates and reiterates its responses to \P ¶ 1-88 of the Petition and Amended Petition as if repeated herein *in extenso*.
- 90. Mudbug denies the allegations of ¶ 90 for lack of information sufficient to justify a belief therein insofar as the "key individuals" are not identified. Mudbug further denies that all of the same people worked on FBT's updated tuition loan system and Mudbug's development of GCBT's new tuition loan system.

3

- 91. Mudbug denies the allegations of ¶91.
- 92. Mudbug denies the allegations of ¶92.
- 93. Mudbug denies the allegations of ¶93.
- 94. Mudbug denies the allegations of ¶94.
- 95. Mudbug denies the allegations of ¶95.
- 96. Mudbug denies the allegations of ¶96.
- 97. Mudbug denies the allegations of ¶97.
- 98. Mudbug incorporates and reiterates its responses to ¶¶ 1-97 of the Petition and Amended Petition as if repeated herein *in extenso*.
 - 99. Mudbug denies the allegations of ¶99.
 - 100. Mudbug denies the allegations of ¶100.
 - 101. Mudbug denies the allegations of ¶101.
 - 102. Mudbug denies the allegations of ¶102.

Second Affirmative Defense

Mudbug denies all allegations unless specifically admitted.

Third Affirmative Defense

The Petition fails to state a claim against Mudbug upon which relief can be granted.

Fourth Affirmative Defense

Plaintiff's claims are barred in whole or in part, by its own fault or negligence.

Fifth Affirmative Defense

To the extent that Plaintiff is entitled to any damages, which Defendants expressly deny, Defendants are entitled to a set-off.

Sixth Affirmative Defense

Plaintiff's claims are barred, in whole or in part, by the equitable doctrines of laches, waiver, estoppel and/or unclean hands.

Seventh Affirmative Defense

Plaintiff's claims for damages are barred, in whole or in part, because all of Defendants' actions with respect to Plaintiff were done in good faith and motivated by legitimate reasons and/or as a result of business necessity.

Eighth Affirmative Defense

Plaintiff's claims are barred, in whole or in part, by its failure to mitigate damages.

Ninth Affirmative Defense

Plaintiff's claims under the Uniform Trade Secrets Act are brought in bad faith, thereby entitling defendants to reasonable attorney's fees and costs under La. Rev. Stat. § 51:1434.

Tenth Affirmative Defense

To the extent not set forth herein, Mud Bug reserves the right to assert additional defenses that become available or apparent during discovery and to amend its Answer.

WHEREFORE, Defendant prays that this Answer be deemed good and sufficient and that, after due proceedings be had, there be judgment herein in favor of Mudbug Media, Inc., dismissing First Bank and Trust's allegations against it at Plaintiff's cost, for reasonable attorney's fees and costs under La. Rev. Stat. § 51:1434 and for interest thereon, and for all other general and equitable relief as the facts and evidence warrant.

5

/s/ Duris L. Holmes

Ellis B. Murov (#09839)
Duris L. Holmes (#17629)
Matthew M. McCluer (#33970)
DEUTSCH, KERRIGAN & STILES, L.L.P.

755 Magazine Street

New Orleans, LA 70130 Telephone: (504) 581-5141 Facsimile: (504) 566-1201 emurov@dkslaw.com dholmes@dkslaw.com mmccluer@dkslaw.com

Attorneys for Mudbug Media, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 28th day of March, 2013, I electronically filed the foregoing with the Clerk of Court by using the CM/ECF system which will send a notice of electronic filing to all counsel of record.

/s/ Duris L. Holmes

Duris L. Holmes