

ORIGINAL

FILED

2004 JUL 20 PM 4:28

KING COUNTY
SUPERIOR COURT CLERK
SEATTLE, WA.

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

ALLEGENT, LLC, a Washington limited
liability company d/b/a PERFORMA,

Plaintiff,

v.

SHIPNOW, INC., a foreign corporation

Defendant.

NO. 04-2-03886-3 SEA

CONFIRMATION OF JOINDER
OF PARTIES, CLAIMS, AND DEFENSES

[CLERK'S ACTION REQUIRED]

I. ☐ The parties make the following joint representations:

1. This case is NOT subject to mandatory arbitration.

[If it is, this report should not be filed; instead, no later than the deadline for filing this report, a statement of arbitrability should be filed, pursuant to LMAR 2.1(a).]

2. No additional parties will be joined.
3. All parties have been served or have waived service.
4. All mandatory pleadings have been filed.
5. No additional claims or defenses will be raised.
6. The parties anticipate no problems in meeting the deadlines for disclosing possible witnesses and other subsequent deadlines in the Case Schedule.
7. All parties have cooperated in completing this report.



Larson Hart & Shepherd
Attorneys At Law PLLC

ONE UNION SQUARE
600 UNIVERSITY STREET - SUITE 1730
SEATTLE, WA 98101
TEL 206.340.2008 · FAX 206.340.1962
LHS@L-H-S.COM 01/02/23

1 II. ☒ The parties do not join in making the foregoing representations, as
2 explained below (if appropriate, check both the box at left and every
3 applicable box below.)

4 ☐ This case IS subject to mandatory arbitration, but not ready yet for the
5 Statement of Arbitrability to be filed.

6 ☐ An additional party will be joined.

7 ☐ A party remains to be served.

8 ☒ A mandatory pleading remains to be filed.

9 ☒ An additional claim or defense will be raised.

10 ☐ One or more parties anticipate a problem in meeting the
11 deadlines for disclosing possible witnesses or other
12 subsequent deadlines in the Case Schedule.

13 ☐ A party has refused to cooperate in drafting this report.

14 ☐ Other explanation:

15 DATED: 7/19/04

16 SIGNED: *Kenneth W. Hart*

17 Plaintiff/Petitioner/Attorney (If attorney WSBA#15511)

18 Printed Name: Kenneth W. Hart

19 Address: 600 University Street, #1730, Seattle, WA 98101

20 Phone: 206 340-2008

21 Attorney(s) For: Plaintiff

22 DATED: _____

23 SIGNED: _____

Defendant/Respondent/Attorney (If attorney WSBA#14297)

Printed Name: Laurie Lootens Chyz

Address: 500 Galland Building, 1221 Second Ave, Seattle, WA 98101

Phone: 206 623-1745

Attorney(s) For: Defendant



Larson Hart & Shepherd

Attorneys At Law PLLC

ONE UNION SQUARE

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CONFIRMATION OF JOINDER - 2

LP Evidentiary Exhibits Page 010446

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FILED
KING COUNTY, WASHINGTON
JUN 24 2005
SUPERIOR COURT CLERK
BY STEPHANIE WALTON
DEPUTY

Honorable Douglas McBroom

**IN THE SUPERIOR COURT FOR THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING**

ALLEGENT, LLC d/b/a PERFORMA, a
Washington limited liability company,

Plaintiff,

vs.

SHIPNOW, INC., a foreign corporation,

Defendant.

Cause No. 04-2-03886-3KNT

STIPULATION AND [PROPOSED]
ORDER MODIFYING JULY 1, 2004
ORDER AND DISMISSING CASE


STIPULATION

The plaintiff, Allegent, LLC, and the defendant, Shipnow, have settled their differences. Pursuant to their agreement, the parties agree to the dismissal of this action as set forth in the proposed and attached "Order Modifying June 30, 2004 Order and Dismissing Action." Each party waives its right to appeal the dismissal.

1 Accordingly, the parties, through their respective counsel, hereby stipulate and agree to
2 entry of the attached order.

3
4 Stipulated to this 21st day of June 2005.

5 LARSON HART & SHEPHERD

6  per email
7 authority for!

8 E. Ross Farr, WSBA No. 32037
Attorneys for Plaintiff.

9 HOLLAND & KNIGHT LLP

10 

11 Alexander A. Baehr, WSBA No. 25320
12 Attorneys for Defendant.

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HOLLAND & KNIGHT LLP

2600 Pike Tower
520 Pike Street
Seattle, WA 98101
Telephone: (206)340-1825
Facsimile: (206)323-4869

ORDER

THIS MATTER came before the undersigned Judge based upon the stipulation of the parties attached hereto. Now, therefore,

IT IS HEREBY ORDERED as follows:

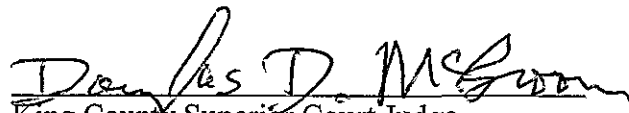
1. The Court's June 30, 2004 Order Vacating Default is modified to remove the provision that sums collected by plaintiff on the Default Judgment be deposited in trust pending a final disposition of the action.

2. All sums collected by plaintiff on the Default Judgment shall become and are confirmed as the property of the plaintiff.

3. The remaining provisions of the June 30, 2004 Order shall remain in effect.


4. That this action shall be dismissed with prejudice, each party to bear its own costs and attorneys fees. Each party waives its right of appeal.

Entered this 24 day of June 2005.


King County Superior Court Judge

Presented by:

HOLLAND & KNIGHT LLP


Alexander A. Baehr, WSBA No. 25320
Attorneys for Defendant.

3005165_v1

HOLLAND & KNIGHT LLP

2600 Pike Tower
520 Pike Street
Seattle, WA 98101
Telephone: (206)340-1825
Facsimile: (206)340-4865

King County Superior Court Clerk's Office

Welcome to the Records Access Portal



PPR22-058990

08/18/2022

Order Summary

Order Date	Expiration Date	Postage	Pickup Location	Expedited Fee(s)	Total
08/18/2022	09/01/2022				\$5.25

Order Summary Information

Documents or hearings will remain available to you until the expiration date. Under View Record, click the icon ( or ) to open the image/recording.

Your request includes document(s) that are restricted by **LGR31** and not viewable in the list below. Any items that show a delivery method of Electronic ShareFile, can be accessed by clicking [HERE](#).

Need help? Visit our [FAQ page](#).

Documents

Expedited Exempt	Case Number	Sub	Date Filed	Name	Pages	Delivery Method	Note	Copies	Copy Type	View Record	Cost	Re
	04-2-03886-3	44	07/13/2004	Amended Complaint	8	Electronic - Sharefile		1	Plain		\$2.00	
	04-2-03886-3	45	07/20/2004	Confirmation of Joinder - Pleading to be Filed	2	Electronic - Sharefile		1	Plain		\$0.50	

Expedited Exempt	Case Number	Sub	Date Filed	Name	Pages	Delivery Method	Note	Copies	Copy Type	View Record	Cost	Re Re
	04-2- 03886- 3	46	02/01/2005	Disclosure	6	Electronic - Sharefile		1	Plain		\$1.50	
	04-2- 03886- 3	47	06/23/2005	Notice of Appearance	2	Electronic - Sharefile		1	Plain		\$0.50	
	04-2- 03886- 3	48	06/27/2005	Order of Dismissal With Prejudice	3	Electronic - Sharefile		1	Plain		\$0.75	

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FILED

2004 JUL 13 AM 9:39

KING COUNTY
SUPERIOR COURT CLERK
SEATTLE, WA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

ALLEGENT, LLC, a Washington limited
liability company d/b/a PERFORMA,

Plaintiff,

v.

SHIPNOW, INC., a foreign corporation

Defendant.

NO. 04-2-03886-3 SEA

**SECOND AMENDED COMPLAINT
FOR MONIES DUE AND OWNING
AND FOR WRONGFUL DISHONOR**

COMES NOW plaintiff and, for cause of action against the defendant above-named, states, alleges and avers as follows:

I. PARTIES AND JURISDICTION

1.1 Plaintiff, Allegent, LLC, is a duly organized and existing Washington limited liability company, doing business under the name and style of Performa, with offices in King County, Washington.

1.2 Defendant, ShipNow, Inc. ("ShipNow") is, on information and belief, a Delaware corporation, with its principal place of business in Chicago Illinois.



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1.3 At all times relevant hereto, ShipNow transacted business in the state of Washington within the meaning of RCW 4.28.185(1)(a), is thus subject to the long arm jurisdiction of courts of Washington, and venue is proper in Seattle, King County Washington.

II. BACKGROUND FACTS

2.1 Plaintiff (hereinafter referred to as "Performa") is in the business of providing consulting and related services.

2.2 Between on or around February 25 and October 19, 2003, Performa provided services to ShipNow at the latter's request and pursuant to a written contract, a true and correct copy of which is attached hereto as Exhibit A and incorporated herein by this reference.

2.3 During the course of plaintiff's performance under the contract, ShipNow delivered to Performa several checks made payable to the plaintiff in various amounts as partial payment for the services performed by the plaintiff. Five of those checks, totaling \$82,000.00, were later dishonored by defendant's bank for insufficient funds on deposit ("NSF").

2.4 Pursuant to the provisions of RCW 62A.3-520, on or about January 5, 2004, the defendant was served with a statutory Notice of Dishonor of the five NSF checks. A true and correct copy of the Notice of Dishonor, along with the



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1 Declaration of Service by Mail, is attached hereto as Exhibit B, and incorporated
2 herein by this reference.

3 2.5 ShipNow thereafter failed and refused to pay plaintiff the amount of
4 the NSF checks within 15 days of the Notice of Dishonor as provided by RCW62A.3-
5 515(a).

6 2.6 The amount of \$91,785.27 is currently due and owing from ShipNow to
7 Performa, which despite demand, ShipNow has failed and refused to pay.
8

9 **III. FIRST CAUSE OF ACTION**
10 **(Breach of Contract)**

11 3.1 Plaintiff incorporates by reference the allegations of paragraphs 1.1
12 through 2.6 as if fully set forth herein.

13 3.2 The actions and omissions of the defendant as alleged herein constitute
14 breach of contract, as a proximate cause of which plaintiff has been damaged in an
15 amount to be proven at trial, but not less than \$91,785.27.

16 **IV. SECOND CAUSE OF ACTION**
17 **(Wrong Dishonor)**

18 4.1 Plaintiff incorporates by reference the allegations of paragraphs 1.1
19 through 2.6 as if fully set forth herein.

20 4.2 The actions and omissions of ShipNow as alleged herein constitute
21 wrongful dishonor in violation of RCW 62A.3-515 et. seq., as a proximate cause of
22
23



1 which Performa has been damaged in an amount to be proven at trial, but not less
2 than the sum of \$82,000.00.

3 **4.3** In addition, pursuant to RCW 62A.3-515(a) plaintiff is entitled to the
4 sum of \$40.00 as collection costs for each the five NSF checks, along with the sum of
5 \$300.00 per check or three times the face value of each, whichever is less, and
6 attorney's fees as awarded by the court.
7

8 **PRAYER FOR RELIEF**

9 **WHEREFORE**, plaintiff, Allegent, LLC, dba Performa, prays for the following
10 relief from the court:

11 1. Judgment against the defendant in the amount of \$91,785.27, together
12 with prejudgment and post-judgment interest at the highest rate permitted by law;

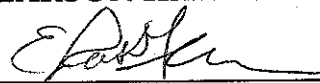
13 2. Judgment for plaintiff's statutory costs, fees and damages as provided
14 by RCW 62A.3-515(a);
15

16 3. An award of plaintiff's other costs and disbursements herein,
17 including a reasonable attorney's fee; and

18 4. Such other and further relief as the court deems just and equitable.

19 DATED this 2nd day of July, 2004.

20 **LARSON HART & SHEPHERD**

21 

22 By **Kenneth W. Hart WSBA#15511**

23 **E. Ross Farr WSBA#32037**

 Of Attorneys for Plaintiff



Larson Hart & Shepherd
Attorneys At Law PLLC

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600 UNIVERSITY STREET · SUITE 1730
SEATTLE, WA 98101

TEL 206.340.2008 · FAX 206.340.1962
LHS@L-H-S.COM

February 24, 2003

Michael Kurgan
ShipNow, Inc.
33 West Monroe
Suite 1700
Chicago, IL. 60603

Subject: Professional Services Agreement – Acceptance Letter

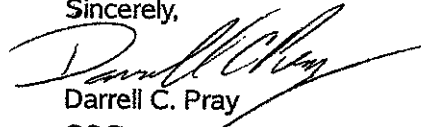
Dear Michael,

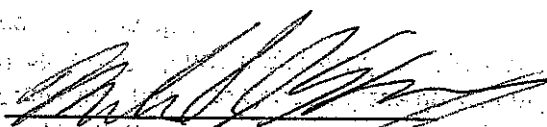
This letter is in response to your request for Professional Services. You have requested that Performa provide Darrell Pray to take on the responsibilities of ShipNow's Product Development Director as of February 25, 2003. Darrell Pray will continue to perform these duties until ShipNow no longer requires Performa's Professional services. ShipNow or Performa may cancel this agreement at anytime, by providing the other party with ten day written notice of termination.

Performa agrees to provide these professional services a minimum of 2 weeks a month and more if possible. The fee for these services will be a fixed fee of \$5,000.00 per week worked, plus all out of pocket expenses. Performa will invoice ShipNow on a BI-weekly basis and ShipNow will pay these invoices upon receipt.

Please acknowledge your acceptance of the agreement by signing this letter and returning it to me.

Sincerely,


Darrell C. Pray
COO
Performa


ShipNow authorized signature

CEO Title 2/27/03 Date

Performa
10900 N.E. Fourth Street, Suite 2300
Bellevue, WA. 98004

EXHIBIT A

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3
4
5
6 **IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON**
7 **IN AND FOR THE COUNTY OF KING**

8 ALLEGENT, LLC, a Washington limited
9 liability company d/b/a PERFORMA,

NO. 04-2-03886-3 SEA

10 **DECLARATION OF SERVICE BY MAIL**

11 v.

12 SHIPNOW, INC., a foreign corporation
13

14 1. I am now and at all times mentioned herein was a citizen of the
15 United States of America, a resident of the State of Washington, over the age of
16 eighteen years, not a party to the above-entitled action or interested therein,
17 and competent to be a witness in this cause.

18 2. On January 5, 2004, I deposited in the United States mail, postage
19 prepaid, First Class Mail, to the following addressee:

20 Shipnow, Inc.
21 33 West Monroe, Suite 1700
22 Chicago, Illinois 60603

EXHIBIT B



Larson Hart & Shepherd
Attorneys At Law PLLC
ONE UNION SQUARE
600 UNIVERSITY STREET · SUITE 1730
SEATTLE, WA 98101
TEL 206.340.2008 · FAX 206.340.1962
LHS@L-H-S.COM

1
2 an envelope containing: Notice of Dishonor of Check (a file copy of which is
3 attached hereto and incorporated by reference).

4 Declared under penalty of perjury under the laws of the State of
5 Washington that the foregoing is true and correct.

6 DATED this 5th day of January, 2004, at Seattle, Washington.

7
8 
9 SUSAN A. FOWLER



Larson Hart & Shepherd
Attorneys At Law PLLC
ONE UNION SQUARE
600 UNIVERSITY STREET · SUITE 1730
SEATTLE, WA 98101
TEL 206.340.2008 · FAX 206.340.1962
LHS@L-H-S.COM

NOTICE OF DISHONOR OF CHECK

Checks drawn by you and made payable by you to Performa, aka Allegent, LLC, in the total amount of EIGHTY-TWO THOUSAND AND NO/100 (\$82,000.0) have not been accepted for payment by Fristar Bank N.A. which is the drawee bank designated on your check. These checks are dated and numbered as follows:

Check Number	Date	Amount
4039	April 24, 2003	20,000
4271	September 18, 2003	15,000
4274	September 22, 2003	15,000
4275	September 22, 2003	20,000
4288	October 2, 2003	12,000
TOTAL		\$82,000

You are CAUTIONED that, unless you pay the amount of these checks within fifteen days after the date this letter is postmarked, pursuant to Title 62A.3-520 of the Revised Code of Washington (a copy of which is attached) you may very well have to pay the following additional amounts:

- (1) Costs of collecting the amount of the checks, including an attorney's fee which will be set by the court;
- (2) Interest on the amount of the checks which shall accrue at the rate of twelve percent per annum from the date of dishonor; and
- (3) Three hundred dollars or three times the face amount of the checks, whichever is less, by award of the court.

You are CAUTIONED that law enforcement agencies may be provided with a copy of this notice of dishonor and the checks drawn by you for the possibility of proceeding with criminal charges if you do not pay the amount of this check within fifteen days after the date of this letter is postmarked.

You are advised to make your payment to Performa at the following address:

c/o Michael A. Larson
Larson Hart & Shepherd PLLC
600 University Street, Suite 1730
Seattle, Washington 98101

DATED this 5th day of January, 2004.

Michael A. Larson
Michael A. Larson, WSBA#14098
Attorney for Allegent, LLC, dba Performa

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KING COUNTY
SUPERIOR COURT CLERK
SEATTLE, WA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

ALLEGENT, LLC, a Washington limited
liability company d/b/a PERFORMA,

Plaintiff,

v.

SHIPNOW, INC., a foreign corporation

Defendant.

NO. 04-2-03886-3 SEA

PLAINTIFF'S DISCLOSURE OF
POSSIBLE PRIMARY WITNESSES

COMES NOW the Plaintiff, Allegent LLC, by and through its attorney, Kenneth
W. Hart of Larson Hart & Shepherd, PLLC, and in compliance with KCLR 26, hereby
disclose the following witnesses who may be called upon to testify at the time of trial.

LAY WITNESSES

1. Darrell Pray
c/o Larson Hart & Shepherd, PLLC
One Union Square
600 University Street, Suite 1730
Seattle, WA 98101
(206) 340-2008

ORIGINAL



Larson Hart & Shepherd
Attorneys At Law PLLC
ONE UNION SQUARE
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LHS@L-H-S.COM

1 Mr. Pray is a member of Allegent, LLC and performed the work for ShipNow,
2 Inc. under ShipNow's contract with Allegent. Mr. Pray also has knowledge of the
3 contract between Allegent, LLC and ShipNow, Inc.

4 2. Joan Ritter
5 c/o Larson Hart & Shepherd, PLLC
6 One Union Square
7 600 University Street, Suite 1730
8 Seattle, WA 98101
9 (206) 340-2008

10 Ms. Ritter is the bookkeeper for Allegent, LLC. She has knowledge of the
11 invoices sent to ShipNow for the services provided by Allegent. She also has
12 knowledge of ShipNow's payment history and interest calculated on the unpaid
13 amounts.

14 3. Michael Kurgan
15 c/o Kewill
16 233 South Wacker Drive, 54th Floor
17 Chicago, IL 60606

18 Mr. Kurgan was the CEO/Owner of ShipNow. Mr. Kurgan knows that Darrell
19 Pray was contracted by ShipNow to function as ShipNow's VP of Product
20 Development.

21 4. Woody Blaylock
22 Saddle Creek Corporation
23 Information Systems Department
24 3010 Saddle Creek Road
25 Lakeland, FL 33801
26 (863) 665-0966
(863) 665-1261

As a customer of ShipNow Mr. Blaylock has knowledge of Darrell Pray's work as
ShipNow's representative.

5. Tanmay Ajit Dalvi
Kewill Solutions India Pvt. Ltd.
Software Technology Park Of India
Block-B, Plot No. T-25,
M.I.D.C. Chikalthana, Aurangabad.
Maharashtra, India 431210



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Attorneys At Law PLLC
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LHS@L-H-S.COM

91-240-247-5688

Tanmay Ajit Dalvi was the Lead Developer for ShipNow India and has knowledge that Darrell Pray performed Allegent's contract with ShipNow. He has knowledge that Darrell Pray not only gave direction from a project management and infrastructure standpoint, but also provided technical direction as to the functionality requirements of the product.

6. Ranjeet Deshmukh
Kewill Solutions India Pvt. Ltd.
Software Technology Park Of India
Block-B, Plot No. T-25,
M.I.D.C. Chikalthana, Aurangabad.
Maharashtra, India 431210
91-240-247-5688

Ranjeet Deshmukh was the Director India Develop Team ShipNow and has knowledge that Darrell Pray performed Allegent's contract with ShipNow. In particular, Ranjeet Deshmukh, based on his daily communication with Mr. Pray, has knowledge that Mr. Pray not only gave direction from a project management and infrastructure standpoint, but also provided technical direction as to the functionality requirements of the product.

7. Mark Delcher
LIMITED BRANDS, INC.
Three Limited Parkway
Columbus, OH 43230
(614) 415-7000
(614) 337-5532

Mr. Delcher is the Business Services Director and has knowledge regarding Mr. Pray's performance of Allegent's contract with ShipNow. In particular, while Limited Brands, Inc. (Limited) was a customer of ShipNow, Mr. Delcher had many direct dealing with Darrell Pray as the VP of Product Development for ShipNow. That he had participated in numerous conference calls and face to face meetings discussing Limited's required functionality and enhancements to the ShipNow product Di Server.

8. Edward L. Galster
Anixter Inc.
4711 Golf Road
Skokie, IL 60076
(847) 715-2405



Larson Hart & Shepherd
Attorneys At Law PLLC
ONE UNION SQUARE
600 UNIVERSITY STREET • SUITE 1730
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TEL 206.340.2008 • FAX 206.340.1952
LHS@L-H-S.COM

(847) 677-0946

Mr. Galster is the Director of Business Systems Warehousing. While Anixter, Inc. (Anixter) was a customer of ShipNow, Mr. Galster had many direct dealing with Darrell Pray as the VP of Product Development for ShipNow. Mr. Galster had participated in several conference calls and face to face meetings discussing Anixter's required functionality and enhancements to the ShipNow product Di Server.

9. Andy Locker
Locker Consulting, Inc.
7727 S. 91st E. Ave.
Tulsa, OK 74133
(918) 252-3588
(918) 252-3583

Mr. Locker is a Contract Analysis & Programmer and will confirm that while Darrell Pray was on contract with ShipNow as their VP of Product Development, that Darrell contracted him for ShipNow to provide ShipNow with an operational version of the ShipNow product Di Lite for a customer Saddle Creek Corporation.

10. David Sanchez
6048 W. Nelson
Chicago, IL 60634
(773) 622-3192

Mr. Sanchez was the Project Manager for ShipNow. He directly reported to Darrell Pray as the VP of Product Development and communicated daily with Mr. Pray regarding customer's functional requirements and enhancements of the ShipNow products.

Plaintiff reserves the right to call any witness designated as a lay witness as an expert witness as appropriate, and vice versa. Other experts may be called when plaintiff determines what, if any, experts it may call and on what issues to which they will testify.

RESERVATION: Plaintiff reserves the right to call as a witness any witnesses disclosed by defendant and further reserves the right to name as possible primary

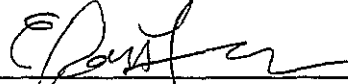


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1 witnesses any person whose identity and/or relevant knowledge is presently unknown
2 to plaintiff. Accordingly, plaintiff reserves the right to supplement the foregoing as
3 necessary.

4 DATED this 31st day of January, 2005.

5 LARSON HART & SHEPHERD, PLLC

6 

7 By: Kenneth W. Hart, WSBA #15511

8 E. Ross Farr, WSBA #32037

9 Of Attorneys for Plaintiff



CERTIFICATE OF SERVICE

The undersigned certifies under the penalty of perjury under the laws of the State of Washington that, I am now and at all times herein mentioned, a resident of the State of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On this date, I caused to be served in the manner noted below a copy of the document to which this certification is attached:

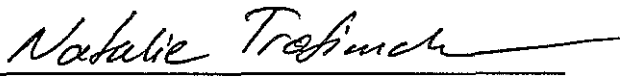
BY:

<u>X</u>	U.S. MAIL
—	HAND DELIVERED VIA LEGAL MESSENGER
—	OVERNIGHT MAIL
—	FACSIMILE

ON:

Michael Kurgan
c/o Kewill
233 South Wacker Drive, 54th Floor
Chicago, IL 60606

DATED this 31st day of January, 2005.


Natalie Trofimchik



Larson Hart & Shepherd
Attorneys At Law PLLC
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FILED

Honorable Douglas McBroom

2005 JUN 23 PM 12: 23

KING COUNTY
SUPERIOR COURT CLERK
SEATTLE, WA.

IN THE SUPERIOR COURT FOR THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

ALLEGENT, LLC d/b/a PERFORMA, a
Washington limited liability company,

Plaintiff,

vs.

SHIPNOW, INC., a foreign corporation,

Defendant.

Cause No. 04-2-03886-3KNT

NOTICE OF APPEARANCE

TO: Plaintiffs

AND TO: Their Attorneys of Record, E. Ross Farr, Larson Hart & Shepard.

PLEASE TAKE NOTICE that Defendant Shipnow, Inc. without waiver of any defenses, hereby appears by and through Alexander A. Baehr and Holland & Knight LLP, 520 Pike Street, Suite 2600, Seattle, WA 98101. It is requested that all further papers and pleadings of any sort, except original service of process which explicitly is not waived, be served on the undersigned at the address identified herein.

HOLLAND & KNIGHT LLP

2600 Pike Tower
520 Pike Street
Seattle, WA 98101
Telephone: (206)340-1825
Facsimile: (206)340-4365

NOTICE OF APPEARANCE- 1

LP Evidentiary Exhibits Page 010466

ORIGINAL

6/10/23

1 Dated this 21st day of June 2005

2
3 HOLLAND & KNIGHT LLP

4 

5 Alexander A. Baehr, WSBA No. 25320
6 Attorneys for Defendant.

7 # 3005162_v1
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Experienced Business and Litigation Attorneys

MICHAEL A. LARSON



Retired

After practicing law for 35 years, Mike has decided to retire effective 10/31/19. Mike will be spending time with family and friends, playing tennis, traveling, and having wonderful adventures. We wish him all the best in his retirement and will miss him around the office. Mike was dedicated to his clients, did excellent legal work, and was well respected by the legal community. We hope to preserve his legacy by providing the same high quality legal services to our clients.

If you have previously worked with Mike Larson and need legal assistance or have some questions, please feel free to contact [attorney Chris Thayer](#) at Pivotal Law Group, or call our main line at (206) 340-2008 to ask for assistance. Thank you.

TESTIMONIAL

"Mike is an experienced and knowledgeable attorney with a business background. He is approachable and personable and has a unique ability to convey complex subject matter in manner that is simple and understandable. He is practical, creative, highly empathetic, and I would recommend Mike to entrepreneurs, business owners, and executives."

LP Evidentiary Exhibits Page 010468

01/02/23

Jim Ruttler - Seattle, WA

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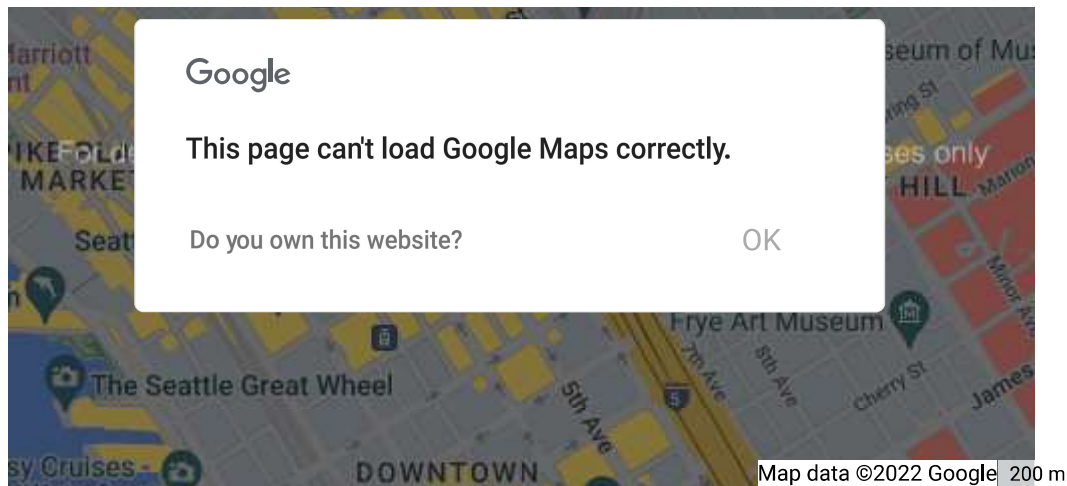
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The Honorable Donald Haley
KING COUNTY
SUPERIOR COURT
SEATTLE, WA
Hearing Date: Fri., May 28, 2004
Time: 10:30 a.m.

KING COUNTY SUPERIOR COURT

IN AND FOR THE STATE OF WASHINGTON

DENNIS S. BREWER; DARRELL C.
PRAY; JAMES KUHN; LINDA JACK;
AND ANGELA WEISS, individually,

Plaintiffs,

vs.

CNA INDUSTRIAL ENGINEERING,
INC., dba CNA CONSULTING &
ENGINEERING, a Washington corporation;
and LARRY COOK, individually,

Defendants.

Case No. 03-2-16192-6 SEA

DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT

I. INTRODUCTION

Do Plaintiffs have a legitimate wage claim against CNA? Perhaps, perhaps not, but for purposes of this motion for summary judgment, it does not matter. Plaintiffs have not asserted a simple wage and hour claim against CNA and Mr. Cook. Instead, their *sole* cause of action is an assertion that CNA and Mr. Cook willfully, and with the intent to deprive, withheld wages to which they knew Plaintiffs were entitled in alleged violation of RCW 49.52.050. Plaintiffs have asserted nothing more --no other statutory section or other cause of action.

DEFENDANTS' MOTION FOR SUMMARY
JUDGMENT - 1

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ORIGINAL

1 Under Plaintiffs' Section .050 claim, this Court need answer only one question for
2 purposes of this summary judgment motion -have Plaintiffs offered sufficient, affirmative
3 evidence demonstrating that CNA and Mr. Cook willfully, intentionally withheld
4 Plaintiffs' rightful wages? The answer is no. While Plaintiffs may try to produce
5 sufficient evidence to demonstrate a genuine issue of material fact as to whether or not
6 they were paid the appropriate amount of compensation, they have not and cannot show
7 that in the event CNA or Mr. Cook did not pay them their full compensation, that the
8 Defendants willfully, intentionally failed to do so. That is the only relevant question here.

9 10 **II. RELIEF REQUESTED**

11 Defendants CNA Industrial Engineering, Inc. ("CNA") and Mr. Larry Cook hereby
12 respectfully request that the Court grant this Motion for Summary Judgment and thereby
13 dismiss Plaintiffs' claims under R.C.W. 49.52.050 with prejudice. Because Plaintiffs
14 have brought claims under R.C.W. 49.52.050 only (requesting damages as provided for
15 by Section .070), the Court should dismiss this lawsuit entirely if it finds that Plaintiffs
16 have failed to provide sufficient evidence to support their claims of willfulness and intent.
17 At a minimum, the Court should at least dismiss Mr. Cook personally from this lawsuit
18 since he was not responsible for any compensation issues in this case.

19 20 **III. STATEMENT OF FACTS¹**

21 CNA was formed in 1971. When it first formed, Mr. Cook was intimately involved
22 in its business. Over the years, however, Mr. Cook became less and less involved in the
23 business' day-to-day operations until he was no longer involved at all in the day-to-day
24 operations of the business.

25 In 1996, CNA hired Plaintiff Dennis Brewer. Although CNA originally hired Mr.
26 Brewer as a project manager, after several years the company promoted him to Managing
27 Director of the company, which is the equivalent of a Chief Operating Officer in other
28 companies. In his promoted capacity, Mr. Brewer was responsible for the company's

29
30 ¹ The Court will find all facts referenced in this section in the Declaration of Larry Cook, which has been
filed concurrently with this motion.

1 day-to-day operations, including the hiring and firing of employees and determining
2 CNA's employees' salaries and compensation packages. He performed these duties on his
3 own during all relevant times of this lawsuit.

4 In 2001, CNA started suffering some significant financial challenges. Under these
5 circumstances, Mr. Brewer notified all CNA employees, except Mr. Cook, of the
6 company's financial situation and advised them that the company may be cutting salaries
7 in the future. *See Exhibit 1.* As a result of CNA's financial troubles, Mr. Brewer
8 imposed a 10% across-the-board salary reduction for **all employees** on September 4,
9 2001, to be effective September 1, 2001. *See Exhibit 2.* Mr. Cook was not involved in
10 the decision to make this cut. That decision was Mr. Brewer's alone.

11 Regrettably for CNA its financial situation did not improve; instead it became worse.
12 In response, Mr. Brewer imposed several cost-cutting measures, including mandatory time
13 off without pay over the 2001 holiday season, as well as a further 25% salary reduction.
14 Again, Mr. Brewer took these actions on his own. Mr. Cook learned about all of them
15 only after Mr. Brewer had left the company.

16 Things continued to get worse for CNA, and by the summer of 2002, the company
17 was in dire financial straits. In response Mr. Brewer decided, once again on his own, to
18 suspend certain employees without pay and/or terminate others for lack of work. For
19 example, on July 8, 2002, Mr. Brewer placed Plaintiff Angela Weiss on Standby Status
20 (*See Exhibit 3*), and on August 5, 2002, he, as the company's Managing Director,
21 terminated Ms. Weiss (*See Exhibit 4*).

22 Indeed Mr. Brewer controlled the company; he controlled the payment of
23 wages/compensation to the company's employees. Demonstrating this control, Mr.
24 Brewer was the one at CNA who handled Art Thompson's wage claim. Mr. Thompson
25 was one of CNA's employees until he resigned in June 2002. When he resigned, Mr.
26 Thompson claimed, as Plaintiffs have now claimed, that CNA failed to pay him certain
27 wages and/or other compensation to which he was entitled. When initially making his
28 claim to the company, Mr. Thompson addressed his letter to Mr. Brewer. *See Exhibit 5.*
29 (Mr. Cook did not see, much less receive a copy of this letter until after Mr. Thompson's
30 attorney forwarded a copy to him when Mr. Brewer did not respond to the request.) In

1 this letter, Mr. Thompson alleged that he could hold Mr. Brewer, not Mr. Cook,
2 personally liable for not paying the compensation he believed he was entitled to; there is
3 no mention of Mr. Cook being potentially liable. Responding as CNA's Managing
4 Director, Mr. Brewer wrote Mr. Thompson on August 5, 2002. *See* Exhibit 6. Again,
5 Mr. Brewer did not copy Mr. Cook on this letter. On August 14, 2002, Mr. Brewer
6 responded once more to Mr. Thompson's July 24th letter, this time resolving Mr.
7 Thompson's claim. *See* Exhibit 7. Again, Mr. Cook was not copied.

8 Mr. Brewer left the company on August 24, 2002. All the other Plaintiffs had either
9 been laid off or resigned prior to his departure. At all relevant times, Mr. Brewer was the
10 sole CNA official to determine how much and when Plaintiffs would be paid by CNA.

11 Plaintiffs filed their Complaint in April 2003. In their Complaint, Plaintiffs asserted
12 *only one* cause of action: that CNA, and Mr. Cook personally, violated R.C.W.
13 49.52.050(2) by allegedly, willfully withholding their wages.

14 15 **IV. STATEMENT OF ISSUES**

16 **A. HAVE PLAINTIFFS OFFERED SUFFICIENT, AFFIRMATIVE EVIDENCE**
17 **DEMONSTRATING THAT EITHER CNA OR MR. COOK WILLFULLY**
18 **WITHHELD WAGES AND EARNINGS TO WHICH THEY KNEW**
PLAINTIFFS WERE ENTITLED? NO.

19 **B. AT A MINIMUM, SHOULD MR. COOK BE DISMISSED FROM THIS**
20 **LAWSUIT SINCE HE WAS NOT THE CNA OFFICIAL IN CHARGE OF**
21 **MAKING DECISIONS ABOUT WHEN AND HOW MUCH PLAINTIFFS GOT**
22 **PAID? YES.**

23 **V. EVIDENCE RELIED UPON**

24 This motion relies upon the records and files of this matter, and the Declaration of
25 Larry Cook submitted simultaneously with this motion.

26 27 **VI. ARGUMENT**

28 **A. PLAINTIFFS HAVE OFFERED NO EVIDENCE TO SHOW THAT EITHER**
29 **CNA OR MR. COOK WILLFULLY WITHHELD WAGES AND EARNINGS**
30 **THEY KNEW WERE DUE PLAINTIFFS.**

1 **1. Summary judgment standard.**

2 This Court should grant CNA and Mr. Cook's summary judgment motion if it finds
3 that there are no genuine issues of material fact as to an essential element of Plaintiffs'
4 claims under R.C.W. 49.52.050. *Hines v. Data Line Sys., Inc.*, 114 Wn.2d 127, 148, 787
5 P.2d 8 (1990). Although this Court should construe all evidence and reasonable inferences
6 therefrom in a light most favorable to Plaintiffs, it is entitled to dismiss Plaintiffs' Section
7 .050 claim if Plaintiffs, in responding to this motion, rely on nothing more than mere
8 allegations of fact and law, and conclusory, self-serving statements. *Seven Gables Corp. v.*
9 *MGM/UA Entm't Co.*, 106 Wn.2d 1, 12-13, 721 P.2d 1 (1986).

10 **2. Substantive law regarding alleged violations of R.C.W. 49.52.050.**

11 To prevail on their claim under Section .050(2), Plaintiffs must provide "affirmative"
12 evidence that CNA, and Mr. Cook, "*willfully and with intent to deprive*" withheld
13 Plaintiffs' rightful wages and other compensation. R.C.W. 49.52.050 (emphasis added);
14 *Pope v. University of Washington*, 121 Wn.2d 479, 852 P.2d 1055 (1993), certiorari
15 denied 114 S.Ct. 1061, 510 U.S. 1115. This means that Plaintiffs can hold neither CNA
16 nor Mr. Cook liable under Section .050(2) if CNA (Mr. Cook) has a bona fide dispute as
17 to how much in wages it owed Plaintiffs. *Allstot v. Edwards*, 114 Wn. App. 625, 60 P.3d
18 601 (2002), reconsideration denied, review denied 149 Wn.2d. 1028, 78 P.3d 656. It also
19 means that Plaintiffs cannot hold Mr. Cook personally liable under Section .050(2) unless
20 they can show, again by affirmative evidence, that Mr. Cook *directly controlled* the
21 payment of wages and acted pursuant to that authority. *Ellerman v. Centerpoint Prepress,*
22 *Inc.*, 143 Wn.2d 514, 22 P.3d 795 (2001).

23 Although a violation of R.C.W. 49.52.050 is ordinarily a question of fact, it is
24 appropriate for this Court to resolve this issue on summary judgment where there is no
25 dispute as to the material facts. *Schilling v. Radio Holdings, Inc.*, 136 Wn.2d 152, 160,
26 961 P.2d 371 (1998).

27 **3. The undisputed evidence in this case demonstrates, at best, a bona fide**
28 **dispute as to who was responsible for establishing and paying CNA's**
29 **employees' wages and what those wages were.**
30

1 According to the Washington State Supreme Court in *Schilling v. Radio Holdings,*
2 *Inc.*, a bona fide dispute is a “fairly debatable” dispute over whether all or a portion of an
3 employee’s wages must be paid. *Schilling*, 136 Wn.2d at 161. So for purposes of
4 Plaintiffs’ claims under R.C.W. 49.52.050, the Court need ask itself only one simple
5 question: “does the evidence demonstrate that CNA and Mr. Cook willfully, intentionally
6 withheld Plaintiffs’ wages, or does it demonstrate nothing more than a debate over who
7 was responsible for paying those wages and how much those wages were?” Here is some
8 of the evidence offered by Mr. Cook demonstrating that this lawsuit is nothing more than
9 a dispute over who was responsible for compensating Plaintiffs and what that
10 compensation was:

- 11 1) Mr. Brewer was promoted to Managing Director in the late ‘90s, and that in that
12 capacity, he was responsible for managing the company’s employees, as well as
13 implementing and executing CNA’s compensation program;
- 14 2) In 2001, it was Mr. Brewer, not Mr. Cook, who notified CNA’s employees of
15 the company’s then-existing financial troubles and the possible future salary cuts;
- 16 3) On September 4, 2001, Mr. Brewer implemented a 10%, across-the-board salary
17 reduction;
- 18 4) Mr. Brewer later imposed several cost-cutting measures, including mandatory
19 time-off, without pay, over the 2001 holiday season, as well as a further 25%
20 salary reduction;
- 21 5) When things continued to get worse for CNA, Mr. Brewer suspended certain
22 employees without pay and/or terminated others for lack of work, including
23 Plaintiff Angela Weiss;
- 24 6) When Mr. Thompson asserted a wage claim against CNA, he addressed his
25 claim to Mr. Brewer, and it was Mr. Brewer who responded to, and ultimately
26 resolved, that claim. (The evidence also shows that Mr. Thompson asserted his
27 claim against Mr. Brewer personally, not Mr. Cook).

28 There are numerous documents like these, which further illustrate that Mr. Brewer,
29 not Mr. Cook, was responsible for establishing and executing the company’s
30 compensation programs. After considering all of this evidence, the Court should

1 conclude, as CNA and Mr. Cook have, that Plaintiffs have failed to provide a sufficient
2 amount of "affirmative" evidence demonstrating that CNA and, especially, Mr. Cook
3 intentionally withheld wages to which they knew Plaintiffs were entitled. This Court,
4 therefore, should dismiss Plaintiffs' claims under R.C.W. 49.52.050.

5 **B. AT A MINIMUM, MR. COOK SHOULD BE DISMISSED FROM THIS**
6 **LAWSUIT SINCE HE WAS NOT THE CNA OFFICIAL IN CHARGE OF**
7 **MAKING DECISIONS ABOUT WHEN AND HOW MUCH PLAINTIFFS**
8 **GOT PAID.**

- 9 1. The evidence shows that Plaintiff Mr. Brewer, not Mr. Cook, was
10 responsible for establishing and implementing the wage and compensation
11 packages for CNA's employees.

12 As offered in Mr. Cook's Declaration (which has been submitted concurrently with
13 this Motion), the evidence in this case conclusively shows that it was Mr. Brewer, not Mr.
14 Cook, who implemented and executed CNA's compensation programs. Based on this
15 written evidence (all either prepared or received by Plaintiff Brewer), evidence which
16 Plaintiffs can not dispute, this Court should conclude that if Plaintiffs are entitled to assert
17 their claims against any CNA official, it would be Mr. Brewer, not Mr. Cook, since Mr.
18 Brewer was responsible for cutting Plaintiffs' wages and compensation; Mr. Brewer was
19 responsible for the claims he and the other Plaintiffs now assert.

20 Under the *Ellerman v. Centerpoint Prepress, Inc.* decision, Plaintiffs cannot hold
21 Mr. Cook personally responsible for their wage claims when Mr. Cook was not
22 responsible for paying those wages. Consequently, this Court should dismiss Mr. Cook
23 personally from this lawsuit.

24 **VII. CONCLUSION/PROPOSED ORDER**

25 While it is true there may be a dispute about how much Plaintiffs were entitled to, if
26 anything, that is not the relevant question this Court should ask in considering whether
27 CNA and Mr. Cook are liable under R.C.W. 49.52.050. The sole question this Court
28 must ask for purposes of Plaintiffs' claims is whether or not CNA or Mr. Cook willfully,
29 and with the intent to deprive Plaintiffs their rightful wages, withheld from Plaintiffs those
30 wages. Because Plaintiffs have offered no evidence, save their allegations, to support

1 their claims under Section .050, this Court should dismiss their lawsuit in its entirety. At
2 a minimum, the empirical evidence authored or received by Plaintiff Brewer himself
3 shows he, not Mr. Cook, was the CNA official that decided wage and compensation
4 matters at CNA, thereby requiring at least the dismissal of Mr. Cook from this lawsuit.

5
6 DATED this 30th day of April 2004.

7 ROMERO MONTAGUE P.S.

8
9
10
11 Michael E. Wiggins, WSBA #31921
12 H. Troy Romero, WSBA #19044
13 Attorneys for Defendants
14
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22

23 I certify that I sent via (mail, postage prepaid/facsimile/legal
24 ~~message~~ true and correct copy of this document to all
25 attorneys of record, or to the parties, if pro se, on this date
26 I certify under the penalty of perjury under the laws
27 State of Washington that the foregoing is true and correct.
28 Dated this 30th day of April 2004

29 Karen K. Bann
30

DEFENDANTS' MOTION FOR SUMMARY
JUDGMENT - 8

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KING COUNTY
SUPERIOR COURT CLERK
SEATTLE, WA.

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

DENNIS S. BREWER; DARRELL C.
PRAY; JAMES KUHN; LINDA JACK; and
ANGELA WEISS, individually,

Plaintiffs,

v.

CNA INDUSTRIAL ENGINEERING, INC.,
dba CNA CONSULTING &
ENGINEERING, a Washington
corporation; and LARRY COOK,
individually,

Defendants.

The Honorable Donald Haley

No. 03-2-16192-6 SEA

DECLARATION OF SUSAN M. JOHNSON
IN OPPOSITION TO DEFENDANTS'
MOTION FOR LEAVE TO FILE AN
AMENDED ANSWER AND MOTION TO
CONTINUE TRIAL DATE AND AMEND
CASE SCHEDULE

I, SUSAN M. JOHNSON, hereby state and declare:

1. I am an attorney of record for the Plaintiffs in this matter. I have personal knowledge of the matters stated herein, unless otherwise specified, and I am competent to testify relative thereto.

ORIGINAL



Larson Hart & Shepherd

Attorneys at Law PLLC

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600 UNIVERSITY STREET, SUITE 1730
SEATTLE, WA 98101

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1 2. This case was filed more than fourteen months ago. Contrary to Mr. Romero's
2 representation that "Plaintiffs did little to prosecute their case" in the ensuing time period,
3 Plaintiffs have diligently, and at significant out-of-pocket legal expense, prepared their
4 case for trial. They have propounded three sets of discovery requests to Defendants,
5 subpoenaed documents from third parties, and conducted witness interviews of
6 individuals identified by both Plaintiffs and Defendants. Plaintiffs' depositions of
7 defendant Larry Cook and CNA CFO Harold Smith were noted in March and are set to
8 occur prior to the current discovery cut off date of April 26, 2004. Deposition subpoenas
9 have been served on third party witnesses. Court Reporters have been scheduled.
10 Plaintiffs have also provided Defendants with dates prior to discovery cut off that they
11 are available for deposition by Defendants.

12 3. Additionally, Plaintiff's voluntarily prepared and provided to Defendants
13 extensive detailed analyses of each Plaintiff's claims for unpaid wages and benefits in
14 reliance on Defendants' representations that they would participate in mediation prior to
15 incurring the expense of multiple depositions. After receiving these analyses, Larry Cook
16 and the CNA defendants, in conjunction with Plaintiffs, scheduled a full-day mediation
17 with Carolyn Cairns at Stokes Lawrence, PS that was to take place on April 12, 2004. It
18 was just one week before the scheduled mediation that I was contacted by Defendants'
19 new counsel and advised that a motion to amend the Answer and move the trial date had
20 been filed. Defendant's new counsel also sent a letter to Mediator Cairns on the same
21 day unilaterally canceling the April 12th mediation, but indicating that they would be
22 interested rescheduling mediation after counterclaims had been added to the suit.



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Attorneys at Law PLLC

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1 4. As is demonstrated below and in the attached exhibits, I have been aware that
2 Defendants and their counsel at Montgomery Perdue Blankinship & Austin PLLC had
3 been actively exploring, over the full course of the past year, the viability of the very
4 same potential counter claims that Defendants claim to have just learned of. Surely the
5 claims would have been asserted by the attorneys who investigated them if their
6 investigation had revealed factual support for the claims. Larry Cook's claim he first
7 learned about the possibility of asserting counterclaims in the last two weeks is clearly
8 contradicted by the evidence and appears to be a last minute tactic to gain leverage in
9 mediation.

10 5. A true and correct copy of the April 23, 2003 letter from Tamara L. Roe to Susan
11 M. Johnson indicating that Larry Cook, CNA and their attorneys at Montgomery Perdue
12 were evaluating evidence to support counter claims twelve months prior to retaining new
13 counsel and filing the present motion is attached hereto as *Exhibit 1*. Note that the letter
14 was copied to Larry Cook. Portions of the letter regarding settlement discussions have
15 been redacted.

16 6. A true and correct copy of the May 12, 2003 letter from Susan M. Johnson to
17 Tamara L. Roe is attached hereto as *Exhibit 2*. This letter demonstrates that, 11 months
18 ago, I advised Mr. Cook's attorneys that I was not aware of any facts that would support
19 non-frivolous counterclaims against my clients, invited them to identify specific
20 information to support their allegations, and pointed out that the threatened counter
21 claims could not be brought without exposing their clients and themselves to possible
22 sanctions if they did not have a reasonable factual basis to support a claim that CNA had



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1 suffered actual harm from the alleged activities. (*Page 4, second full paragraph*).
2 Portions of the letter regarding settlement discussions have been redacted.

3 7. A true and correct copy of excerpts of Defendants' First Set of Interrogatories and
4 Requests for Production of Documents to Plaintiffs propounded in September 2003 is
5 attached hereto as **Exhibit 3**. Interrogatories Number 29 and 30 and Request for
6 Production Number 9 clearly relate to exploration of the viability of counterclaims
7 against Plaintiffs. Substantive responses were provided by Plaintiffs in their answers to
8 the discovery.

9 8. A true and correct copy of the Defendants' Disclosure of Possible Primary
10 Witnesses dated January 4, 2004 is attached hereto as **Exhibit 4**. In paragraphs 8 through
11 16, Larry Cook and CNA named eighteen individuals at eight different companies who,
12 in their words, "may have knowledge regarding plaintiffs Brewer and Pray's conduct in
13 which they engaged in competing activity with CNA while still employed at CNA
14 through the solicitation of CNA's customers; and/or engaging in competing activity with
15 CNA after leaving CNA through the use of CNA's proprietary information." Note this
16 document was generated more than three months prior to the current discovery cut off in
17 this case. None of the named individuals who Plaintiffs were able to contact appeared to
18 be aware of the suit or have information to support counterclaims.

19 9. For the court's convenience, a true and correct copy of the Joint Pretrial Report in
20 this matter dated February 17, 2004 is attached hereto as **Exhibit 5**. Defendants' attorney
21 at Montgomery Purdue reviewed the draft Joint Pretrial Report I provided to him,
22 provided input and authorized me to sign on his behalf the final version in which both



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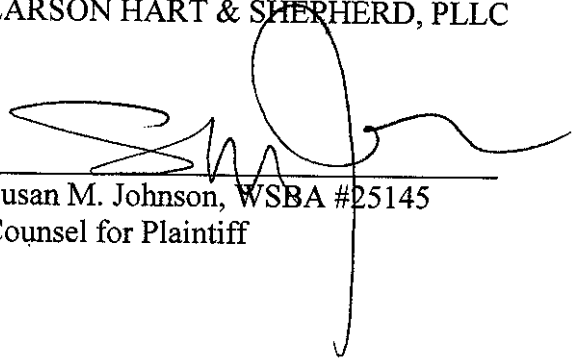
1 parties joined in making the representation to the court that parties did not expect to
2 amend the pleadings.

3 10. A true and correct copy of the April 5, 2004 letter from Troy Romero to Carolyn
4 Cairns is attached hereto as *Exhibit 6*.

5 I declare that the following is true and correct to the best of my knowledge,
6 information and belief, signed this date at Seattle, Washington.

7 DATED this 12th day of April, 2004.

8 LARSON HART & SHEPHERD, PLLC

9
10 
11 Susan M. Johnson, WSBA #25145
12 Counsel for Plaintiff
13
14
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19
20
21
22



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Attorneys/Seattle

MONTGOMERY PURDUE BLANKINSHIP & AUSTIN PLLC



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TAMARA L. ROE
ATTORNEY AT LAW
troe@mpba.com

April 23, 2003

CONFIDENTIAL SETTLEMENT COMMUNICATION

ADVANCE COPY VIA FACSIMILE:
206.340.1962

Susan M. Johnson
Larson Hart & Shepherd
One Union Square
1600 University Street
Suite 1730
Seattle, WA 98101

Re: *Dennis Brewer et al. v. CNA Industrial Engineering, Inc.:*
King County Superior Court Cause No. 03-216192-6 SEA

Dear Susan:

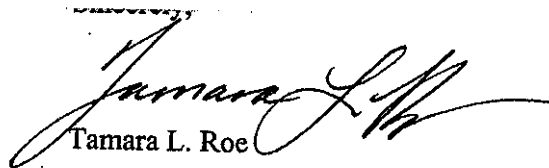
EXHIBIT 1

April 23, 2003
Page 4

MONTGOMERY PURDUE BLANKINSHIP & AUSTIN PLLC

Finally, you should know that we are currently evaluating evidence supporting counterclaims against Dennis Brewer and Darrell Pray for unfair competition, defamation, and tortious interference with CNA's business contracts and expectancies. Mr. Brewer and Mr. Pray breached their fiduciary relationships with CNA by engaging in competitive activities before leaving the company. In fact, Larry Cook first discovered their conspiracy when an existing CNA client called to report that Mr. Brewer and Mr. Pray had falsely stated that CNA was out of business and that they were taking all of CNA's accounts to their new company. Furthermore, CNA has discovered that Dennis Brewer took confidential information belonging to the company.

While we appreciate your clients' willingness to engage in mediation, we believe that until the ongoing investigation concerning these unlawful activities is completed, mediation of the claims being asserted by Dennis Brewer and Darrell Pray would not be productive.


Tamara L. Roe

April 23, 2003

Page 5

TLR:tlr\c:\mpba\correspondence\cnamanufacturing.doc

cc: Larry R. Cook
Jeffrey L. Péwé

One Union Square
600 University Street
Suite 1730
Seattle, WA 98101
tel 206.340.2008
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Larson Hart & Shepherd
Attorneys At Law PLLC

Susan M. Johnson
Attorney At Law
SJohnson@L-H-S.com

RECEIVED
MAY 12 2003

MONTGOMERY PURDUE
BLANKINSHIP & AUSTIN PLLC
May 12, 2003

Tamara Roe
Montgomery Purdue Blankinship & Austin PLLC
5800 Bank of America Tower
701 Fifth Avenue
Seattle, WA 98104-7096

Re: Brewer, et al. v. CNA Industrial Engineering, Inc., et al.
King County Case Number 03-2-16192-6 SEA

Dear Tamara:

With respect to your questions regarding amounts claimed for "unpaid salary at reduced 75% rate," the amounts were calculated by CNA accounting staff and/or accounting staff from Collins Woerman. Confidential document 000003 provided at tab 2 of my March 3, 2003, letter delineates the dates each client claims they worked for CNA but were not paid.

Ms. Weiss' claim for unpaid salary at reduced rate, as previously submitted, spanned from May 11, 2002, through June 15, 2002. She did not make any claims for unemployment covering that period. The time records you provided at tab 2 of your most recent production of documents confirm that Ms. Weiss is entitled to compensation for 40 hours work per seven day period for the five such periods between May 10, and June 13, 2002, for a total of 200 hours unpaid compensation.

EXHIBIT 2

Mr. Kuhn's claim as submitted spanned from May 11, 2002 through June 15, 2002 and thus ended prior to the initiation date you identify for "standby" status with the Washington State Employment Security Department (WSESD). He did not make a claim to WSESD that covered any time in June, 2002, and in fact, the hours he is actually entitled to compensation for per CNA records provided at tab 2 of your most recent production of documents extend into the pay period ending 6/20/02. CNA's time records reflect Mr. Kuhn's entitlement to compensation as follows: 5/10-5/16/02, 40 hours; 5/17-5/23/02, 40.50 hours; 5/24-5/30/02, 40.50 hours; 5/31-6/6/02, 40.50 hours; 6/7-6/13/02, 41 hours; and 6/14-6/20/02, 8 hours, for a total of 210.50 hours of unpaid work.

Mr. Brewer's claim as submitted spanned from May 11, 2002 through August 30, 2002, the later of which was the effective date of his resignation. The time records CNA recently provided do cover 5/10-7/4, 2002, but omit Mr. Brewer's time records for 7/5-8/30, 2002. The time records from 5/10-7/4, 2002, document 350.25 hours worked during that period. Conservatively estimating 40 hours per pay period for the period CNA did not provide time records (7/5-8/30, 2002) he is due compensation for another 320 hours, for a total of 670.65 hours of unpaid salary at the reduced rate. Please check with your clients to see whether they can provide the missing time records.

Mr. Pray's claim as submitted spanned from May 11, 2002 through August 30, 2002, which was the effective date of his resignation. The time records CNA recently provided cover 5/10- 8/22, 2002, and confirm that Mr. Pray worked at least 617.5 hours during that period.

With respect to your questions regarding Line 2 claimed amounts for "unpaid sick and vacation" for Brewer, Pray and Kuhn, it is my understanding that the actual business practice of CNA was to compensate employees for unused sick leave upon separation and that pertinent historical payroll records would reflect the practice. That is the basis upon which my clients' claim unpaid sick leave. With regard to Art Thompson, he was paid the amount he asked for. Mr. Brewer does not recall that Mr. Thompson ever requested compensation for unused sick leave or that he made a determination that Mr. Thompson would not be entitled to any compensation for earned, unused sick leave if he had asked for it.

With regard to the December 6, 2001 email from Linda Jack: Amounts claimed for sick and vacation pay should not include those dates, i.e. December 24, 25, 26, 27, 28, 31, 2001 and January 1, 2002.

As company books and records will show, there were salary deferrals as opposed to reductions. The deferred salary, vacation and sick time were carried on CNA's books as accrued expenses. The Accrued Expense Detail and Financial Statements for 2001 and 2002 will show this. They were prepared by Karolyn Turina at Collins Woerman/CNA Architects from sometime in 2002 on, and prior to that by CNA accounting staff Christie Prest and Joan Ritter. Additionally, a financial forecast prepared by Larry Cook for Banner Bank in July 2002 confirmed the existence of accrued deferred salaries on the books and demonstrated how they were to be paid.

The emails you have provided speak to a 10% salary reduction to take effect September 1, 2001 and continue for just 90 days. I do not see, in Mr. Brewer's October 9, 2001 email, any mention of a salary reduction of 25%. Is there another document you are referring to?

The original intent was, in fact, for a temporary 90-day salary cut. However, in late September, when Larry Cook declined to take a cut in his own salary and began submitting his personal luxury auto payment coupons for his newly acquired Lexus, Jaguar and boat insurance premiums for payment by the company, at the same time that all CNA employees were being asked to reduce their hours and/or salary, he and Dennis Brewer had another discussion that resulted in a conversion from reductions to deferrals. At that point, Mr. Brewer communicated to Mr. Cook that to retain the salaried employees, it would be necessary to convert the agreed reductions to deferrals, but that the percentage would be increased from 10% to 25% and would continue indefinitely instead of just for the remainder of the 90 day period. Mr. Cook acknowledged that this change would have to be made, and, as the records referred to above will demonstrate, the deferrals began accruing on CNA's books. Mr. Cook retained his full salary. Mr. Cook was at all subsequent times aware of the accruing deferrals. His interactions with Banner Bank in July 2002 confirm that the deferrals were an actual accrued expense of the company that he felt compelled to disclose to third parties such as financial institutions. This is our basis for concluding that salary was deferred.

After Art Thompson left the company, and attempted to take a valuable CNA client with him, he made a demand for payment of a specific amount for wages and benefits. A decision was made to meet Mr. Thompson's demand which had been accompanied by allusions to litigation if his demand was not met. The company did not volunteer to offer more than he asked for to compromise his claim. If he had demanded payment of the deferred amounts, that issue would have had to have been addressed, but as it was it did not arise.

The 1999 Business Plan demonstrates how the 1999 bonuses were to be calculated and paid. The 2002 Business Plan demonstrates how the 2002 sales incentives claimed were to be calculated and paid.

No claims have been presented for payment of any bonus amounts for 2002. The only bonus claims are from 1999, a year in which Net Income before Allocated Corporate overhead exceeded the threshold, and thus bonuses accrued by the accounting department in the appropriate manner. The bonuses are owing pursuant to Section 3.3.2 of the 1999 Business Plan. As a result, the bonuses were carried on the company books as accrued expenses. The bonus amounts owing from 1999 were accounted for in the company books as accrued expenses at least through August of 2002 when the last of our clients were forced to leave the company because of non-payment of wages.

The 2002 sales incentives owing to Mr. Brewer and Mr. Pray are for Trout Blue Chelan on the pre-sized inventory project. The incentives are owed pursuant to Section 4.4 of the 2003 business plan.

Angela Weiss was asked to keep the referenced cell phone after being placed on standby because there was the hope that a potential client for whom she was the contact would be in touch. Also, it was hoped that the company would be able to reemploy her and thus there was a desire to maintain continuity. The phone is not active and she would be happy to return it. Her copies of billing records for the phone indicate a lower amount of charges than the \$756.37 indicated in your April 23, 2002 letter. Ms. Weiss will also be happy to return the referenced lap top which was initially retained in the expectation she might return to CNA and subsequently held while awaiting payment of owed wages.

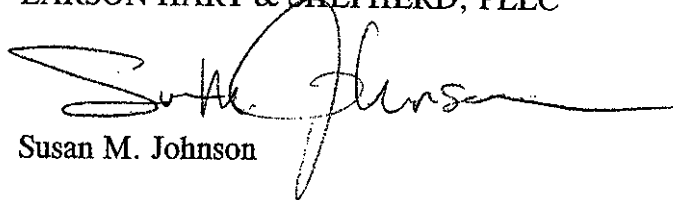
We are not aware of any facts that would support non-frivolous counterclaims against either Mr. Brewer or Mr. Pray. There was no conspiracy or competitive activity. No false or defamatory statements were made to any third parties. Neither Mr. Brewer nor Mr. Pray told anyone that CNA was out of business or that they were taking CNA accounts to another company. We cannot respond to your contentions regarding specific communications or misappropriation of confidential information without further identification of the individual to whom an alleged communication was made and the item or items of confidential information allegedly taken. Finally, as I am sure you are aware, the potential counterclaims you threaten cannot be brought without exposing your clients and firm to possible sanctions, unless there is a reasonable factual basis to support a claim that CNA has sustained actual financial harm from the alleged activities.

In conclusion, the unpaid wage claims are supported by CNA's own time records and ADP payroll reports. The Accrued Expense Detail reports and Financial Statements for the pertinent time periods, and the documentation Mr. Cook submitted to Banner Bank in July 2002, will demonstrate that beginning October 1, 2001, 25% of my clients' salary was deferred, not reduced. These amounts were owed and on the books when their respective employments ended. Failure to pay the amounts owing upon separation from employment was a violation of RCW 49.52 et. seq. which has exposed CNA to liability for payment of double back wages and attorneys fees.

Thank you.

Sincerely,

LARSON HART & SHEPHERD, PLLC

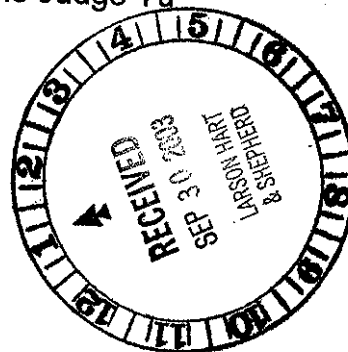
A handwritten signature in black ink, appearing to read "Susan M. Johnson", written over the printed name.

Susan M. Johnson

SMJ/lmm

CC: Clients

The Honorable Judge Yu



SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

DENNIS S. BREWER; DARRELL C. PRAY; JAMES KUHN; LINDA JACK; AND ANGELA WEISS, individually,

Plaintiffs

v.

CNA INDUSTRIAL ENGINEERING, INC., dba CNA CONSULTING & ENGINEERING, a Washington corporation; and LARRY COOK, individually,

Defendants.

NO. 03-2-16192-6 SEA

DEFENDANTS' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO PLAINTIFFS

TO: DENNIS S. BREWER; and

TO: Susan M. Johnson, Larson Hart & Shepherd, PLLC, Plaintiffs' attorneys.

INTERROGATORIES

Pursuant to Civil Rule 33, please answer the following interrogatories, separately and fully, under oath, within thirty (30) days of the date of service of these interrogatories upon you. These interrogatories request information not only within your personal knowledge, but also within the knowledge of your attorneys and all agents.

EXHIBIT 3

DEFENDANTS' FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO PLAINTIFFS

LP-Exhibitory Exhibits Page 010492

arlc:\docs\pleadings\cna\brewer\intrp2\pifs030924.doc

MONTGOMERY PURDUE BLANKINSHIP & AUSTIN PLLC

ATTORNEYS AT LAW

5800 BANK OF AMERICA TOWER

701 FIFTH AVENUE

SEATTLE, WA 98104-7096

(206) 682-7090 TEL

(206) 675-0514 FAX

01/02/23

1
2 Interrogatory No. 29: Identify each person you have contacted, while at your
3 current place of employment, that is a customer of CNA, or CNA was soliciting as a
4 customer. This identification should include, but is not limited to:

- 5 a. The names, addresses and phone numbers of each person identified;
6 b. The date each contact was made;
7 c. The manner in which each contact was made;
8 d. The content of what was said/written in each contact you made; and
9 e. All documents that refer or relate to this interrogatory.
10

11 Answer:
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1
2 Interrogatory No. 30: Identify all customer lists used and/or created by CNA that
3 you or anyone on your behalf used at your current place of employment to contact
4 persons or otherwise assist you at your current place of employment.
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6 Answer:
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1 Response:

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5 Request For Production No. 9: All documents you or anyone on your behalf has
6 removed or copied from CNA's place of business or otherwise belongs to CNA.

7 This includes, but is not limited to, originals, copies or reproductions of:
8 facsimiles, e-mails, customer lists or customer information, marketing or promotional
9 materials, proposals, contracts, training and education materials, company reports or
10 forecasts, employee handbooks, personnel files, notes, computer records, computer
11 printouts, data stored in or on computer drives, or any other document related CNA's
12 business.

13 Response:

JUDGE MARY YU

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

DENNIS S. BREWER; DARRELL C.
PRAY; JAMES KUHN; LINDA JACK;
and ANGELA WEISS, individually,

Plaintiffs,

v.

CNA INDUSTRIAL ENGINEERING,
INC., dba CNA CONSULTING &
ENGINEERING, a Washington
corporation; and LARRY COOK,
individually,

Defendants.

NO. 03-2-16192-6 SEA

DEFENDANTS' DISCLOSURE OF
POSSIBLE PRIMARY WITNESSES

IN AN EFFORT to make good faith compliance with King County Local Rule
("KCLR 26"), the defendants submit this disclosure of possible primary witnesses.

I. LAY WITNESSES

The name, address, phone number, and a brief description of the witnesses'
relevant knowledge:

1. Harold Smith, Jr.
CNA Manufacturing, Inc.
17627 - 128th Avenue NE
Woodinville, WA 98072
(425) 782-7977
2. Joe Holden
CNA Consulting
17627 - 128th Avenue NE
Woodinville, WA 98072
(425) 482-4407

EXHIBIT 4

1 3. Sandra Mjellen
2 CNA Consulting
3 176247 – 128th Avenue NE
4 Woodinville, WA 98072
5 (425) 482-4407

6 4. Larry Cook
7 CNA Consulting
8 176247 – 128th Avenue NE
9 Woodinville, WA 98072
10 (425) 482-4407

11 These individuals, and other individuals listed in the documents stamped CNA
12 0000009-11 (produced in discovery), have general knowledge of plaintiffs' claims and
13 defendants' defenses thereto and are expected to testify regarding these matters.

14 5. Collins Woerman
15 777 108th Avenue NE
16 Bellevue, WA 98004
17 425-822-6700.

18 Karolyn Alford, Arlin Collins, Mark Woerman, Jeff Ballod, Linda Fuller, and other
19 Collins Woerman representatives. Karolyn Alford is a bookkeeper with Collins
20 Woerman, who provided bookkeeping services to Dennis Brewer while employed
21 with CNA. The other representatives had similar roles.

22 6. Jon MacDaniel
23 13390 Forest View Avenue, SE,
24 Monroe, WA 98272
25 (360) 805-1390

26 Jon MacDaniel assisted defendants in an attempt to search and retrieve
documents from the hard drives of the computers that plaintiffs used while employed
at CNA, and has information regarding the condition in which the plaintiffs left their
hard drives.

7. Jody Norton
John Hulpert and/or other representatives of Banner Bank

1 These representatives of Banner Bank have information regarding any financing
2 provided to defendants.

- 3 8. Berger ABAM Engineering, Inc.
4 33301 Ninth Avenue South, Suite 300
5 Federal Way, WA 98003
(206) 374-9790

6 Joe Stockwell, Project Manager
7 Arnie Rusten, Vice President
8 Vern Nielson, Project Manager
9 Jim Zusy, President
10 Caroly Heffron

11 These representatives may have knowledge regarding plaintiffs Brewer and
12 Pray's conduct in which they engaged in competing activity with CNA while still
13 employed at CNA through the solicitation of CNA's customers; and/or engaging in
14 competing activity with CNA after leaving CNA through the use of CNA's proprietary
15 information.

- 16 9. Puget Sound Naval Shipyard
17 Tim Nopp (360) 476-9835
18 John Timmerman (360) 476-9835
19 Ann Mechling (360) 476-9359
20 Cathy Murphy (360) 396-0077

21 These representatives may have knowledge regarding plaintiffs Brewer and
22 Pray's conduct in which they engaged in competing activity with CNA while still
23 employed at CNA through the solicitation of CNA's customers; and/or engaging in
24 competing activity with CNA after leaving CNA through the use of CNA's proprietary
25 information.

- 26 10. Lockheed Martin Distribution Technologies
12506 Lake Underhill Road
Orlando, FL 32825
(407) 306-4300

1 Tom Meyers
2 Bruce Muir
3 Edward A. Melville, Jr.

4 These representatives may have knowledge regarding plaintiffs Brewer and
5 Pray's conduct in which they engaged in competing activity with CNA while still
6 employed at CNA through the solicitation of CNA's customers; and/or engaging in
7 competing activity with CNA after leaving CNA through the use of CNA's proprietary
8 information.

9 11. Todd Kammers - CFO
10 Trout Blue Chelan
11 P.O. Box 669
12 Chelan, WA 98816-0669
13 509-682-2591

14 This individual may have knowledge regarding plaintiffs Brewer and Pray's
15 conduct in which they engaged in competing activity with CNA while still employed at
16 CNA through the solicitation of CNA's customers; and/or engaging in competing
17 activity with CNA after leaving CNA through the use of CNA's proprietary information.

18 12. Dean Keller - Operations Manager
19 Mt. Hood Beverage Company
20 3601 NW Yeon Avenue
21 Portland, OR 97210-1319
22 503-274-9990

23 This individual may have knowledge regarding plaintiffs Brewer and Pray's
24 conduct in which they engaged in competing activity with CNA while still employed at
25 CNA through the solicitation of CNA's customers; and/or engaging in competing
26 activity with CNA after leaving CNA through the use of CNA's proprietary information.

1 13. David Borshell - Chief Operating Officer
2 Image Entertainment
3 9333 OSO Avenue
4 Chatsworth, CA 91311-6019
5 818-407-9100

6 This individual may have knowledge regarding plaintiffs Brewer and Pray's
7 conduct in which they engaged in competing activity with CNA while still employed at
8 CNA through the solicitation of CNA's customers; and/or engaging in competing
9 activity with CNA after leaving CNA through the use of CNA's proprietary information.

10 14. Tom Brenner - Operations Manager
11 Image Entertainment
12 6650 Spencer Street
13 Las Vegas, NV 89119
14 702-320-2192

15 This individual may have knowledge regarding plaintiffs Brewer and Pray's
16 conduct in which they engaged in competing activity with CNA while still employed at
17 CNA through the solicitation of CNA's customers; and/or engaging in competing
18 activity with CNA after leaving CNA through the use of CNA's proprietary information.

19 15. Fred Hillman
20 Pathfinder
21 425-889-0289 Work
22 425-466-2477 Cell

23 This individual may have knowledge regarding plaintiffs Brewer and Pray's
24 conduct in which they engaged in competing activity with CNA while still employed at
25 CNA through the solicitation of CNA's customers; and/or engaging in competing
26 activity with CNA after leaving CNA through the use of CNA's proprietary information.

16. Larry Harding
Rapistan Systems
2100 W. Orangewood Avenue, Ste 200
Orange, CA 92868-1959

714-978-1238

This individual may have knowledge regarding plaintiffs Brewer and Pray's conduct in which they engaged in competing activity with CNA while still employed at CNA through the solicitation of CNA's customers; and/or engaging in competing activity with CNA after leaving CNA through the use of CNA's proprietary information.

17. Jeffrey Gray (Computer Consultant for CNA Consulting & Engineering)
Tek Net Solutions
615 174th Place NE
Bellevue, WA 98008
425-644-7484

Handles CNA's computer systems.

18. All individuals identified by parties in response to discovery requests served in this action.

19. All individuals identified by any party in this action in any future pleading or deposition, including responses to future discovery requests and/or amendment or supplement to any prior responses.

20. All individuals identified, or individuals of whom a right to call as a witness was reserved, by any other party to this action pursuant to KCLR 26(b).

II. EXPERTS

Name, address, phone number, and summary of the experts and opinions and basis therefor, and a brief description of the experts' qualifications.

None at this time.

III. RESERVATIONS

Defendants reserve the right to call any and all primary witnesses identified by any of the plaintiffs.

1 Defendants reserve the right to call to testify any witnesses and/or experts
2 identified in the future by any other party to this action as an amendment or
3 supplement to their disclosures made pursuant to KCLR 26(b).

4 Defendants reserve the right to supplement this list under state and local court
5 rules as discovery continues and reserves the right to call any and all lay and expert
6 witnesses designated by plaintiffs.

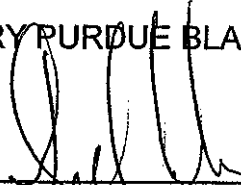
7 Because discovery and investigation are ongoing, defendants reserve the right
8 to call additional lay and expert witnesses who may prove through the discovery
9 process to have knowledge of facts relevant to the subject matter of this action.

10 Defendants expressly reserve and do not waive any right they may have under
11 the Superior Court Civil Rules or Washington common law to object to other parties
12 calling its experts or eliciting certain expert testimony from its experts even though
13 said experts have been listed in this document and are deposed.

14 This witness designation is not intended to substitute for depositions of any
15 witness disclosed herein. All witnesses designated may offer additional opinions and
16 testimony and/or some topics of testimony may be modified or deleted.

17
18 DATED this 12 day of January, 2004.

19 MONTGOMERY PURDUE BLANKINSHIP & AUSTIN PLLC

20
21 By 
22 Andrew R. Chisholm, WSBA 30673
23 Tamara L. Roe, WSBA 21131
Attorneys for Defendants

24 NOTE: This document is not required to be filed with the Clerk's Office. It is
25 designed to assist parties in the exchange of information.
26

FILE COPY

JUDGE DONALD D. HALEY

**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING**

**DENNIS S. BREWER; DARRELL C.
PRAY; JAMES KUHN; LINDA JACK; and
ANGELA WEISS, individually,**

Plaintiffs,

v.

**CNA INDUSTRIAL ENGINEERING, INC.,
dba CNA CONSULTING &
ENGINEERING, a Washington
corporation; and LARRY COOK,
individually,**

Defendants.

NO. 03-2-16192-6 SEA

JOINT PRETRIAL REPORT

COME NOW all parties hereto, and pursuant to the Order Setting Civil Case Schedule, submit this Joint Pretrial Report.

1. Nature of Case. This is an action brought under RCW 49.52 et seq. The case involves former employees of CNA Industrial Engineering, Inc. who have filed a lawsuit for nonpayment of employee wages, bonuses, expenses and benefits. Defendants deny liability, and the nature and scope of Plaintiffs' damages.

EXHIBIT 5

JOINT Pretrial Report Page 010503



Larson Hart & Shepherd
Attorneys At Law PLLC
ONE UNION SQUARE
600 UNIVERSITY STREET - SUITE 1730

01/02/23

1 2. Jury Demand. A jury demand has not been filed.

2 3. Length of Trial. The parties expect the trial to require approximately 5-6 days.

3 4. Status of Discovery. The parties have exchanged written discovery.

4 5. Status of Pleadings. The parties do not expect to amend the pleadings at this point.

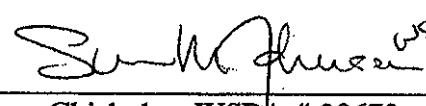
5 6. Settlement Conference. A settlement conference has not yet been scheduled,
6 however, Plaintiffs' have submitted a settlement demand. In addition, the parties anticipate
7 scheduling a settlement conference in accordance with the Order Setting Civil Case
8 Schedule.

9 7. Special Problems/Issues. The parties have not identified any special issues or
10 problems at this point in the case.

11
12 DATED this ^{17th} day of February, 2004.

13
14 

15 Susan M. Johnson, WSBA # 25145
16 Larson, Hart & Shepherd, PLLC
17 Counsel for Plaintiffs

18  WSBA 25145 for Andrew Chisholm per telephonic
19 Andrew Chisholm, WSBA # 30673 authorization on 2/17/04.
20 Tamara Roe, WSBA # 21131
21 Montgomery Purdue Blankinship & Austin, PLLC
Counsel for Defendants



ROMERO MONTAGUE P.S.
ATTORNEYS AT LAW

PACIFIC PLAZA
155-108th Avenue NE, Suite 202
Bellevue, Washington 98004
Telephone (425) 450-5000
Facsimile (425) 450-0728

JOHN HANCOCK BUILDING
520 West Ash Street, Suite 202
San Diego, California 92101
Telephone (760) 788-0965
tromero@romeromontague.com

April 5, 2004

Ms. Carolyn Cairns
Stokes Lawrence, P.S.
800 Fifth Ave., Suite 4000
Seattle, WA 98104

RE: Brewer et al. v. CNA Consulting et al.
Our Reference: CNAC 600

Dear Carolyn:

I hope this letter finds you doing well.

Our firm has just been retained by the Defendants in the above-referenced matter. We substituted in on Friday, April 2, 2004. Obviously we are just beginning to get a handle on the case. It will take us some time to review all of the pleadings and discovery in the case, as well as get a handle on the strengths and weaknesses of the plaintiffs' claims.

In addition to substituting into the case, we are filing tomorrow a motion for leave to file an amended answer asserting various counterclaims against the plaintiffs and continuing the trial date. That motion is noted for hearing on April 14, 2004.

We believe it is important for the court to rule on the motion before we mediate. Assuming the motion is granted, we also believe all parties would want some time to conduct discovery on the counterclaims, not to mention take some depositions since none have been taken to date. We believe that the case cannot be appropriately mediated until we know whether there will be counterclaims in the case and the plaintiffs' potential exposure on those claims.

Accordingly, the Defendants and their counsel respectfully request that the mediation be continued from April 12, 2004 to a future date, likely sometime in late May. Please know that my clients still want to use you as a mediator. Further, you are well aware of our firm's respect for your talent and abilities in employment law so we, too, would very much appreciate you finding some time for this case at a mutually agreeable time in May or June, depending on the Court's ruling on our motion.

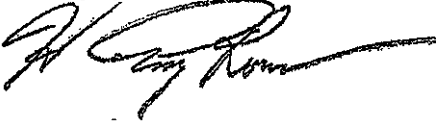
We will contact you once we hear from the Court on our motion.

EXHIBIT 6

Ms. Carolyn Cairns
April 5, 2004
Page 2

Take care and thank you in advance for rescheduling the mediation. We apologize for any inconvenience this may cause you.

Very truly yours,
ROMERO MONTAGUE P.S.

A handwritten signature in black ink, appearing to read "H. Troy Romero", is written over the typed name.

H. Troy Romero

HTR/mls

Cc: CNA Consulting
Susan M. Johnson
Michael E. Wiggins

King County Superior Court Clerk's Office

Welcome to the Records Access Portal

03-2-16192-6 SEA

BREWER ET AL VS CNA INDUSTRIAL ENGINEERING INC DBA ET ANO

Commercial - Completed/Re-Completed

[Summary](#)

[Participants](#)

[Document List](#)

[Events](#)

[Judgments](#)

Documents

[Request Access to Sealed Documents](#)

[Request Fee Waiver](#)

[Purchase/View Court records](#)

Documents List

Sub Number	Date Filed	Document Name	Additional Information	Page #	Seal
1	01/22/2003	SMCMP - Summons and Complaint	SUMMONS & COMPLAINT	8	
2	01/22/2003	*ORSCS - Order Setting Case Schedule	SET CASE SCHEDULE 06-14-2004ST	6	
3	01/22/2003	CICS - Case Information Cover Sheet	CASE INFORMATION COVER SHEET	3	
4	02/26/2003	CS - Confirmation of Service	CONFIRMATION OF SERVICE	1	
5	03/03/2003	NTAPR - Notice of Appearance	NOTICE OF APPEARANCE /DEFS	3	
6	04/14/2003	AN - Answer	ANSWER /DEFS	5	
7	07/14/2003	CJNSC - Confirmation of Joinder - No Status Conference Needed	CONFIRM. JOIN.: NO STATUS CONFER.	2	
8	08/28/2003	AFSR - Affidavit / Declaration / Certificate Of Service	AFFIDAVIT/DECLARATION OF SERVICE	1	
9	10/14/2003	NTACA - Notice of Address Change	NOTICE OF ATTY CHANGE OF ADDRESS	3	
10	12/05/2003	ORCJ - Order for Change of Judge	ORDER FOR CHANGE OF JUDGE	1	
11	02/17/2004	PTR - Pre-Trial Report	PRE-TRIAL REPORT /JOINT	2	
12	03/26/2004	AFSR - Affidavit / Declaration / Certificate Of Service	AFFIDAVIT/DECLARATION OF SERVICE	1	

LP Evidentiary Exhibits Page 010507

01/02/23

Sub Number	Date Filed	Document Name	Additional Information	Page #	Seal
13	04/02/2004	NTWSUB - Notice of Withdrawal and Substitution Of Counsel	NOTICE WITHDRAW & SUBSTITUT COUNSEL	3	
14	04/06/2004	NTMTDK - Note for Motion Docket	NOTE FOR MOTION DOCKET 04-14-2004	2	
15	04/06/2004	DCLR - Declaration	DECLARATION /LARRY COOK	3	
16	04/06/2004	DCLR - Declaration	DECLARATION/ H T ROMERO	3	
17	04/06/2004	MT - Motion	MOTION TO FILE AMENDED ANSWER/DEF	8	
18	04/12/2004	DCLR - Declaration	DECLARATION OF SUSAN M JOHNSON	28	
18A	04/12/2004	RSP - Response	RESPONSE TO DEFS MTN TO AMEND/PLTF	11	
19	04/13/2004	RPY - Reply	REPLY /DEF	4	
20	04/14/2004	ORJPR - Order Requiring Joint Pretrial Report	ORD REQUIRING JOINT PRETRIAL REPORT	4	
21	04/15/2004	ORDYMT - Order Denying Motion / Petition	ORDER DENYING MOTION/PETITION TO	2	
22	04/30/2004	NTHG - Notice of Hearing	NOTICE OF HEARING 05-28-2004	2	
23	04/30/2004	MTSMJG - Motion for Summary Judgment	MOTION FOR SUMMARY JUDGMENT	8	
24	04/30/2004	DCLR - Declaration	DECLARATION OF LARRY COOK	12	
25	05/17/2004	NTSSTD - Notice of Settlement and Authorization for Clerk to Strike Trial Date	NT STLMT/AUTH CLRK STRK TRIAL DATE	2	
26	06/04/2004	ORDSMS - Order of Dismissal - Stipulated	ORDER OF DISMISSAL - STIPULATED	2	

[Go Back](#)

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KING COUNTY
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SEATTLE, WA.

IN THE SUPERIOR COURT FOR THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

DENNIS S. BREWER; DARRELL C.
PRAY; JAMES KUHN; LINDA JACK;
and ANGELA WEISS, individually,

Plaintiffs,

v.

CNA INDUSTRIAL ENGINEERING,
INC., dba CNA CONSULTING &
ENGINEERING, a Washington
corporation; and LARRY COOK,
individually,

Defendants.

The Honorable Donald Haley

No. 03-2-16192-6 SEA

PLAINTIFFS' RESPONSE TO
DEFENDANTS' MOTION TO AMEND
ANSWER, CONTINUE TRIAL DATE,
AND AMEND CASE SCHEDULE

I. RELIEF REQUESTED

Plaintiffs ask the Court to deny Defendants' Motion to amend their Answer and continue the trial date because it is based on the disingenuous assertion that Defendants CNA and Larry Cook did not know of the possibility they could assert counterclaims at an

PLAINTIFF'S RESPONSE TO MOTION TO
AMEND ANSWER AND CONTINUE TRIAL - 1

LP Evidentiary Exhibits Page 010509



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ORIGINAL

1 earlier date. Defendants should not be rewarded for misrepresenting facts to this Court in
2 their Motion and the Court is not required to, and should not, freely grant leave to amend
3 where the presence of bad faith and dilatory motive are apparent.

4 II. STATEMENT OF FACTS

5 Plaintiffs are former employees of Defendant CNA. Larry Cook is the controlling
6 owner of CNA, and its executive officer. This case arose when CNA and Larry Cook failed
7 to pay the salaried employees regular wages, benefits, and deferred compensation owed
8 them under RCW Title 49. This case was filed on January 22, 2003.
9

10 Now, almost 15 months later, and only two months before trial, Defendants are
11 moving for the first time to add counterclaims against the Plaintiffs based on their
12 representation that the possibility of asserting counterclaims was unknown prior to March
13 29, 2004. Several documents, which are attached as exhibits to the Declaration of Susan M.
14 Johnson filed herewith, indicate that, not only did Defendants' former counsel consider and
15 reject the same counterclaims asserted now, but that Defendant Larry Cook also had actual
16 knowledge of these potential claims. This information raises the question of whether Larry
17 Cook's sworn affidavit, and the statements made by counsel in Defendants' Motion were
18 made in good faith and for proper purposes.
19

20 The documents speak for themselves. In a letter from Defendants' former counsel
21 dated April 23, 2003, attorney Tamara L. Roe of Montgomery Purdue Blankinship & Austin
22 wrote to counsel for Plaintiffs that
23

24 *you should know that we are currently evaluating evidence supporting*
25 *counterclaims against Dennis Brewer and Darrell Pray for unfair*
26 *competition, defamation, and tortious interference with CNA's business*
contracts and expectancies. Mr. Brewer and Mr. Pray breached their
fiduciary relationships with CNA by engaging in competitive activities before



1 leaving the company. In fact, Larry Cook first discovered their conspiracy
2 when an existing client was called to report that Mr. Brewer and Mr. Pray had
3 falsely stated that CNA was out of business and that they were taking all of
CNA's accounts to their new company. Furthermore, CNA had discovered
that Dennis Brewer took confidential information belonging to the company.

4 April 23, 2003 Letter from Tamara L. Roe to Susan M. Johnson, page 4, (Exhibit 1 to
5 Declaration of Susan M. Johnson) (emphasis added). This letter indicates that a copy was
6 sent to Larry R. Cook. *Id.* at 5.

7 On May 12, 2003, counsel for Plaintiffs, Susan M. Johnson, responded as follows:
8

9 We are not aware of any facts that would support non-frivolous counterclaims
10 against either Mr. Brewer or Mr. Pray. There was no conspiracy or
11 competitive activity. No false or defamatory statements were made to any
12 third parties. Neither Mr. Brewer nor Mr. Pray told anyone that CNA was out
13 of business or that they were taking CNA accounts to another company. We
14 cannot respond to your contentions regarding specific communications or
15 misappropriation of confidential information without further identification of
16 the individual to whom an alleged communication was made and the item or
17 items of confidential information allegedly taken. *Finally, as I am sure you
18 are aware, the potential counterclaims you threaten cannot be brought
19 without exposing your clients and firm to possible sanctions, unless there is a
20 reasonable factual basis to support a claim that CNA has sustained actual
21 financial harm from the alleged activities.*

22 May 12, 2003 Letter from Susan M. Johnson to Tamara L. Roe at 4 (Exhibit 2 to
23 Declaration of Susan M. Johnson) (emphasis added). This exchange of communication
24 between counsel for Defendants and Plaintiffs makes clear that Defendants and their former
25 counsel were considering bringing counterclaims similar to the ones currently made by
26 Defendants in their proposed Amended Answer nearly a year ago. Ms. Johnson's letter also
makes clear that Defendants were put on notice of the legal consequences of bringing claims
without factual support.

Defendants' former counsel apparently heeded this warning to first investigate the
facts supporting potential counterclaims. On September 30, 2003, counsel for Plaintiffs



1 received Defendants' First Set of Interrogatories and Requests for Production of Documents
2 to Plaintiffs. Exhibit 3 to Declaration of Susan M. Johnson. Interrogatory No. 29
3 propounded by Defendants requested Plaintiffs to "[i]dentify each person you have
4 contacted, while at your current place of employment, that is a customer of CNA, or CNA
5 was soliciting as a customer." Exhibit 3 to Declaration of Susan M. Johnson. Interrogatory
6 No. 30 asked Plaintiffs to "[i]dentify all customer lists used and/or created by CNA that you
7 or anyone on your behalf used at your current place of employment to contact persons or
8 otherwise assist you at your current place of employment." Exhibit 3 to Declaration of
9 Susan M. Johnson. Request for production No. 9 asked for "[a]ll documents you or anyone
10 on your behalf has removed or copied from CNA's place of business or otherwise belongs to
11 CNA." Exhibit 3 to Declaration of Susan M. Johnson. These discovery requests indicate
12 that Defendants were investigating the factual viability of counterclaims regarding the
13 Plaintiffs' alleged misappropriation of customers or proprietary information. Despite this
14 indication that Defendants were searching for factual support for possible counterclaims,
15 Defendants did not move to amend their Answer to include any such counterclaims after
16 receiving Plaintiffs' answers.
17
18

19 Then, on January 12, 2004, Defendants submitted their Disclosure of Possible
20 Primary Witnesses. Exhibit 4 to Declaration of Susan M. Johnson. In this disclosure,
21 Defendants identified 18 persons at eight companies who they represented "may have
22 knowledge regarding Plaintiffs Brewer and Pray's conduct in which they engaged in
23 competing activity with CNA while still employed at CNA through the solicitation of
24 CNA's customers; and/or engaging in competing activity with CNA after leaving CNA
25 though the use of CNA's proprietary information." Defendants' Disclosure of Possible
26

PLAINTIFF'S RESPONSE TO MOTION TO
AMEND ANSWER AND CONTINUE TRIAL - 4

LP Evidentiary Exhibits Page 010512



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1 Primary Witnesses, *passim*, (Exhibit 4 to Declaration of Susan M. Johnson). Still,
2 Defendants did not move to amend their Answer to add counterclaims.

3 On February 17, 2004, counsel for Plaintiffs and Defendants filed a Joint Trial
4 Report in which both parties represented to this Court that they did "not expect to amend the
5 pleadings at this point." Joint Trial Report at 2, (Exhibit 5 to Declaration of Susan M.
6 Johnson). Recently, after receiving a detailed analysis of the Plaintiffs' unpaid wages and
7 benefits, Defendants agreed to participate in mediation on April 12, 2004. Declaration of
8 Susan M. Johnson at 2, paragraph 3.

9
10 Now, within one week of the scheduled mediation, Defendants have replaced their
11 former counsel with new counsel, who unilaterally cancelled the mediation and brought the
12 present motion to amend their Answer. Declaration of Susan M. Johnson at 2, paragraph 3.
13 They base their Motion on the assertion that "[w]hen Defendants were first sued they did not
14 know they had claims they could assert against the Plaintiffs . . . They did not learn of their
15 ability to do so until March 29, 2004." Defendant's Motion for Leave to File a Amended
16 Complaint at 1. Larry Cook declares under penalty of perjury that he did not know of any
17 available counterclaims against the Plaintiffs until his recent meeting with his new counsel
18 in late March 2004. Declaration of Larry Cook at 2, paragraph 7.

19
20 Throughout this lengthy litigation process, Plaintiffs have not only been without
21 money they earned while working at CNA, creating substantial financial hardship for them,
22 they have also been forced to expend significant additional amounts of money on attorney's
23 fees and litigation costs to prepare for the June trial at which they anticipate an award of
24 statutorily mandated attorney's fees and costs under the wage and hour statutes. Each month
25
26



1 this matter is further delayed creates more financial hardship for the Plaintiffs and their
2 families.

3 III. STATEMENT OF ISSUE

4 Whether this Court should deny Defendant's Motion in its entirety because it is
5 based on misrepresentations made to the Court and will prejudice the Plaintiffs.

6 IV. EVIDENCE RELIED UPON

7 This Motion is based on the pleadings and the Declaration of Susan M. Johnson,
8 filed herewith, and the supporting exhibits to that declaration.

9 V. LEGAL AUTHORITY AND DISCUSSION

10 Trial courts have broad discretion regarding motions to amend pleadings and
11 continue trial dates, but "no amendment is to be made as a matter of course once the matter
12 is set for trial." *Wolfe v. Legg*, 60 Wn. App. 245, 251, 803 P.2d 804 (1991). Leave of the
13 court is required "to prevent the filing of last minute amendments which would have the
14 potential of prejudicing the opposing party and the judicial process." *Wolfe*, 60 Wn. App. at
15 251. The existence of bad faith or a dilatory motive justifies denying a motion to amend a
16 pleading. *Foman v. Davis*, 371 U.S. 178, 182, 83 S. Ct. 227, 9 L. Ed. 2d 222 (1962).

17 **The Motion should be denied because it is premised on misrepresentations of fact made**
18 **to this Court.**

19 The Motion should be denied in its entirety because it is based on the false premise
20 that Defendants were unaware of the existence of any counterclaims against the Plaintiffs
21 until a recent conference with new counsel and that they did not have sufficient opportunity
22 to substantiate those claims. The facts reveal that the opposite is true. The succession of the
23 documents described above creates, at the very least, a reasonable inference that
24
25
26



1 Defendants' former counsel considered the very counterclaims now asserted by Defendants,
2 conducted an investigation into any factual basis for these claims, and determined that there
3 was no basis to amend the pleadings. These documents also indicate that Defendant Larry
4 Cook was personally aware of the existence of the possibility of asserting these
5 counterclaims and his counsel's investigation of the same.

6 Civil Rule 13(f) states that "[w]hen a pleader fails to set up a counterclaim through
7 oversight, inadvertence, or excusable neglect, or when justice requires, he may by leave of
8 court set up the counterclaim by amendment." Defendants cite to *Walla v. Johnson*, 50 Wn.
9 App. 879, 885-87, 751 P.2d 334 (1998). That case interprets CR 13(f) and is instructive for
10 several reasons. First, the *Walla* court states that a court should deny leave when "*the delay*
11 *is inexcusable*, or the pleader has displayed *a lack of good faith*, or when the counterclaim
12 may be *left to an independent action* or is totally *lacking in merit*." *Walla*, 50 Wn. App. 886
13 (emphasis added). The disjunctive "or" indicates that any one of these circumstances alone
14 justifies denying a motion to amend an answer to include a counterclaim. Here, however,
15 each of these circumstances applies to the Defendants' Motion, due to the Defendants'
16 misrepresentation of the facts.

17 First, the above sequence of documents indicates that bringing the proposed
18 counterclaims now is inexcusable because they were considered by Defendants prior to this
19 time, but not brought. No valid excuse is offered for this delay. The excuse offered, that
20 Defendants were unaware of the possibility of counterclaims lacks veracity and makes the
21 delay inexcusable.

22 Second, the same sequence of documents indicates the Defendants' lack of good
23 faith in bringing the present Motion. As stated above, the Motion is premised on the
24



1 assertion that Defendants were unaware of the availability of counterclaims before talking
2 with current counsel. On the contrary, not only was former defense counsel aware of the
3 same counterclaims, Defendant Larry Cook was personally aware of the threat made to
4 assert these counterclaims earlier. To now represent the opposite is an indication of bad
5 faith.

6 Another indication of bad faith is the proximity of this Motion to the mediation
7 scheduled for April 12, 2004. Plaintiffs' counsel sent detailed analyses of the Plaintiffs'
8 wage claims, based on Defendants' representation that they would participate in mediation.
9 See Declaration of Susan M. Johnson at 2, paragraph 3. One week before the scheduled
10 mediation, Defendants' new counsel unilaterally cancelled this mediation, informing the
11 mediator they would be amenable to mediation after the obtained leave to amend to add
12 counterclaims. *Id.* The abrupt substitution of counsel and the present Motion to assert
13 counterclaims that apparently lack factual support appear to be tactics to gain improper
14 leverage in any subsequent mediation. *Id.* This use of unsupportable claims to gain leverage
15 demonstrates bad faith.
16

17
18 Third, the bulk of Defendants' counterclaims are not compulsory because they do not
19 arise out of the same "transaction or occurrence" as Plaintiffs' claims, pursuant to CR 13.
20 They may therefore be left to an independent action.

21 Fourth, the counterclaims asserted by Defendants appear to be without merit. The
22 primary indication of this is former defense counsel's refusal to assert them after
23 investigating their factual basis.
24

25 In sum, because this motion appears to have been brought in bad faith, the Court has
26 a sound basis to deny the Motion regardless of the prejudice any further delay will cause the



1 plaintiffs in this case. Any one of these four circumstances is a basis for denying this
2 Motion. Defendants' blatant misrepresentation of the facts implicates each basis.

3 **VI. CONCLUSION**

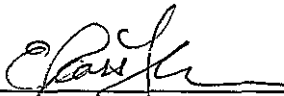
4 Defendants' Motion should be denied in its entirety. The misleading statements
5 contained within it and its supporting declarations are alone sufficient grounds to deny the
6 Defendants a continuance or leave to amend their Answer. Defendants' untimely proposal
7 to add counterclaims is inexcusable for delay, demonstrates a lack of good faith, and is
8 unnecessary because the claims could be brought in a separate action. For all of these
9 reasons, Plaintiffs respectfully request that the Court deny this Motion in its entirety.
10

11 **VII. PROPOSED ORDER**

12 A proposed order granting the relief requested accompanies this Response.

13 Dated this 12th day of April, 2004.

14 **LARSON HART & SHEPHERD, PLLC**

15 

16 Susan M. Johnson, WSBA # 25145
17 E. Ross Farr, WSBA # 32037
18 Of Counsel for Plaintiffs
19
20
21
22
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26



COPY

**IN THE SUPERIOR COURT FOR THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING**

**DENNIS S. BREWER; DARRELL C.
PRAY; JAMES KUHN; LINDA JACK;
and ANGELA WEISS, individually,**

Plaintiffs,

v.

**CNA INDUSTRIAL ENGINEERING,
INC., dba CNA CONSULTING &
ENGINEERING, a Washington
corporation; and LARRY COOK,
individually,**

Defendants.

The Honorable Donald Haley

No. 03-2-16192-6 SEA

**ORDER DENYING DEFENDANTS'
MOTION FOR LEAVE TO AMEND
ANSWER, CONTINUE TRIAL DATE,
AND AMEND CASE SCHEDULE**

[Proposed]

THIS MATTER, came before the court on the Defendants CNA and Larry Cook's Motion to amend their answer and continue the trial date. The Court having considered the pleadings and supporting documents filed in defendant CNA and Larry Cook's Motion, including the Declaration of Larry Cook and H. Troy Romero, and the exhibits attached

ORDER DENYING DEFENDANTS' MOTION TO
AMEND ANSWER AND CONTINUE TRIAL - 1

LP Evidentiary Exhibits Page 010518



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01/02/23

1 thereto, and the Plaintiffs' Response in Opposition to the Defendants' Motion, along with
2 the Declaration of Susan M. Johnson and the exhibits attached thereto, and being otherwise
3 fully advised in the premises,

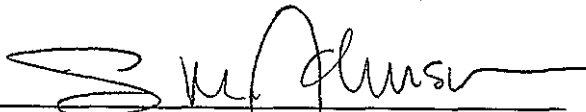
4 **IT IS HEREBY ORDERED** that Defendants CNA and Larry Cook's Motion for
5 Leave to File an Amended Answer, Continue the Trial Date, and Amend the Case Schedule
6 is **DENIED**.

7 **DONE IN OPEN COURT** this _____ day of April, 2004.

8
9
10 **Judge Donald Haley**

11 Presented by:

12 LARSON HART & SHEPHERD, PLLC

13 

14 Susan M. Johnson, WSBA #25145
15 E. Ross Farr, WSBA # 32037
16 Of Attorneys for Plaintiffs

17
18 Approved as to form:

19 ROMERO MONTAGUE, P.S.

20
21
22 _____
23 H. Troy Romero, WSBA # 19044
24 Michael E. Wiggins, WSBA # 31921
25 Of Attorneys for Defendants
26

ORDER DENYING DEFENDANTS' MOTION TO
AMEND ANSWER AND CONTINUE TRIAL - 2

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01/02/23

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KING COUNTY
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SEATTLE, WA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

DENNIS S. BREWER; DARRELL C.)
PRAY; JAMES KUHN; LINDA JACK;)
And ANGELA WEISS, individually,)
Plaintiffs,)

CASE NO.

03-2-16 192- 6SEA

v.)

SUMMONS

CNA INDUSTRIAL ENGINEERING,)
INC., d/b/a CNA CONSULTING &)
ENGINEERING, a Washington)
Corporation; and LARRY COOK,)
Individually,)
Defendants.)

MARY YU

TO: CNA INDUSTRIAL ENGINEERING, INC., d/b/a CNA CONSULTING &
ENGINEERING

1. The above-named Plaintiffs have started a lawsuit against you in the
above-entitled court.

2. Plaintiffs' claims are stated in the written Complaint, a copy of which is
served upon you with this Summons.

SUMMONS-CNA INDUSTRIAL

LP Engineering, Inc. Page 010520



Larson Hart & Shepherd

Attorneys At Law PLLC

ONE UNION SQUARE

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11/22/2003

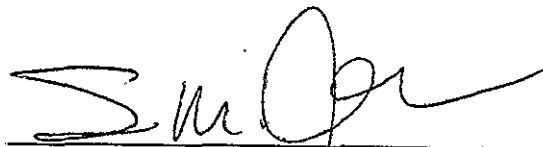
1 3. In order to defend against this lawsuit, you must respond to the
2 Complaint by stating your defense in writing, and by serving a copy upon the person
3 signing this Summons within 20 days after the service of this Summons, or within 60
4 days if this Summons was served outside the State of Washington, excluding the day of
5 service, or a default judgment may be entered against you without notice. A default
6 judgment is one where Plaintiffs are entitled to what has been asked for because you
7 have not responded. If you serve a notice of appearance on the undersigned person,
8 you are entitled to notice before a default judgment may be entered. A copy of your
9 answer and all other responsive pleadings must be filed with the Court.
10

11 4. If you wish to seek the advice of an attorney in this matter, you should
12 do so promptly so that your written response, if any, may be served on time.
13

14 5. THIS SUMMONS is issued pursuant to Civil Rule 4, Rules for Superior
15 Court, State of Washington.

16 DATED this 20th day of January, 2003.
17
18

19 LARSON HART & SHEPHERD, PLLC

20 

21 Susan M. Johnson, WSBA #25145
22 Michael A. Larson, WSBA #14056
23 Counsel for Plaintiffs
24
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KING COUNTY
SUPERIOR COURT CLERK
SEATTLE, WA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

DENNIS S. BREWER; DARRELL C.)
PRAY; JAMES KUHN; LINDA JACK;)
And ANGELA WEISS, individually,)

Plaintiffs,)

v.)

CNA INDUSTRIAL ENGINEERING,)
INC., d/b/a CNA CONSULTING &)
ENGINEERING, a Washington)
Corporation; and LARRY COOK,)
Individually,)

Defendants.)

03-2-16 192-6SEA

SUMMONS

MARY YU

TO: LARRY COOK

1. The above-named Plaintiffs have started a lawsuit against you in the above-entitled court.

2. Plaintiffs' claims are stated in the written Complaint, a copy of which is served upon you with this Summons.



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3. In order to defend against this lawsuit, you must respond to the Complaint by stating your defense in writing, and by serving a copy upon the person signing this Summons within 20 days after the service of this Summons, or within 60 days if this Summons was served outside the State of Washington, excluding the day of service, or a default judgment may be entered against you without notice. A default judgment is one where Plaintiffs are entitled to what has been asked for because you have not responded. If you serve a notice of appearance on the undersigned person, you are entitled to notice before a default judgment may be entered. A copy of your answer and all other responsive pleadings must be filed with the Court.

4. If you wish to seek the advice of an attorney in this matter, you should do so promptly so that your written response, if any, may be served on time.

5. THIS SUMMONS is issued pursuant to Civil Rule 4, Rules for Superior Court, State of Washington.

DATED this 20th day of January, 2003.

LARSON HART & SHEPHERD, PLLC



Susan M. Johnson, WSBA #25145
Michael A. Larson, WSBA #14056
Counsel for Plaintiffs



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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

03-2-16 192-6SEA

DENNIS S. BREWER; DARRELL C.
PRAY; JAMES KUHN; LINDA
JACK; and ANGELA WEISS,
individually,

Plaintiffs,

v.

CNA INDUSTRIAL ENGINEERING,
INC., dba CNA CONSULTING &
ENGINEERING, a Washington
corporation; and LARRY COOK,
individually,

Defendants.

NO.

COMPLAINT FOR DAMAGES

MARY YU

COME NOW Plaintiffs, by and through their undersigned counsel, and allege
and aver as follows:

PARTIES

1. Plaintiff Dennis S. Brewer was, at times material hereto, a resident of
Kirkland, King County, Washington, who performed work in King County.

2. Plaintiff Darrell C. Pray was, at times material hereto, a resident of
Seattle, King County, Washington, who performed work in King County.

COMPLAINT FOR DAMAGES - 1

LP Evidentiary Exhibits Page 010524

ORIGINAL



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1 3. Plaintiff James Kuhn was, at times material hereto, a resident of
2 Kirkland, Federal Way, Washington, who performed work in King County.

3 4. Plaintiff Linda Jack was, at times material hereto, a resident of Mercer
4 Island, King County, Washington, who performed work in King County.

5 5. Plaintiff Angela Weiss was, at times material hereto, a resident of
6 Vashon Island, King County, Washington, who performed work in King County.

7 6. Defendant CNA Industrial Engineering, Inc., d/b/a CNA Consulting and
8 Engineering ("CNA"), on information and belief, was at all times material hereto a
9 Washington corporation, conducting business in Bellevue, King County, Washington.
10 Defendant Larry Cook, on information and belief, was a resident of King County,
11 Washington.
12

13 7. At all times material hereto, Defendant Cook was an officer, vice
14 principal and/or agent of Defendant CNA. All acts and/or omissions of Defendant
15 Cook were performed within the scope and course of his employment with Defendant
16 CNA, and for the benefit or Defendant CNA.
17

18 **JURISDICTION AND VENUE**

19 8. The superior courts of the state of Washington have jurisdiction over the
20 parties and subject matter of this litigation under RCW 4.28.185.
21

22 9. Venue is properly made in King County, Washington, where Plaintiffs'
23 work was performed and agreement was entered with Defendants.
24
25
26



FACTS

10. Plaintiffs were employed with CNA in various positions at its Bellevue offices between 1995 and 2002.

11. Defendant Cook as an officer, vice principal and/or agent had direct control and authority over payment and/or withholding of payment of wages, bonuses, expenses and benefits to Plaintiffs.

12. During the time of Plaintiffs' employment, Defendants did not pay Plaintiffs all of their wages, bonuses, expenses and benefits due and owing. Plaintiffs made repeated demands for payment, but Defendants have failed and willfully refused to pay Plaintiffs.

FIRST CAUSE OF ACTION - VIOLATION OF RCW 49.52 et seq.

13. Plaintiffs incorporate by reference the allegations set forth in paragraphs 1 through 12 as if fully set forth herein.

14. Defendants' failure and willful refusal to pay Plaintiffs' wages, bonuses, expenses, and benefits is a violation of RCW 49.52.050.

15. As a proximate result of Defendants' violation of RCW 49.52 et seq., Plaintiffs have been damaged in amounts to be proven at trial.

16. Pursuant to RCW 49.52.070, Plaintiffs are entitled to double damages, together with their costs and fees associated with bringing this action.

RELIEF REQUESTED

WHEREFORE, Plaintiffs request the following relief against Defendants:



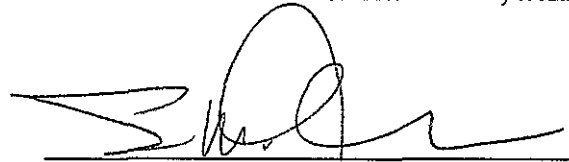
1. For a judgment against Defendants in an amount to be proven at trial plus pre and post-judgment interest at the highest rate permitted by law;

2. Plaintiffs' costs and disbursements herein, including attorneys' fees as allowed by law in an amount the court deems reasonable; and

3. Such other relief as this court may deem just and equitable.

DATED this 20th day of January, 2003.

LARSON HART & SHEPHERD, PLLC



Susan M. Johnson, WSBA #25145
Michael A. Larson, WSBA #14056
Counsel for Plaintiffs



Certificate

No. 002

For 10,000 Series A
Preferred Shares

Issued to

Preferred Trust Company, LLC
fbo Dean Smith 404000191
Traditional IRA

Dated 8/5//2015

From whom
transferred

Voided and replaced by Cert 005 on 9/27/2015

Dated

Original	Original	Shares
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Received Certificate

For _____
Shares

this ____ day of ____

No. 002

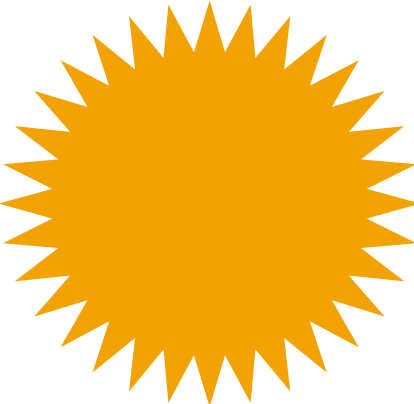
Series A Preferred Shares

\$10 Par Value

Winnett Perico, Inc.

VOIDED AND REPLACED BY CERT 005 ON 9/27/2015

This Certifies that Preferred Trust Company, LLC fbo Dean Smith 404000191
Traditional IRA is the registered holder of Ten Thousand Shares of the Series A
Preferred Capital Stock transferable only on the books of the Corporation by the
holder hereof in person or by Attorney upon surrender of this Certificate properly
endorsed.



In Witness Whereof, the said
Corporation has caused this Certificate to
be signed by its duly authorized officer
this 5th day of August, A.D. 2015.

VOID VOID VOID VOID VOID VOID
James J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received, hereby sell, assign
and transfer unto

Shares represented by
the within Certificate, and do hereby
irrevocably constitute and appoint

Attorney to transfer
the said Shares on the books of the within
named Corporation with full power of
substitution in the premises.

Dated _____
In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 003

For 13,500,000
Shares

Issued to

Dennis Brewer

Dated 9/17/2015

From whom
transferred

Dated

Original	Original	Shares
----------	----------	--------

Received Certificate

For _____
Shares

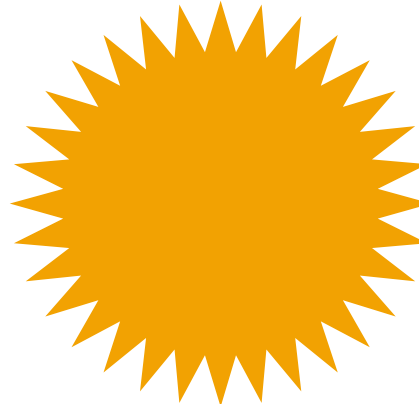
this ____ day of ____

No. 003

13,500,000 Shares

Winnett Perico, Inc.

This Certifies that Dennis Brewer is the registered holder of Thirteen Million Five Hundred Hundred Thousand Shares of the Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 17th day of September, A.D. 2015.

Dennis Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received, hereby sell, assign
and transfer unto

Shares represented by
the within Certificate, and do hereby
irrevocably constitute and appoint

Attorney to transfer
the said Shares on the books of the within
named Corporation with full power of
substitution in the premises.

Dated _____
In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 016

For Shares

Issued to

Belli Architectural Group

Dated 5/21/2019

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No.

For Shares

this day of

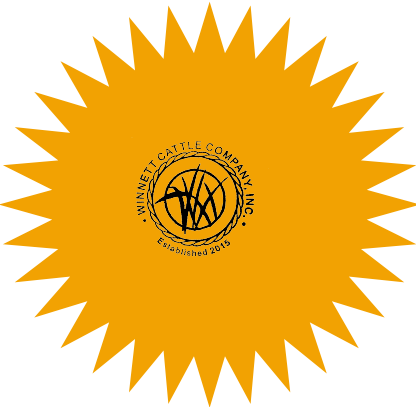
No. 016

350,000 Shares

Winnett Perico, Inc.

This Certifies that Belli Architectural Group is the registered holder of Three Hundred Fifty Thousand Shares of the Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 21st day of May, A.D. 2019.



Dennis J. Bower

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 017

For 400,000 Shares

Issued to

Raymond F. Sullivan, LLC

Dated 5/21/2019

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

No. 017

400,000 Shares

Winnett Perico, Inc.

This Certifies that Raymond F. Sullivan, LLC is the registered holder of Four Hundred Thousand Shares of the Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 21st day of May, A.D. 2019.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 004

For 15,000 Series A Preferred
Shares

Issued to

Doug Petersen

Dated 9/27/2015

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred
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Received Certificate No. _____

For _____ Shares

this _____ day of _____

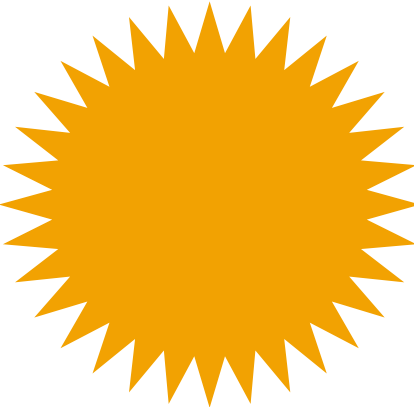
No. 004

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Doug Petersen is the registered holder of Fifteen Thousand Shares of the Series A Preferred Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 27th day of September, A.D. 2015.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

hereby sell, assign and transfer unto

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 005

For 60,000 Series A Preferred
Shares

Issued to

Preferred Trust Company, LLC
fbo Dean Smith 404000191
Traditional IRA

Dated 9/27//2015

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

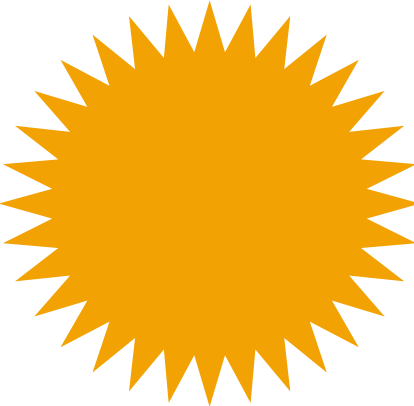
No. 005

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Preferred Trust Company, LLC fbo Dean Smith 404000191 Traditional IRA is the registered holder of Sixty Thousand Shares of the Series A Preferred Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 27th day of September, A.D. 2015.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received

hereby sell, assign and transfer unto

Shares represented by the within

Certificate, and do hereby irrevocably constitute and appoint

Attorney to transfer the said Shares on

the books of the within named Corporation with full power of substitution in

the premises.

Dated

In presence of

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

SHARES AUTHORIZED ATTACHMENT

1. **ENTITY NAME** – give the exact name of the corporation:

Winnett Perico, Inc.

2. **A.C.C. FILE NUMBER** (if already incorporated or registered in AZ): _____

Find the A.C.C. file number on the upper corner of filed documents OR on our website at: <http://www.azcc.gov/Divisions/Corporations>

3. Additional classes and total number of shares **AUTHORIZED**:

Class: Preferred	Series: B	Total: 2,500,000	Par Value: \$5.00
Class: Preferred	Series: C	Total: 2,500,000	Par Value: \$8.33
Class: Preferred	Series: D	Total: 2,500,000	Par Value: \$16.67
Class:	Series:	Total:	Par Value:
Class:	Series:	Total:	Par Value:
Class:	Series:	Total:	Par Value:
Class:	Series:	Total:	Par Value:
Class:	Series:	Total:	Par Value:

Certificate

No. 002

For 1,500 Series A Preferred
Shares

Issued to

Dean T. Smith

Dated 3/30/2016

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

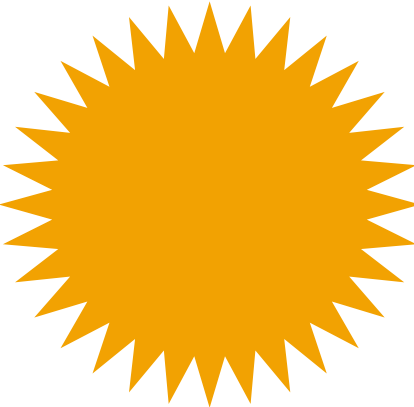
No. 006

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Dean T. Smith is the registered holder of One Thousand Five Hundred Shares of the Series A Preferred Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 30th day of March, A.D. 2016.

Dermit J. Bower

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received _____ *hereby sell, assign and transfer unto*

Certificate, and do hereby irrevocably constitute and appoint *Shares represented by the within*

the books of the within named Corporation with full power of substitution in *Attorney to transfer the said Shares on*

the premises.

Dated _____

In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 007

For 1,500 Series A Preferred
Shares

Issued to

Doug Petersen

Dated 4/4/2016

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

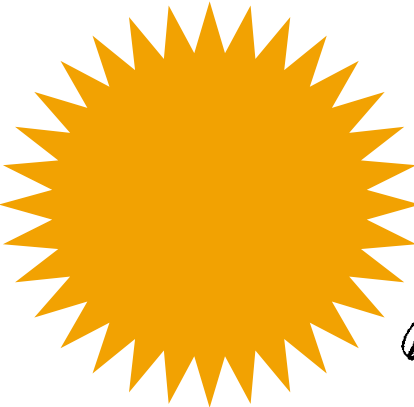
No. 007

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Doug Petersen is the registered holder of One Thousand Five Hundred Shares of the Series A Preferred Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 30th day of March, A.D. 2016.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received _____ *hereby sell, assign and transfer unto*

_____ *Shares represented by the within*

Certificate, and do hereby irrevocably constitute and appoint

_____ *Attorney to transfer the said Shares on*

the books of the within named Corporation with full power of substitution in

the premises.

Dated _____

In presence of

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
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OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 008

For 1,500 Series A Preferred
Shares

Issued to

Dean T. Smith

Dated 10/24/2016

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

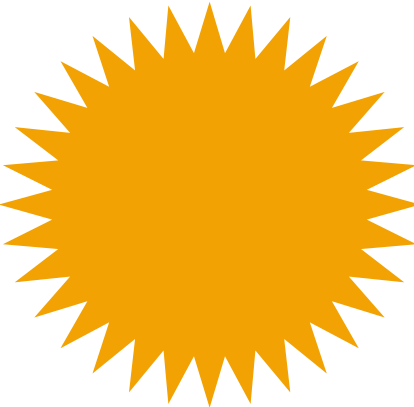
No. 008

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Dean T. Smith is the registered holder of One Thousand Five Hundred Shares of the Series A Preferred Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 24th day of October, A.D. 2016.

Devin J. Bower

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received

hereby sell, assign and transfer unto

Shares represented by the within

Certificate, and do hereby irrevocably constitute and appoint

Attorney to transfer the said Shares on

the books of the within named Corporation with full power of substitution in

the premises.

Dated

In presence of

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
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THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.



Document must be filed electronically.
Paper documents are not accepted.
Fees & forms are subject to change.
For more information or to print copies
of filed documents, visit www.sos.state.co.us.

Colorado Secretary of State
Date and Time: 10/28/2016 12:15 PM
ID Number: 20151720483
Document number: 20161737048
Amount Paid: \$10.00

ABOVE SPACE FOR OFFICE USE ONLY

Periodic Report

filed pursuant to §7-90-301, et seq. and §7-90-501 of the Colorado Revised Statutes (C.R.S.)

ID number: 20151720483

Entity name: WinnettOrganics Cattle Company, Inc.

Jurisdiction under the law of which the
entity was formed or registered: Colorado

1. Principal office street address: 1635 Foxtrail Drive
(Street name and number)

Loveland CO 80538
(City) (State) (Postal/Zip Code)
United States
(Province – if applicable) (Country – if not US)

2. Principal office mailing address:
(if different from above)
(Street name and number or Post Office Box information)

(City) (State) (Postal/Zip Code)

(Province – if applicable) (Country – if not US)

3. Registered agent name: (if an individual)
(Last) (First) (Middle) (Suffix)
or (if a business organization) Winnett Perico, Inc.

4. The person identified above as registered agent has consented to being so appointed.

5. Registered agent street address: 1635 Foxtrail Drive
(Street name and number)

Loveland CO 80538
(City) (State) (Postal/Zip Code)

6. Registered agent mailing address:
(if different from above)
(Street name and number or Post Office Box information)

(City) (State) (Postal/Zip Code)

(Province – if applicable) (Country – if not US)

Notice:

Causing this document to be delivered to the secretary of state for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

7. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

<u>Brewer</u>	<u>Dennis</u>		
(Last)	(First)	(Middle)	(Suffix)
<u> Road #35</u>			
(Street name and number or Post Office Box information)			
<hr/>			
<u>Ramsey</u>	<u>NJ</u>	<u>07446</u>	
(City)	(State)	(Postal/Zip Code)	
<u>United States</u>			
(Province – if applicable)		(Country – if not US)	

(The document need not state the true name and address of more than one individual. However, if you wish to state the name and address of any additional individuals causing the document to be delivered for filing, mark this box ☐ and include an attachment stating the name and address of such individuals.)

Disclaimer:

This form, and any related instructions, are not intended to provide legal, business or tax advice, and are offered as a public service without representation or warranty. While this form is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form. Questions should be addressed to the user's attorney.

Certificate

No. 009

For 1,500 Series A Preferred
Shares

Issued to

Doug Petersen

Dated 1/3/2017

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

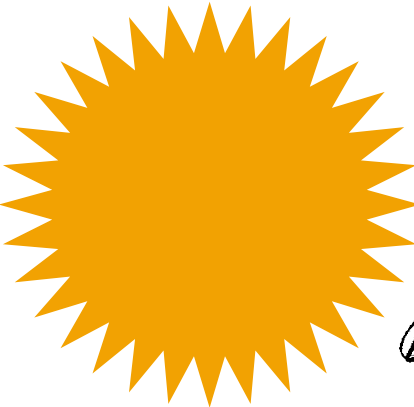
No. 009

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Doug Petersen is the registered holder of One Thousand Five Hundred Shares of the Series A Preferred Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 3rd day of January, A.D. 2017.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

hereby sell, assign and transfer unto

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 010

For 600 Series A Preferred
Shares

Issued to

Doug Petersen

Dated 4/20/2017

From whom transferred

Dated

*No. Original
Certificate*

*No. Original
Shares*

*No. Shares
Transferred*

Received Certificate No. _____

For _____ *Shares*

this _____ *day of* _____

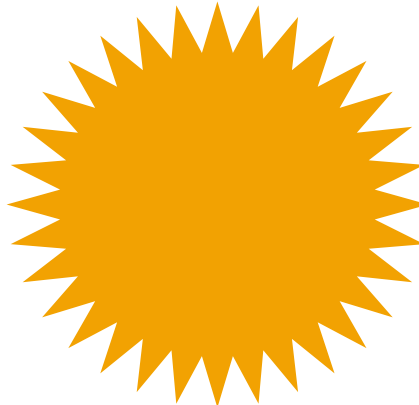
No. 010

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Doug Petersen is the registered holder of Six Hundred Shares of the Series A Preferred Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 20th day of April, A.D. 2017.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received, _____ *hereby sell, assign and transfer unto*

Certificate, and do hereby irrevocably constitute and appoint _____ *Shares represented by the within*

the books of the within named Corporation with full power of substitution in _____ *Attorney to transfer the said Shares on*
the premises. _____
Dated _____
In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 011

For 1,500 Series A Preferred
Shares

Issued to

Doug Petersen

Dated 5/19/2017

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

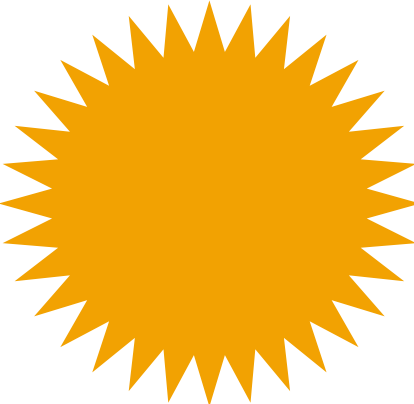
No. 011

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Doug Petersen is the registered holder of One Thousand Five
Hundred Shares of the Series A Preferred Capital Stock transferable only on the
books of the Corporation by the holder hereof in person or by Attorney upon
surrender of this Certificate properly endorsed.



*In Witness Whereof, the said Corporation has caused this Certificate
to be signed by its duly authorized officer this 19th day of May, A.D. 2017.*

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received, _____ *hereby sell, assign and transfer unto*

Certificate, and do hereby irrevocably constitute and appoint *Shares represented by the within*

the books of the within named Corporation with full power of substitution in *Attorney to transfer the said Shares on*

the premises.

Dated _____

In presence of

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 012

For 3,000 Series A Preferred
Shares

Issued to

Midland Trust Company As
Custodian FBO Douglas Petersen
7420501

Dated 7/10/2017

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

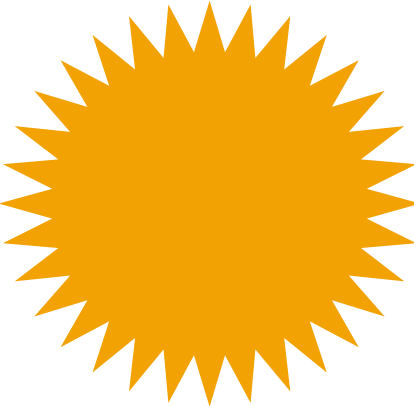
No. 012

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Midland Trust Company As Custodian FBO Douglas Petersen # 7420501
is the registered holder of Three Thousand Shares of the Series A Preferred Capital
Stock transferable only on the books of the Corporation by the holder hereof in
person or by Attorney upon surrender of this Certificate properly endorsed.



*In Witness Whereof, the said Corporation has caused this Certificate
to be signed by its duly authorized officer this 19th day of May, A.D. 2017.*

Dennis J. Bower

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

hereby sell, assign and transfer unto

Certificate, and do hereby irrevocably constitute and appoint

Shares represented by the within

the books of the within named Corporation with full power of substitution in

the premises.

Attorney to transfer the said Shares on

Dated

In presence of

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 013

For Four Million Shares

Issued to

Dennis Brewer

Dated 9/11/2017

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

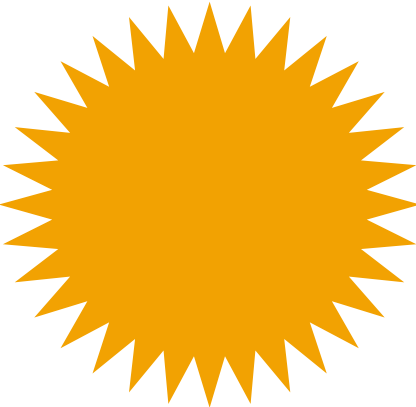
this _____ day of _____

No. 013

Four Million Shares

Winnett Perico, Inc.

This Certifies that Dennis S. Brewer is the registered holder of Four Million Shares of the Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 11th day of September, A.D. 2017.

Dennis S. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

hereby sell, assign and transfer unto

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 012

For 3,000 Series A Preferred
Shares

Issued to

Midland Trust Company As
Custodian FBO Douglas Petersen
7420501

Dated 9/14/2017

From whom transferred

Dated

<i>No. Original Certificate</i>	<i>No. Original Shares</i>	<i>No. Shares Transferred</i>

Received Certificate No. _____

For _____ *Shares*

this _____ *day of* _____

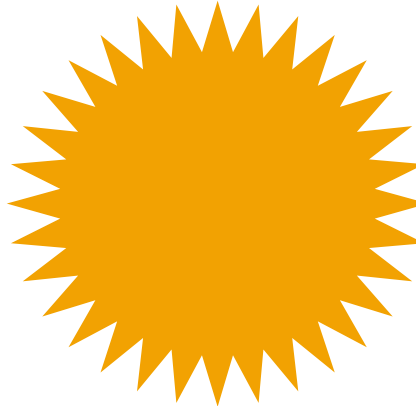
No. 014

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Midland Trust Company As Custodian FBO Douglas Petersen # 7420501
is the registered holder of Three Thousand Shares of the Series A Preferred Capital
Stock transferable only on the books of the Corporation by the holder hereof in
person or by Attorney upon surrender of this Certificate properly endorsed.



*In Witness Whereof, the said Corporation has caused this Certificate
to be signed by its duly authorized officer this 14th day of September,
A.D. 2017.*

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received, _____ *hereby sell, assign and transfer unto*

Certificate, and do hereby irrevocably constitute and appoint *Shares represented by the within*

the books of the within named Corporation with full power of substitution in *Attorney to transfer the said Shares on*

the premises.

Dated _____

In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.



Document must be filed electronically.
Paper documents are not accepted.
Fees & forms are subject to change.
For more information or to print copies
of filed documents, visit www.sos.state.co.us.

Colorado Secretary of State
Date and Time: 09/23/2017 03:57 AM
ID Number: 20121579260
Document number: 20171708372
Amount Paid: \$10.00

ABOVE SPACE FOR OFFICE USE ONLY

Periodic Report

filed pursuant to §7-90-301, et seq. and §7-90-501 of the Colorado Revised Statutes (C.R.S.)

ID number: 20121579260

Entity name: WINNETT PERICO, INC.

Jurisdiction under the law of which the
entity was formed or registered: Colorado

1. Principal office street address: 1635 Foxtrail Drive
(Street name and number)

Loveland CO 80538
(City) (State) (Postal/Zip Code)
United States
(Province – if applicable) (Country – if not US)

2. Principal office mailing address:
(if different from above) ██████████ Road 35
(Street name and number or Post Office Box information)

Ramsey NJ 07446
(City) (State) (Postal/Zip Code)
United States
(Province – if applicable) (Country – if not US)

3. Registered agent name: (if an individual) _____
(Last) (First) (Middle) (Suffix)
or (if a business organization) Winnett Perico, Inc.

4. The person identified above as registered agent has consented to being so appointed.

5. Registered agent street address: 1635 Foxtrail Drive
(Street name and number)

Loveland CO 80538
(City) (State) (Postal/Zip Code)

6. Registered agent mailing address:
(if different from above) 12725 W Indian School Rd E-101
(Street name and number or Post Office Box information)

Avondale CO 85392
(City) (State) (Postal/Zip Code)
United States
(Province – if applicable) (Country – if not US)

Notice:

Causing this document to be delivered to the secretary of state for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

7. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

<u>Brewer</u>	<u>Dennis</u>		
(Last)	(First)	(Middle)	(Suffix)
<u> Road #35 </u>			
(Street name and number or Post Office Box information)			
<hr/>			
<u>Ramsey</u>	<u>NJ</u>	<u>07446</u>	
(City)	(State)	(Postal/Zip Code)	
<u>United States</u>			
(Province – if applicable)		(Country – if not US)	

(The document need not state the true name and address of more than one individual. However, if you wish to state the name and address of any additional individuals causing the document to be delivered for filing, mark this box ☐ and include an attachment stating the name and address of such individuals.)

Disclaimer:

This form, and any related instructions, are not intended to provide legal, business or tax advice, and are offered as a public service without representation or warranty. While this form is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form. Questions should be addressed to the user's attorney.

Certificate

No. 012

For 3,000 Series A Preferred
Shares

Issued to

Midland Trust Company As
Custodian FBO Douglas Petersen
7420501

Dated 3/05/2018

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

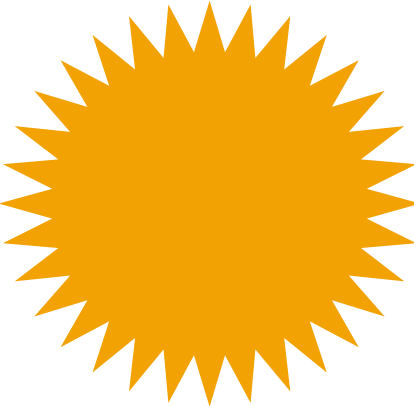
No. 015

Series A Preferred Shares

\$1.67 Par Value

Winnett Perico, Inc.

This Certifies that Midland Trust Company As Custodian FBO Douglas Petersen # 7420501
is the registered holder of Thirteen Thousand Eight Hundred Ninety-Two Shares of
the Series A Preferred Capital Stock transferable only on the books of the
Corporation by the holder hereof in person or by Attorney upon surrender of this
Certificate properly endorsed.



*In Witness Whereof, the said Corporation has caused this Certificate
to be signed by its duly authorized officer this 5th day of March, A.D. 2018.*

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

hereby sell, assign and transfer unto

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Winnett Perico Shareholders			Claims	
Brewer	20,200,000	95.9% Common	\$ 51,000	\$ 1,504,583.33 approximate unpaid compensation since 9/11/2017
Belli	350,000	1.7% Common	\$ 350,000	
Sullivan	400,000	1.9% Common	\$ 400,000	
Smith	63,000	0.3% Preferred	\$ 105,000	\$ 43,500.00 approximate loans and interest
Petersen	39,992	0.2% Preferred	\$ 66,650	\$ 16,350.00 due from Winnett Cattle Company, Inc.
	<u>21,052,992</u>	<u>100.0%</u>	<u>\$ 972,650</u>	

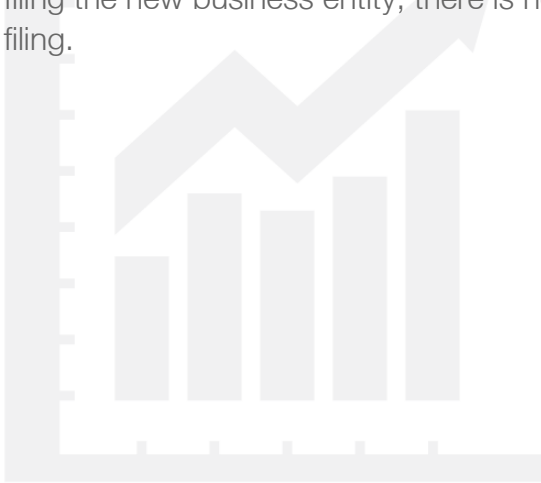
Winnett Perico shareholdings:

Winnett Organics	1,000,000 common shares
Winnett Cattle Company	1,000,000 common shares
Winnett Logistics	1,000,000 common shares

Stock	52,500	5.0%	\$ 1.43
Total	1,052,500		

FORM NJ-REG

All new business entities in New Jersey are required to file Form NJ-REG to registered for tax and employer purposes. Filing Form NJ-REG ensures that the business registered under the correct tax identification number and that it will receive the proper returns and notices. The NJ-REG, must be filed within 60 days of filing the new business entity, there is no fee for this filing.



BUSINESS REGISTRATION APPLICATION

MAIL TO:

CLIENT REGISTRATION
PO BOX 252
TRENTON, NJ 08646-0252

OVERNIGHT DELIVERY:

CLIENT REGISTRATION
33 West State St 3rd FL
TRENTON, NJ 08608Hotline
(609) 292-9292

www.nj.gov/treasury/revenue/

* NO FEE REQUIRED *

Please read instructions carefully before filling out this form
ALL SECTIONS MUST BE FULLY COMPLETED

A. Please indicate the reason for your filing this application:

- ☒ Original application for a new business
☐ Moved previously registered business to new location (REG-C-L can be used in lieu of NJ-REG)
☐ Amended application for an existing business
Reason(s) for amending application: _____
☐ Application for an additional location of an existing registered business
☐ Applying for a Business Registration Certificate ☐ Employer of Domestic Household Employee(s)
☐ Withholding for Employee(s) residing in NJ (Not doing business or employing in NJ)

B. FEIN # OR Soc. Sec. # of Owner ☐ Check Box if "Applied for"C. Name Sheldon Beef Inc

(If your business entity is a Corporation, LLC, LLP, LP or Non-Profit Organization, give entity name. IF NOT, give Name of Owner or Partners)

D. Trade Name Sheldon Beef

E. Business Location: (Do not use P.O. Box for Location Address)

Street City Edgewater State Zip Code

(Give 9-digit Zip)

(See instructions for providing alternate addresses)

F. Mailing Name and Address: (if different from business address)

Name Street City State Zip Code

(Give 9-digit Zip)

G. Beginning date for this business: 01 / 23 / 2020 (see instructions)

H. Type of ownership (check one):

- ☒ NJ Corporation ☐ Sole Proprietor ☐ Partnership ☐ Out-of-State Corporation ☐ LLP ☐ Other _____
☐ Limited Partnership ☐ LLC (1065 Filer) ☐ LLC (1120 Filer) ☐ LLC (Single Member) ☐ S Corporation (You must complete page 41)

I. New Jersey Business Code (see instructions) ☐ Domestic (Household Employer)J. County / Municipality Code (see instructions) K. County Bergen
(New Jersey only)FOR OFFICIAL USE ONLY
DLN L. Will this business be SEASONAL? ☐ Yes ☒ No

If YES - Circle months business will be open:

JAN FEB MAR APR MAY JUN JUL AUG SEPT OCT NOV DEC

M. If an ENTITY (Item C) complete the following:

Date of Incorporation: 01 / 23 / 2020
month day yearState of Incorporation Fiscal month NJ Business/Corp. # Is this a Subsidiary of another corporation? ☐ YES ☒ NO

If YES, give name and Federal ID# of parent: _____

N. Standard Industrial Code (If known)O. NAICS (If known)

P. Provide the following information for the owner, partners or responsible corporate officers. (If more space is needed, attach rider)

NAME (Last Name, First, MI)	SOCIAL SECURITY NUMBER TITLE	HOME ADDRESS (Street, City, State, Zip)	PERCENT OF OWNERSHIP
Brewer, Dennis S.	<input type="text"/> Chief executive Officer	<input type="text"/>	

BE SURE TO COMPLETE NEXT PAGE


FEIN#: 84=4406368

NAME: Sheldon Beef Inc

NJ-REG

Each Question Must Be Answered Completely

1. a. Have you or will you be paying wages, salaries or commissions to employees working in New Jersey within the next 6 months? ☐ Yes ~~XXX~~No
Give date of first wage or salary payment: _____
Month / Day / Year
- If you answered "No" to question 1.a., please be aware that if you begin paying wages you are required to notify the Client Registration Bureau at PO Box 252, Trenton NJ 08646-0252, or phone (609)-292-9292.
- b. Give date of hiring first NJ employee: _____
Month / Day / Year
- c. Date cumulative gross payroll exceeds \$1,000 _____
Month / Day / Year
- d. Will you be paying wages, salaries or commissions to New Jersey residents working outside New Jersey? ☐ Yes ~~XXX~~No
- e. Will you be the payer of pension or annuity income to New Jersey residents? ☐ Yes ~~XXX~~No
- f. Will you be holding legalized games of chance in New Jersey (as defined in Chapter 47 Rules of Legalized Games of Chance) where proceeds from any one prize exceed \$1,000? ☐ Yes ~~XXX~~No
- g. Is this business a PEO (Employee Leasing Company)? (If yes, see page 6) ☐ Yes ☒ No
2. Did you acquire ☐ Substantially all the assets; ☐ Trade or business; ☐ Employees; of any previous employing units? ☐ Yes ☒ No
If answer is "No", go to question 4.
If answer is "Yes", indicate by a check whether ☐ in whole or ☐ in part, and list business name, address and registration number of predecessor or acquired unit and the date business was acquired by you. (If more than one, list separately. Continue on separate sheet if necessary.)
- | | | | |
|-----------------------------|------------------------|--|---------------------|
| Name of Acquired Unit _____ | N.J. Employer ID _____ | ACQUIRED | PERCENTAGE ACQUIRED |
| _____ | _____ | <input type="checkbox"/> Assets | _____ % |
| Address _____ | _____ | <input type="checkbox"/> Trade or Business | _____ % |
| _____ | Date Acquired _____ | <input type="checkbox"/> Employees | _____ % |
3. Subject to certain regulations, the law provides for the transfer of the predecessor's employment experience to a successor where the whole of a business is acquired from a subject predecessor employer. The transfer of the employment experience is required by law.
- Are the predecessor and successor units owned or controlled by the same interests? ☐ Yes ☒ No
4. Is your employment agricultural? ☐ Yes ☒ No
5. Is your employment household? ☐ Yes ☒ No
- a. If yes, please indicate the date in the calendar quarter in which gross cash wages totaled \$1,000 or more _____
Month / Day / Year
6. Are you a 501(c)(3) organization? ☐ Yes ☒ No
If "Yes", to apply for sales tax exemption, obtain form REG-1E at http://www.state.nj.us/treasury/taxation/pdf/other_forms/sales/reg1e.pdf
7. Were you subject to the Federal Unemployment Tax Act (FUTA) in the current or preceding calendar year? ☐ Yes ☒ No
(See instruction sheet for explanation of FUTA) If "Yes", indicate year: _____
8. a. Does this employing unit claim exemption from liability for contributions under the Unemployment Compensation Law of New Jersey? ☐ Yes ☒ No
If "Yes," please state reason. (Use additional sheets if necessary.) _____
- b. If exemption from the mandatory provisions of the Unemployment Compensation Law of New Jersey is claimed, does this employing unit wish to voluntarily elect to become subject to its provisions for a period of not less than two complete calendar years? ☐ Yes ☒ No
9. Type of business ☐ 1. Manufacturer ☐ 2. Service ~~XXX~~ 3. Wholesale
☐ 4. Construction ☐ 5. Retail ☐ 6. Government
- Principal product or service in New Jersey only Administrative headquarters only - Beef Wholesaling
- Type of Activity in New Jersey only Administrative headquarters only - Beef Wholesaling
10. List below each place of business and each class of industry in New Jersey, even though you may have only one place of business or engage in only one class of industry.
- a. Do you have more than one employing facility in New Jersey ☐ Yes ~~XXX~~No

NJ WORK LOCATIONS (Physical location, not mailing address)		NATURE OF BUSINESS (See Instructions)			No. of Workers at Each Location and/in Each Class of Industry
Street Address, City, Zip Code	County	NAICS Code	Principal Product or Service Complete Description	%	
	Bergen	424470	Beef Wholesaling	100	1

(Continue on separate sheet, if necessary)

BE SURE TO COMPLETE NEXT PAGE

Each Question Must Be Answered Completely

11. a. Will you collect New Jersey Sales Tax and/or pay Use Tax? ☐ Yes ☒ No
 GIVE EXACT DATE YOU EXPECT TO MAKE FIRST SALE _____
 Month / Day / Year
- b. Will you need to make exempt purchases for your inventory or to produce your product? ☐ Yes ☒ No
- c. Is your business located in (check applicable box(es)): ☐ Atlantic City ☐ Salem County
☐ North Wildwood ☐ Wildwood Crest ☐ Wildwood
- d. Do you have more than one location in New Jersey that collects New Jersey Sales Tax? (If yes, see instructions) ☐ Yes ☒ No
- e. Do you, in the regular course of business, sell, store, deliver or transport natural gas or electricity to users or customers in this state whether by mains, lines or pipes located within this State or by any other means of delivery? ☐ Yes ☐ No
12. Do you intend to sell cigarettes? ☐ Yes ☒ No
Note: If yes, complete the REG-L form on page 45 in this booklet and return with your completed NJ-REG.
 To obtain a cigarette retail or vending machine license complete the form CM-100 on page 48.
13. a. Are you a distributor or wholesaler of tobacco products other than cigarettes? ☐ Yes ☒ No
 b. Do you purchase tobacco products other than cigarettes from outside the State of New Jersey? ☐ Yes ☒ No
14. Are you a manufacturer, wholesaler, distributor or retailer of "litter-generating products"? See instructions for retailer liability and definition of litter-generating products. ☐ Yes ☒ No
15. Are you an owner or operator of a sanitary landfill facility in New Jersey? ☐ Yes ☒ No
 IF YES, indicate D.E.P. Facility # and type (See instructions) _____
16. a. Do you operate a facility that has the total combined capacity to store 200,000 gallons or more of petroleum products? ☐ Yes ☒ No
 b. Do you operate a facility that has the total combined capacity to store 20,000 gallons (equals 167,043 pounds) of hazardous chemicals? ☐ Yes ☒ No
 c. Do you store petroleum products or hazardous chemicals at a public storage terminal? ☐ Yes ☒ No
 Name of terminal _____
17. a. Will you be involved with the sale petroleum products? ☐ Yes ☒ No
Note: If yes, complete the REG-L form in this booklet and return with your completed NJ-REG. You will be sent a motor fuel licence application (MFA-1) or you can download this application at www.state.nj.us/treasury/taxation/prntmf.shtml
- b. Will your company be engaged in the refining and/or distributing of petroleum products for distribution in this State or the importing of petroleum products into New Jersey for consumption in New Jersey? ☐ Yes ☒ No
- c. Will your business activity require you to issue a Direct Payment Permit in lieu of payment of the Petroleum Products Gross Receipts Tax on your purchases of petroleum products? ☐ Yes ☒ No
18. Will you be providing goods and services as a direct contractor or subcontractor to the state, other public agencies including local governments, colleges and universities and school boards, or to casino licensees? ☐ Yes ☒ No
19. Will you be engaged in the business of renting motor vehicles for the transportation of persons or non-commercial freight? ☐ Yes ☐ No
20. Is your business a hotel, motel, bed & breakfast or similar facility and located in the State of New Jersey? ☐ Yes ☒ No
21. Will this business be operating in the Sports and Entertainment District of Millville NJ? ☐ Yes ☒ No
 If yes, will the business be engaged in obtaining gross receipts from any of the following (Circle all that apply if "Yes")
- a. Sales, rental or leases of tangible personal property b. Sales of food & drink? c. Charges of admission d. Rental charges for hotel occupancies
22. Do you make retail sales of new motor vehicle tires, or sell or lease motor vehicles? ☐ Yes ☒ No
23. Do you provide "cosmetic medical procedures" or goods or occupancies directly associated with such procedures? ☐ Yes ☒ No
 (See description of Cosmetic Procedures Gross Receipts Tax in the list of Taxes of the State of New Jersey, page 5.)
 Type of Business _____
24. Do you sell voice grade access telecommunications or mobile telecommunications to a customer with a primary place of use in this State? ☐ Yes ☒ No
25. Contact Information: Person Dennis Brewer Title: CEO
 Daytime Phone: (201) 669 4933 Ext. _____ E-mail address: dbrewer@sheldonbeef.com
 Signature of Owner, Partner or Officer: _____ Date: 01/23/2020
 Title CEO

NO FEE IS REQUIRED TO FILE THIS FORM

IF YOU ARE A SOLE PROPRIETOR OR A PARTNERSHIP WITHOUT EMPLOYEES - STOP HERE -
 IF YOU HAVE EMPLOYEES PROCEED TO THE STATE OF NJ NEW HIRE REPORTING FORM ON PAGE 29

IF YOU ARE FORMING A CORPORATION, LIMITED LIABILITY COMPANY, LIMITED PARTNERSHIP, OR A LIMITED LIABILITY PARTNERSHIP YOU MUST CONTINUE ANSWERING APPLICABLE QUESTIONS ON PAGES 23 AND 24

Date of this notice: 01-23-2020

Employer Identification Number:
84-4406368

Form: SS-4

Number of this notice: CP 575 A

SHELDON BEEF INC
[REDACTED] PL
EDGEWATER, NJ 07020

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 84-4406368. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1120

04/15/2021

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

IMPORTANT INFORMATION FOR S CORPORATION ELECTION:

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-S must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, *Election by a Small Business Corporation*.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes*. If you need to make a deposit immediately, you will need to make arrangements with your Financial Institution to complete a wire transfer.

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at www.irs.gov for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. **This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.** You may give a copy of this document to anyone asking for proof of your EIN.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub.

Your name control associated with this EIN is SHEL. You will need to provide this information, along with your EIN, if you file your returns electronically.

Thank you for your cooperation.

CP 575 A (Rev. 7-2007)

CP 575 A

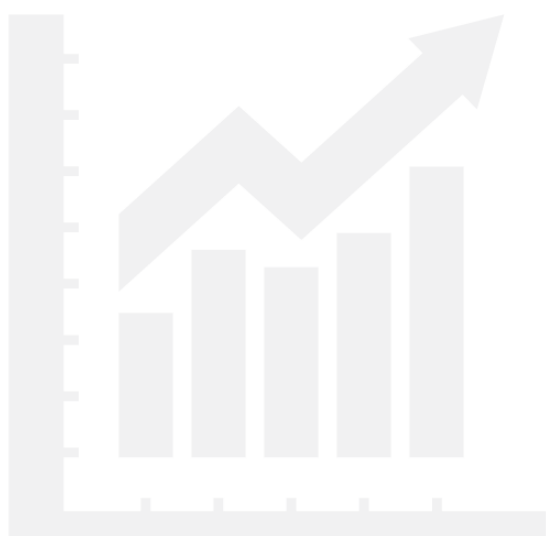
DATE OF THIS NOTICE: 01-23-2020
EMPLOYER IDENTIFICATION NUMBER: 84-4406368
FORM: SS-4 NOBOD

SHELDON BEEF INC
[REDACTED] PL
EDGEWATER, NJ 07020

Articles of Incorporation



A set of formal documents filed with the Secretary of State to legally document the creation of a new business entity.



NEW JERSEY DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES

CERTIFICATE OF INC, (PROFIT)

SHELDON BEEF INC
0450456828

The above-named DOMESTIC PROFIT CORPORATION was duly filed in accordance with New Jersey State Law on 01/23/2020 and was assigned identification number 0450456828. Following are the articles that constitute its original certificate.

- 1. Name:**
SHELDON BEEF INC
 - 2. Registered Agent:**
LEGALINC CORPORATE SERVICES INC.
 - 3. Registered Office:**
301 ROUTE 17 NORTH
SUITE 800 # 12-40
RUTHERFORD, NEW JERSEY 07070
 - 4. Business Purpose:**
DOMESTIC AND INTERNATIONAL SALES OF FOOD.
 - 5. Duration:**
PERPETUAL
 - 6. Stock:**
1000000
 - 7. Effective Date of this filing is:**
01/23/2020
 - 8. First Board of Directors:**
DENNIS BREWER
CITY PLACE, 1210
EDGEWATER, NEW JERSEY 07020
 - 9. Incorporators:**
LOVETTE DOBSON
17350 STATE HWY 249
#220
HOUSTON, TEXAS 77064
 - 10. Main Business Address:**
[REDACTED] PL
EDGEWATER, NEW JERSEY 07020
- Signatures:**
LOVETTE DOBSON
INCORPORATOR

NEW JERSEY DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES

CERTIFICATE OF INC, (PROFIT)

SHELDON BEEF INC
0450456828



Certificate Number : 4095157951

Verify this certificate online at

https://www1.state.nj.us/TYTR_StandingCert/JSP/Verify_Cert.jsp

*IN TESTIMONY WHEREOF, I have
hereunto set my hand and
affixed my Official Seal
23rd day of January, 2020*

A handwritten signature in black ink, appearing to read "Elizabeth Maher Muoio".

Elizabeth Maher Muoio
State Treasurer

Certificate

No. 001

For 100,000 Common Shares

Issued to

Dennis Brewer

Dated 02/25/2020

From whom transferred

Dated

No. Original
Certificate

No. Original
Shares

No. Shares
Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

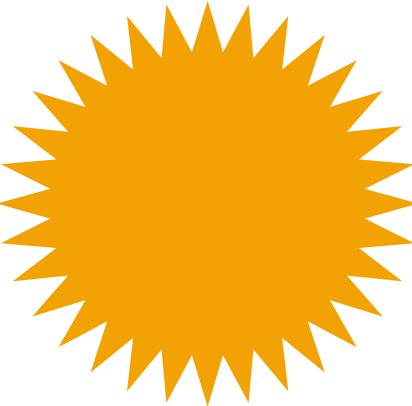
No. 001

100,000 Common Shares

No Par Value

Sheldon Beef Inc

This Certifies that Dennis Brewer is the registered holder of 100,000 Shares of the Common Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 25th day of February, A.D. 2020.

Dennis J Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 002

For 1,250 Common Shares

Issued to

Jason Waseman

Dated 02/25/2020

From whom transferred

Dated

<i>No. Original Certificate</i>	<i>No. Original Shares</i>	<i>No. Shares Transferred</i>

Received Certificate No. _____

For _____ *Shares*

this _____ *day of* _____

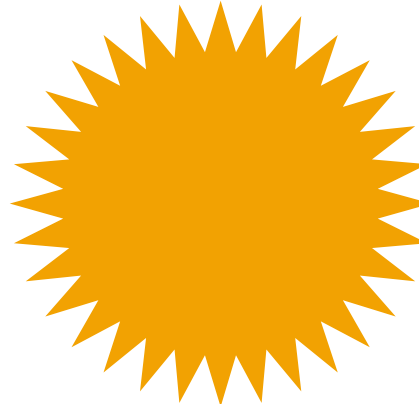
No. 002

1,250 Common Shares

No Par Value

Sheldon Beef Inc

This Certifies that Jason Waseman is the registered holder of 1,250 Shares of the Common Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 25th day of February, A.D. 2020.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received, _____ hereby sell, assign and transfer unto _____

*Shares represented by the within
Certificate, and do hereby irrevocably constitute and appoint*

Attorney to transfer the said Shares on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

In presence of

NOTICE. THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 003

For 1,250 Common Shares

Issued to

Jon Nickless

Dated 02/25/2020

From whom transferred

Dated

No. Original
Certificate

No. Original
Shares

No. Shares
Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

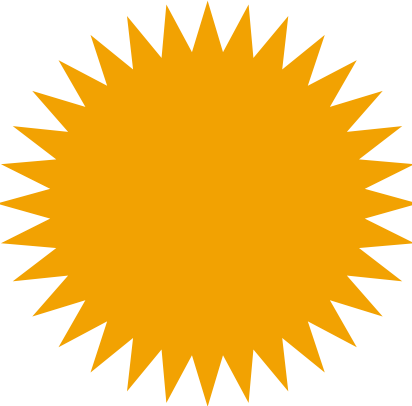
No. 003

1,250 Common Shares

No Par Value

Sheldon Beef Inc

This Certifies that Jon Nickless is the registered holder of 1,250 Shares of the Common Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 25th day of February, A.D. 2020.

Dennis J. Bower

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 004

For 3,000 Common Shares

Issued to

Ray Sullivan

Dated 02/25/2020

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred
-----------------------------	------------------------	---------------------------

Received Certificate No. _____

For _____ Shares

this _____ day of _____

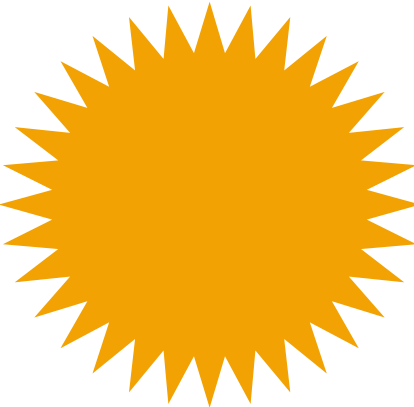
No. 004

3,000 Common Shares

No Par Value

Sheldon Beef Inc

This Certifies that Ray Sullivan is the registered holder of 3,000 Shares of the Common Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 25th day of February, A.D. 2020.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

hereby sell, assign and transfer unto

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 005

For 250 Common Shares

Issued to

Chris Canchola

Dated 02/25/2020

From whom transferred

Dated

No. Original
Certificate

No. Original
Shares

No. Shares
Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

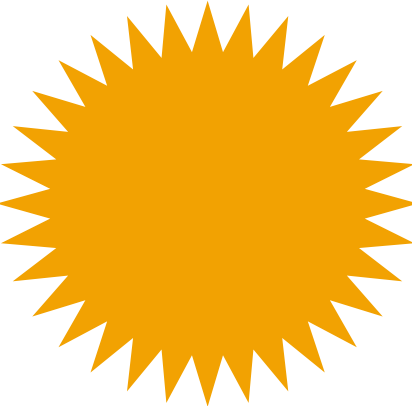
No. 005

250 Common Shares

No Par Value

Sheldon Beef Inc

This Certifies that Chris Canchola is the registered holder of 250 Shares of the Common Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 25th day of February, A.D. 2020.

Dennis J. Bower

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 006

For 2,000 Common Shares

Issued to

Doug Petersen

Dated 02/25/2020

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred
-----------------------------	------------------------	---------------------------

Received Certificate No. _____

For _____ Shares

this _____ day of _____

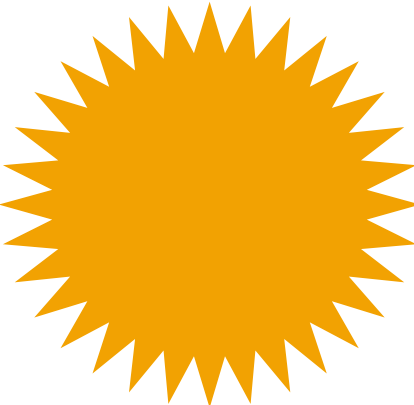
No. 006

2,000 Common Shares

No Par Value

Sheldon Beef Inc

This Certifies that Doug Petersen is the registered holder of 2,000 Shares of the Common Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 25th day of February, A.D. 2020.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

hereby sell, assign and transfer unto

Certificate, and do hereby irrevocably constitute and appoint

Shares represented by the within

the books of the within named Corporation with full power of substitution in

the premises.

Attorney to transfer the said Shares on

Dated _____

In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST
CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF
THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION
OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

Certificate

No. 007

For 2,500 Common Shares

Issued to

Lino Belli

Dated 02/25/2020

From whom transferred

Dated

No. Original Certificate	No. Original Shares	No. Shares Transferred

Received Certificate No. _____

For _____ Shares

this _____ day of _____

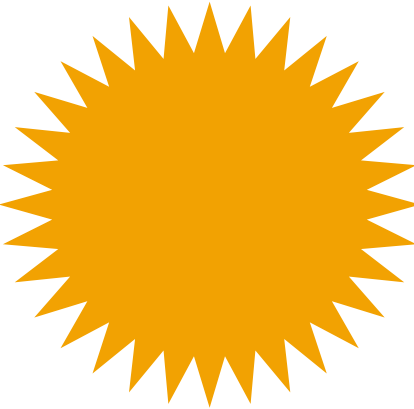
No. 007

2,500 Common Shares

No Par Value

Sheldon Beef Inc

This Certifies that Lino Belli is the registered holder of 2,500 Shares of the Common Capital Stock transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.



In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officer this 25th day of February, A.D. 2020.

Dennis J. Brewer

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL OR OTHER EVIDENCE REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT OR AN EXEMPTION THEREFROM IS AVAILABLE.

For Value Received,

Certificate, and do hereby irrevocably constitute and appoint

the books of the within named Corporation with full power of substitution in the premises.

Dated

In presence of

hereby sell, assign and transfer unto

Shares represented by the within

Attorney to transfer the said Shares on

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

SHELDON BEEF INC
2020 STOCK OPTION AND EQUITY INCENTIVE PLAN

SECTION 1. Purpose. The purpose of the Sheldon Beef Inc Stock Option and Equity Incentive Plan (the "**Plan**") is to motivate and reward those employees and other individuals who are expected to contribute significantly to the success of Sheldon Beef Inc (the "**Company**") and its Affiliates to perform at the highest level and to further the best interests of the Company and its shareholders.

SECTION 2. Definitions. As used in the Plan, the following terms shall have the meanings set forth below:

(a) "**Affiliate**" means (i) any entity that, directly or indirectly, is controlled by the Company and (ii) any entity in which the Company has a significant equity interest, in each case as determined by the Committee.

(b) "**Award**" means any Option, SAR, Restricted Stock, RSU, Performance Award or Other Stock-Based Award granted under the Plan.

(c) "**Award Agreement**" means any agreement, contract or other instrument or document evidencing any Award granted under the Plan, which may, but need not, be executed or acknowledged by a Participant.

(d) "**Beneficial Owner**" has the meaning ascribed to such term in Rule 13d-3 under the Exchange Act.

(e) "**Beneficiary**" means a person entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of such Participant's death. If no such person is named by a Participant, or if no Beneficiary designated by such Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at such Participant's death, such Participant's Beneficiary shall be such Participant's estate.

(f) "**Board**" means the board of directors of the Company.

(g) "**Change of Control**" means the occurrence of any one or more of the following events (unless otherwise may be specified in an Award Agreement that is subject to Section 409A of the Code):

(i) any Person (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the shareholders of the Company immediately prior to the occurrence with respect to which the evaluation is being made in substantially the same proportions as their ownership of the common stock of the Company) becomes the Beneficial Owner (except that a Person shall be deemed to be the Beneficial Owner of all shares that any such Person has the right to acquire pursuant to any agreement or arrangement or upon exercise of conversion rights, warrants or options or otherwise, without regard to the 60 day period referred to in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company, representing 50% or more of the combined voting power of the Company's or such Subsidiary's then outstanding securities;

(ii) during any period of 12 consecutive months, individuals who at the beginning of such period constitute the Board, and any new director whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of such 12-month period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board;

(iii) the consummation of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) 50% or more of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation; or

(iv) the consummation of a sale or disposition of all or substantially all of the assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately prior to such sale or disposition).

(h) "**Code**" means the Internal Revenue Code of 1986, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Code shall include any successor provision thereto.

(i) "**Committee**" means the Compensation Committee of the Board or such other committee as may be designated by the Board. If the Board does not designate the Committee, references herein to the "Committee" shall refer to the Board.

(j) "**Consultant**" means any person, including an advisor, who is providing bona fide services to the Company or any Affiliate.

(k) "**Continuous Service Status**" means the absence of any interruption or termination of service as an Employee, Director or Consultant. Continuous Service Status shall not be considered interrupted in the case of: (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Committee, provided that such leave is for a period of not more than ninety (90) days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (iv) in the case of transfers between locations of the Company or between the Company, its Affiliates or their respective successors. A change in status from an Employee to a Consultant (or Director) or from a Consultant (or Director) to an Employee will not constitute an interruption of Continuous Service Status.

(l) "**Director**" means any member of the Company's Board of Directors.

(m) "**Disability**" means, with respect to any Participant, "disability" as defined in such Participant's Employment Agreement, if any, or if not so defined, except as otherwise provided in such Participant's Award Agreement, at any time that the Company or any Affiliate sponsors a long-term disability plan that covers such Participant, "disability" as defined in such plan for the purpose of determining such Participant's eligibility for benefits; *provided* that if such plan contains multiple definitions of disability, then "Disability" shall refer to that definition of disability which, if Participant qualified for such benefits, would provide coverage for the longest period. The determination of whether Participant has a Disability shall be made by the person or persons required to make final disability determinations under such plan. At any time that the Company and the Affiliates do not sponsor a long-term disability plan that covers such Participant, Disability shall mean Participant's physical or mental incapacity that renders him or her unable for a period of 90 consecutive days or an aggregate of 120 days in any consecutive 12-month period to perform his or her duties to the Company or any Affiliate. With respect to any Incentive Stock Option, "Disability" shall mean "permanent and total disability" as defined in Section 22(e)(3) of the Code.

(n) "**Effective Date**" means

(o) "**Employee**" means any person employed by the Company or any Affiliate, with the status of employment determined based upon such factors as are deemed appropriate by the Committee in its discretion, subject to any requirements of the Code or the applicable laws.

(p) "**Employment Agreement**" means any employment, severance, consulting or similar agreement between the Company or any of its Affiliates and a Participant.

(q) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Exchange Act shall include any successor provision thereto.

(r) "**Fair Market Value**" means with respect to Shares, the closing price of a Share on the date in question (or, if there is no reported sale on such date, on the last preceding date on which any reported sale occurred) on the principal stock market or exchange on which the Shares are quoted or traded, or if Shares are not so quoted or traded, fair market value as determined by the Committee, and with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee.

(s) "**Incentive Stock Option**" means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, which meets the requirements of Section 422 of the Code.

(t) "**Nonstatutory Stock Option**" means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, which is not an Incentive Stock Option.

(u) "**Option**" means an Incentive Stock Option or a Nonstatutory Stock Option.

(v) "**Other Stock-Based Award**" means an Award granted pursuant to Section 10.

(w) "**Participant**" means the recipient of an Award granted under the Plan.

(x) "**Performance Award**" means an Award granted pursuant to Section 9.

(y) "**Person**" has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including "group" as defined in Section 13(d) thereof.

(z) "**Restricted Stock**" means any Share granted pursuant to Section 8.

(aa) "**RSU**" means a contractual right granted pursuant to Section 8 that is denominated in Shares. Each RSU represents a right to receive the value of one Share (or a percentage of such value) in cash, Shares or a combination thereof. Awards of RSUs may include the right to receive dividend equivalents.

(bb) "**SAR**" means any right granted pursuant to Section 7 to receive upon exercise by a Participant or settlement, in cash, Shares or a combination thereof, the excess of (i) the Fair Market Value of one Share on the date of exercise or settlement over (ii) the exercise or hurdle price of the right on the date of grant, or if granted in connection with an Option, on the date of grant of the Option.

(cc) "**Section 162(m) Compensation**" means "qualified performance-based compensation" under Section 162(m) of the Code.

(dd) "**Shares**" means shares of the Company's common stock.

(ee) "**Substitute Award**" means an Award granted in assumption of, or in substitution for, an outstanding award previously granted by a company acquired by the Company or with which the Company combines.

SECTION 3. Eligibility.

(a) Any Employee, Consultant or Director shall be eligible to be selected to receive an Award under the Plan.

(b) Holders of options and other types of awards granted by a company acquired by the Company or with which the Company combines are eligible for grants of Substitute Awards under the Plan to the extent permitted under applicable regulations of any stock exchange on which the Company is listed.

SECTION 4. Administration.

(a) *Administration of the Plan.* The Plan shall be administered by the Committee. All decisions of the Committee shall be final, conclusive and binding upon all parties, including the Company, its shareholders and Participants and any Beneficiaries thereof. The Committee may issue rules and regulations for administration of the Plan.

(b) *Composition of Committee.* To the extent necessary or desirable to comply with applicable regulatory regimes, any action by the Committee shall require the approval of Committee members who are (i) independent, within the meaning of and to the extent required by applicable rulings and interpretations of the applicable stock market or exchange on which the Shares are quoted or traded; (ii) a non-employee director within the meaning of Rule 16b-3 under the Exchange Act; and (iii) an outside director pursuant to Section 162(m) of the Code. The Board may designate one or more directors as alternate members of the Committee who may replace any absent or disqualified member at any meeting of the Committee. To the extent permitted by applicable law, the Committee may delegate to one or more officers of the Company the authority to grant Options and SARs, except that such delegation shall not be applicable to any Award for a person then covered by Section 16 of the Exchange Act, and the Committee may delegate to another committee of the Board (which may consist of solely one Director) the authority to grant all types of Awards.

(c) *Authority of Committee.* Subject to the terms of the Plan and applicable law, the Committee (or its delegate) shall have full power and authority to: (i) designate Participants; (ii) determine the type or types of Awards (including Substitute Awards) to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or with respect to which payments, rights or other matters are to be calculated in connection with) Awards; (iv) determine the terms and conditions of any Award; (v) determine whether, to what extent and under what circumstances Awards may be settled or exercised in cash, Shares, other Awards, other property, net settlement, or any combination thereof, or canceled, forfeited or suspended, and the method or methods by which Awards may be settled, exercised, canceled, forfeited or suspended; (vi) determine whether, to what extent and under what circumstances cash, Shares, other Awards, other property and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the holder thereof or of the Committee; (vii) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (viii) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; and (ix) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

(d) *Dodd-Frank Clawback.* The Committee shall have full authority to implement any policies and procedures necessary to comply with Section 10D of the Exchange Act and any rules promulgated

thereunder. Without limiting the foregoing, the Committee may provide in award agreements that, in event of a financial restatement that reduces amount of previously awarded incentive compensation that would not have been earned had results been properly reported, outstanding awards will be cancelled and Company may clawback (*i.e.*, recapture) realized Option/SAR gains and realized value for vested Restricted Stock or RSUs or earned Performance Awards within 12 months preceding financial restatement.

(e) *Restrictive Covenants.* The Committee may impose restrictions on any Award with respect to non-competition, confidentiality and other restrictive covenants as it deems necessary or appropriate in its sole discretion.

SECTION 5. *Shares Available for Awards.*

(a) Subject to adjustment as provided in Section 5(c) and except for Substitute Awards, the maximum number of Shares available for issuance under the Plan shall not exceed in the aggregate 50,000 shares of Common Stock.

(b) Any Shares subject to an Award (other than a Substitute Award), that expires, is canceled, forfeited or otherwise terminates without the delivery of such Shares, including (i) the number of Shares surrendered or withheld in payment of any grant, purchase, exercise or hurdle price of an Award or taxes related to an Award (other than Shares already issued and surrendered for payment of taxes) and (ii) any Shares subject to an Award to the extent that Award is settled without the issuance of Shares, shall again be, or shall become, available for issuance under the Plan.

(c) In the event that, as a result of any dividend or other distribution (whether in the form of cash, Shares or other securities), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, issuance of Shares pursuant to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the Shares, an adjustment is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall adjust equitably any or all of:

(i) the number and type of Shares (or other securities) which thereafter may be made the subject of Awards, including the aggregate limits specified in Section 5(a) and the individual limits specified in Section 5(e);

(ii) the number and type of Shares (or other securities) subject to outstanding Awards; and

(iii) the grant, purchase, exercise or hurdle price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award;

provided, however, that the number of Shares subject to any Award denominated in Shares shall always be a whole number.

(d) Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares or Shares acquired by the Company.

(e) With respect to any Award intended to be Section 162(m) Compensation, the following limits shall apply to the amount that may be awarded to any Participant during any calendar year, subject to adjustment as provided in Section 5(c): (i) Options and SARs that relate to no more than 50,000 Shares; (B) Performance Awards that relate to no more than 50,000 Shares and (C) cash-based Awards that relate to no more than \$250,000.

SECTION 6. Options. The Committee is authorized to grant Options to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The exercise price per Share under an Option shall be determined by the Committee; *provided, however*, that, except in the case of Substitute Awards, such exercise price shall not be less than the Fair Market Value of a Share on the date of grant of such Option.

(b) The term of each Option shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such Option; *provided* that the Committee may (but shall not be required to) provide in an Award Agreement for an extension of such 10-year term in the event the exercise of the Option would be prohibited by law on the expiration date.

(c) The Committee shall determine the time or times at which an Option become vested and exercisable in whole or in part. The Committee may specify in an Award Agreement that an "in-the-money" Option shall be automatically exercised on its expiration date.

(d) The consideration to be paid for the Shares to be issued upon exercise of an Option, including the method of payment, shall be determined by the Committee. Such consideration, to the extent permitted by applicable laws, may consist entirely of: (i) cash or check or combination thereof or broker-assisted cashless exercise; or (ii) to the extent expressly permitted by the Committee, (A) other Shares which have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Option shall be exercised; or (B) such other consideration and method of payment for the issuance of Shares to the extent permitted by applicable laws.

(e) The terms of any Incentive Stock Option granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code. Incentive Stock Options may be granted only to employees of the Company or of a parent or subsidiary corporation (as defined in Section 424(a) of the Code). Notwithstanding any designation as an Incentive Stock Option, to the extent that the aggregate Fair Market Value of Shares subject to a Participant's incentive stock options that become exercisable for the first time during any calendar year exceeds \$100,000, such excess Options shall be treated as Nonstatutory Stock Options. For purposes of the foregoing, Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the Shares shall be determined as of the time of grant. No Incentive Stock Options may be issued more than ten years following the earlier of (i) the date of adoption or (ii) the most recent date of approval of this Plan by the Company's stockholders.

(f) Unless otherwise determined by the Committee or unless otherwise set forth in an Award Agreement, upon termination of a Participant's Continuous Service Status:

(i) In the event of termination of Participant's Continuous Service Status as a result of Participant's Disability, Participant's may, but only within six months from such termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement), exercise the Option to the extent it was vested as of such termination of Continuous Service Status, after which it shall terminate.

(ii) In the event of the death of Participant (a) during the term of the Option and while in Continuous Service Status, or (b) within three months after termination of Continuous Service Status, the Option may be exercised at any time within six months following the date of death (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement) by Participant's estate or by a person who acquired the right to exercise the Option by bequest or inheritance, but only to the extent it was vested as of the termination of Continuous Service Status.

(iii) If Participant's Continuous Service Status terminates for any other reason, Participant may, but only within three months after such termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement), exercise his or her Option to the extent that he or she was entitled to exercise it at the date of such termination.

(iv) To the extent that a Participant was not entitled to exercise the Option at the date of Participant's Continuous Service Status (including as a result of any accelerated vesting under the Award Agreement or Employment Agreement or otherwise), the Option shall terminate immediately.

SECTION 7. *Stock Appreciation Rights.* The Committee is authorized to grant SARs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) SARs may be granted under the Plan to Participants either alone ("freestanding") or in addition to other Awards granted under the Plan ("tandem") and may, but need not, relate to a specific Option granted under Section 6.

(b) The exercise or hurdle price per Share under a SAR shall be determined by the Committee; *provided, however*, that, except in the case of Substitute Awards, such exercise or hurdle price shall not be less than the Fair Market Value of a Share on the date of grant of such SAR.

(c) The term of each SAR shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such SAR.

(d) The Committee shall determine the time or times at which a SAR may be exercised or settled in whole or in part. Unless otherwise determined by the Committee or unless otherwise set forth in an Award Agreement, the provisions set forth in Section 6(f) above with respect to exercise of an Award following termination of Continuous Service Status shall apply to any SAR. The Committee may specify in an Award Agreement that an "in-the-money" SAR shall be automatically exercised on its expiration date.

SECTION 8. *Restricted Stock and RSUs.* The Committee is authorized to grant Awards of Restricted Stock and RSUs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The Award Agreement shall specify the vesting schedule and, with respect to RSUs, the delivery schedule (which may include deferred delivery later than the vesting date).

(b) Shares of Restricted Stock and RSUs shall be subject to such restrictions as the Committee may impose (including any limitation on the right to vote a Share of Restricted Stock or the right to receive any dividend, dividend equivalent or other right), which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate.

(c) Any share of Restricted Stock granted under the Plan may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration or issuance of a stock certificate or certificates. In the event any stock certificate is issued in respect of shares of Restricted Stock granted under the Plan, such certificate shall be registered in the name of such Participant and shall bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Restricted Stock.

(d) If the Committee intends that an Award granted under this Section 8 shall constitute or give rise to Section 162(m) Compensation, such Award shall be structured in accordance with the requirements of Section 9, including the performance criteria set forth therein and the Award limitation set forth in Section 5(f), and any such Award shall be considered a Performance Award for purposes of the Plan.

SECTION 9. *Performance Awards.* The Committee is authorized to grant Performance Awards to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) Performance Awards may be denominated as a cash amount, number of Shares or a combination thereof and are Awards which may be earned upon achievement or satisfaction of performance conditions specified by the Committee. In addition, the Committee may specify that any other Award shall constitute a Performance Award by conditioning the right of a Participant to exercise the Award or have it settled, and the timing thereof, upon achievement or satisfaction of such performance conditions as may be specified by the Committee. The Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance conditions. Subject to the terms of the Plan, the performance goals to be achieved during any performance period, the length of any performance period, the amount of any Performance Award granted and the amount of any payment or transfer to be made pursuant to any Performance Award shall be determined by the Committee.

(b) If the Committee intends that a Performance Award should constitute Section 162(m) Compensation, such Performance Award shall include a pre-established formula, such that payment, retention or vesting of the Award is subject to the achievement during a Performance Period or Performance Periods, as determined by the Committee, of a level or levels of, or increases in, in each case as determined by the Committee, one or more of the following performance measures with respect to the Company: net sales; revenue; revenue growth or product revenue growth; operating income (before or after taxes); pre- or after-tax income or loss (before or after allocation of corporate overhead and bonus); net earnings; earnings per share; net income or loss (before or after taxes); return on equity; total shareholder return; return on assets or net assets; appreciation in and/or maintenance of share price; market share; gross profits; earnings or loss (including earnings or loss before taxes, before interest and taxes, or before earnings before interest, taxes, depreciation and amortization); economic value-added models or equivalent metrics; comparisons with various stock market indices; reductions in costs; cash flow or cash flow per share (before or after dividends); return on capital (including return on total capital or return on invested capital); cash flow return on investment; improvement in or attainment of expense levels or working capital levels, including cash, inventory and accounts receivable; operating margin; gross margin; cash margin; year-end cash; debt reduction; shareholder equity; operating efficiencies; market share; customer satisfaction; customer growth; employee satisfaction; research and development achievements; manufacturing achievements (including obtaining particular yields from manufacturing runs and other measurable objectives related to process development activities); regulatory achievements (including submitting or filing applications or other documents with regulatory authorities or receiving approval of any such applications or other documents and passing pre-approval inspections (whether of the Company or the Company's third-party manufacturer) and validation of manufacturing processes (whether the Company's or the Company's third-party manufacturer's)); financial ratios, including those measuring liquidity, activity, profitability or leverage; cost of capital or assets under management; financing and other capital raising transactions (including sales of the Company's equity or debt securities; factoring transactions; sales or licenses of the Company's assets, including its intellectual property, whether in a particular jurisdiction or territory or globally; or through partnering transactions); and implementation, completion or attainment of measurable objectives with respect to research, development, manufacturing, commercialization, products or projects, production volume levels, acquisitions and divestitures; factoring transactions; and recruiting and maintaining personnel.

Performance criteria may be measured on an absolute (*e.g.*, plan or budget) or relative basis, and may be established on a corporate-wide basis or with respect to one or more business units, divisions, subsidiaries or business segments. Relative performance may be measured against a group of peer companies, a financial market index or other acceptable objective and quantifiable indices. To the extent permitted by Section 162(m), with respect to an award intended to qualify as Section 162(m) Compensation, the Award Agreement may provide that if the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which the Company conducts its business, or other events or circumstances render the performance objectives unsuitable, the Committee may modify the performance objectives or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable. Performance measures may vary from Performance Award to Performance Award, respectively, and from Participant to Participant, and may be established on a stand-alone basis, in tandem or in the alternative. The Committee shall have the power to impose such other restrictions on Awards subject to this Section 9(b) as it may deem necessary or appropriate to ensure that such Awards satisfy all requirements for Section 162(m) Compensation. Notwithstanding any provision of the Plan to the contrary, with respect to any Award intended to be Section 162(m) Compensation, the Committee shall not be authorized to increase the amount payable under any Award to which this Section 9(b) applies upon attainment of such pre-established formula.

(c) Settlement of Performance Awards shall be in cash, Shares, other Awards, other property, net settlement, or any combination thereof, in the discretion of the Committee. The Committee shall specify the circumstances in which, and the extent to which, Performance Awards shall be paid or forfeited in the event of termination of a Continuous Service Status.

(d) Performance Awards will be settled only after the end of the relevant Performance Period. Any settlement that changes the form of payment from that originally specified shall be implemented in a manner such that the Performance Award and other related Awards do not, solely for that reason, fail to qualify as Section 162(m) Compensation. The Committee shall specify the circumstances in which, and the extent to which, Performance Awards shall be paid or forfeited in the event of a Participant's termination of Continuous Service Status.

SECTION 10. *Other Stock-Based Awards.* The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares or factors that may influence the value of Shares, including convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, purchase rights for Shares, Awards with value and payment contingent upon performance of the Company or business units thereof or any other factors designated by the Committee. The Committee shall determine the terms and conditions of such Awards. Shares delivered pursuant to an Award in the nature of a purchase right granted under this Section 10 shall be purchased for such consideration, paid for at such times, by such methods and in such forms, including cash, Shares, other Awards, other property, or any combination thereof, as the Committee shall determine. Cash awards, as an element of or supplement to any other Award under the Plan, may also be granted pursuant to this Section 10.

SECTION 11. *Automatic Grants to Outside Directors.* The Board or a Committee thereof may institute, by resolution, automatic Award grants to new and to continuing members of the Board, with the number and type of such Awards, with such terms and conditions, and based upon such criteria, if any, as is determined by the Board or its Committee, in their sole discretion.

SECTION 12. *Effect of a Change of Control on Awards.*

(a) The Committee may (but shall not be required to) provide for accelerated vesting of an Award upon, or a result of specified events following, a Change of Control.

(b) In the event of a Change of Control, if the Awards are not continued, the Committee may cause any Award either:

(i) to be canceled in consideration of a payment in cash or other consideration to such Participant who holds such Award in an amount per share equal to the excess, if any, of the price or implied price per Share in a Change in Control over the per Share exercise or purchase price of such Award, which may be paid immediately or over the vesting schedule of the Award; or

(ii) to be assumed or a substantially equivalent Award shall be substituted by the successor corporation or a parent or subsidiary of such successor corporation (the "**Successor Corporation**"), unless the Successor Corporation does not agree to assume the award or to substitute an equivalent option or right (or agree to cashout the Award as provided in clause (i)), in which case such Award shall become fully vested immediately prior to the Change of Control and shall thereafter terminate. An Award shall be considered assumed, without limitation, if, at the time of issuance of the stock or other consideration upon a Change of Control, as the case may be, each holder of an Award would be entitled to receive upon exercise of the award the same number and kind of shares of stock or the same amount of property, cash or securities as such holder would have been entitled to receive upon the occurrence of the transaction if the holder had been, immediately prior to such transaction, the holder of the number of Shares of Common Stock covered by the award at such time; *provided* that if such consideration received in the transaction is not solely common stock of the Successor Corporation, the Committee may, with the consent of the Successor Corporation, provide for the consideration to be received upon exercise of the assumed award to be solely common stock of the Successor Corporation.

SECTION 13. *General Provisions Applicable to Awards.*

(a) Awards shall be granted for such cash or other consideration, if any, as the Committee determines; *provided* that in no event shall Awards be issued for less than such minimal consideration as may be required by applicable law.

(b) Awards may, in the discretion of the Committee, be granted either alone or in addition to or in tandem with any other Award or any award granted under any other plan of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other plan of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

(c) Subject to the terms of the Plan, payments or transfers to be made by the Company upon the grant, exercise or settlement of an Award may be made in the form of cash, Shares, other Awards, other property, net settlement, or any combination thereof, as determined by the Committee in its discretion at the time of grant, and may be made in a single payment or transfer, in installments or on a deferred basis, in each case in accordance with rules and procedures established by the Committee. Such rules and procedures may include provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of dividend equivalents in respect of installment or deferred payments.

(d) Except as may be permitted by the Committee (except with respect to Incentive Stock Options) or as specifically provided in an Award Agreement, (i) no Award and no right under any Award shall be assignable, alienable, saleable or transferable by a Participant otherwise than by will or pursuant to Section 13(e) and (ii) during a Participant's lifetime, each Award, and each right under any Award, shall be exercisable only by such Participant or, if permissible under applicable law, by such Participant's

guardian or legal representative. The provisions of this Section 13(d) shall not preclude forfeiture of an Award in accordance with the terms thereof.

(e) A Participant may designate a Beneficiary or change a previous Beneficiary designation at such times prescribed by the Committee by using forms and following procedures approved or accepted by the Committee for that purpose.

(f) All certificates for Shares and/or other securities delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock market or exchange upon which such Shares or other securities are then quoted, traded or listed, and any applicable securities laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

SECTION 14. *Amendments and Termination.*

(a) *Amendment of Plan.* Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Award Agreement or in the Plan, the Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time; *provided, however*, that no such amendment, alteration, suspension, discontinuation or termination shall be made without (i) shareholder approval if such approval is required by applicable law or the rules of the stock market or exchange, if any, on which the Shares are principally quoted or traded or (ii) the consent of the affected Participant, if such action would materially adversely affect the rights of such Participant under any outstanding Award, except (x) to the extent any such amendment, alteration, suspension, discontinuance or termination is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations or (y) to impose any "clawback" or recoupment provisions on any Awards in accordance with Section 4(d) of the Plan. Notwithstanding anything to the contrary in the Plan, the Committee may amend the Plan, or create sub-plans, in such manner as may be necessary for the purpose of qualifying for preferred tax treatment under non-U.S. tax laws or complying with local rules and regulations. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem desirable to carry the Plan into effect.

(b) *Dissolution or Liquidation.* In the event of the dissolution or liquidation of the Company, each Award will terminate immediately prior to the consummation of such action, unless otherwise determined by the Committee.

(c) *Terms of Awards.* The Committee may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate any Award theretofore granted, prospectively or retroactively, without the consent of any relevant Participant or holder or Beneficiary of an Award; *provided, however*, that no such action shall materially adversely affect the rights of any affected Participant or holder or Beneficiary under any Award theretofore granted under the Plan, except (x) to the extent any such action is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations, or (y) to impose any "clawback" or recoupment provisions on any Awards in accordance with Section 4(d) of the Plan.

(d) *No Repricing.* Notwithstanding the foregoing, except as provided in Section 5(d), no action shall directly or indirectly, through cancellation and regrant or any other method, reduce, or have the effect of reducing, the exercise price of any Award established at the time of grant thereof with approval of the Company's stockholders.

SECTION 15. *Miscellaneous.*

(a) No employee, Participant or other person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of employees, Participants or holders or Beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient. Any Award granted under the Plan shall be a one-time Award that does not constitute a promise of future grants. The Company, in its sole discretion, maintains the right to make available future grants under the Plan.

(b) The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of, or to continue to provide services to, the Company or any Affiliate. Further, the Company or the applicable Affiliate may at any time dismiss a Participant, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement or in any other agreement binding the parties. The receipt of any Award under the Plan is not intended to confer any rights on the receiving Participant except as set forth in the applicable Award Agreement.

(c) Nothing contained in the Plan shall prevent the Company from adopting or continuing in effect other or additional compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

(d) The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under the Plan or from any compensation or other amount owing to a Participant the amount (in cash, Shares, other Awards, other property, net settlement, or any combination thereof) of applicable withholding taxes due in respect of an Award, its exercise or settlement or any payment or transfer under such Award or under the Plan and to take such other action (including providing for elective payment of such amounts in cash or Shares by such Participant) as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes; *provided* that if the Committee allows the withholding or surrender of Shares to satisfy a Participant's tax withholding obligations, the Company shall not allow Shares to be withheld in an amount that exceeds the minimum statutory withholding rates for federal and state tax purposes, including payroll taxes.

(e) If any provision of the Plan or any Award Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award Agreement, such provision shall be stricken as to such jurisdiction, person or Award, and the remainder of the Plan and any such Award Agreement shall remain in full force and effect.

(f) Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

(g) No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

SECTION 16. *Effective Date of the Plan.* The Plan shall be effective as of the Effective Date.

SECTION 17. *Term of the Plan.* No Award shall be granted under the Plan after the earliest to occur of (i) the tenth year anniversary of the Effective Date; *provided* that to the extent permitted by the listing rules of any stock exchange on which the Company is listed, such ten-year term may be extended indefinitely so long as the maximum number of Shares available for issuance under the Plan have not

been issued; (ii) the maximum number of Shares available for issuance under the Plan have been issued; or (iii) the Board terminates the Plan in accordance with Section 14(a). However, unless otherwise expressly provided in the Plan or in an applicable Award Agreement, any Award theretofore granted may extend beyond such date, and the authority of the Committee to amend, alter, adjust, suspend, discontinue or terminate any such Award, or to waive any conditions or rights under any such Award, and the authority of the Board to amend the Plan, shall extend beyond such date.

SECTION 18. *Section 409A of the Code.* With respect to Awards subject to Section 409A of the Code, the Plan is intended to comply with the requirements of Section 409A of the Code and the regulations thereunder ("**Section 409A**"), and the provisions of the Plan and any Award Agreement shall be interpreted in a manner that satisfies the requirements of Section 409A, and the Plan shall be operated accordingly. If any provision of the Plan or any term or condition of any Award would otherwise frustrate or conflict with this intent, the provision, term or condition will be interpreted and deemed amended so as to avoid this conflict. Notwithstanding anything else in the Plan, if the Board considers a Participant to be one of the Company's "specified employees" under Section 409A of the Code at the time of such Participant's separation from service (as defined in Section 409A) and the amount hereunder is "deferred compensation" subject to Section 409A, any distribution that otherwise would be made to such Participant with respect to this Award as a result of such termination shall not be made until the date that is six months after such separation.

SHELDON BEEF INC NOTICE OF STOCK OPTION GRANT

Subject to the terms, definitions and provisions of the Sheldon Beef Inc 2020 Stock Option and Equity Incentive Plan, ("the Plan"), even if conflicting herewith, **Sheldon Beef Inc** (the "Company"), hereby grants to Chris Canchola (the "Optionee"), the following option (the "Option") to purchase shares of Company's common stock:

GRANT ID: 200225-1

GRANT DATE: February 25, 2020

SHARES GRANTED: 7,750

EXERCISE PRICE: \$0.01

EXPIRATION DATE: February 24, 2027

Subject to Optionee maintaining continuous status as an employee or consultant as of such dates, the Option shall vest and become exercisable as follows:

- 33.33% OF OPTION SHARES WILL VEST ON THE FIRST ANNIVERSARY OF THIS GRANT PROVIDED CONTINUOUS EMPLOYMENT IS MAINTAINED
- 02.77% OF OPTION SHARES WILL VEST EACH MONTH THEREAFTER OF CONTINUOUS EMPLOYMENT UNTIL ALL GRANTED SHARES ARE VESTED

In the event of termination of Optionee's continuous status as an employee or consultant, Optionee may exercise this option only to the extent that Optionee was vested as of the date of termination. If termination resulted from the death of the Optionee, the Optionee's estate or person who acquired the right to exercise the option by bequest or inheritance will be entitled to exercise the option as if the termination had occurred one (1) year from the date of death.

To the extent that Optionee was not vested at the date of termination the option shall terminate. In addition, the option shall terminate, even as to vested shares, if the Optionee does not exercise the option within ninety (90) days from termination or within twelve (12) months in the event of the Optionee's death or disability. In no event may this option be exercised after the term/expiration date.

The option may be exercised by properly completing a "form of delivery" exercise form or its equivalent. The "form of delivery" form or its equivalent will be irrevocable and deemed executed upon receipt by the Stock Plan Administrator of a signed (electronically or otherwise) "form of delivery" form or its equivalent. The exercise notice must be accompanied by payment of the appropriate exercise price.

Such payment may be made by i) cash or check, ii) a "cashless exercise" (irrevocable instructions to a broker to deliver promptly to the company the amount of the sale or loan proceeds required to pay the exercise price), or iii) surrender of other shares of common stock of the company (which, if such shares were acquired from Company, have been held by the Optionee for more than six months) and with a value equal to the exercise price. This option may not be exercised for a fraction of a share.

The option is intended to qualify as an Incentive stock option as defined in section 422 of the Code. However, to the extent that it exceeds the US\$100,000 rule of code Section 422(d) it shall be treated as a non-statutory option. Optionee understands that Optionee may suffer adverse tax consequences as result of Optionee's exercise of the option or disposition of the shares acquired under the option. **Optionee should read the plan and/or prospectus and consult a tax adviser before exercising the option or disposing of the shares.** If Optionee sells or otherwise disposes of any of the shares on or before the later of i) two years after the grant date, or ii) one year after the option is exercised, the Optionee shall immediately notify the company in writing of such disposition. Optionee agrees that Optionee may be subject to income tax withholding by the company on the compensation income recognized by the Optionee from the early disposition.

Optionee acknowledges and agrees that the vesting of shares pursuant to the option hereof is earned only by continued employment at the will of the company. Optionee further acknowledges and agrees that nothing in this agreement, nor in the company's stock option plan shall confer upon Optionee any right with respect to continuation of employment by the company, nor shall interfere in any way with Optionee's right or the company's right to terminate Optionee's employment at any time, with or without cause.

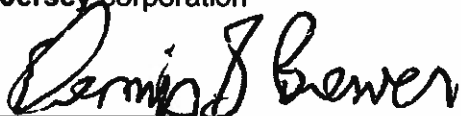
This option may not be transferred in any manner otherwise than by will or by laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee. The terms of the Plan and this option agreement shall be binding upon the executors, administrators, heirs, successors and assignees of the option.

It is the Optionee's responsibility to read and understand the terms of the company's stock option plan. Optionee is familiar with the terms and provisions of the Plan, and hereby accepts this option subject to all of the terms and provisions of the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the company's Board of Directors upon any questions arising under the Plan or this option.

The Plan, the Stock Option Agreement, and this Notice constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of Company and Optionee with respect to the subject matter hereof and may only be changed by means of a written document signed by both parties. Agreed and executed as follows:

Sheldon Beef Inc
A New Jersey corporation

By:



Signed by authorized company representative



02/25/2020

Employee/Consultant

Date

Important: You will not be able to exercise this option until you have signed and accepted the terms of this grant agreement.

SHELDON BEEF INC NOTICE OF STOCK OPTION GRANT

Subject to the terms, definitions and provisions of the Sheldon Beef Inc 2020 Stock Option and Equity Incentive Plan, ("the Plan"), even if conflicting herewith, **Sheldon Beef Inc** (the "Company"), hereby grants to Chris Canchola (the "Optionee"), the following option (the "Option") to purchase shares of Company's common stock:

GRANT ID: 200225-1

GRANT DATE: February 25, 2020

SHARES GRANTED: 7,750

EXERCISE PRICE: \$0.01

EXPIRATION DATE: February 24, 2027

Subject to Optionee maintaining continuous status as an employee or consultant as of such dates, the Option shall vest and become exercisable as follows:

- 33.33% OF OPTION SHARES WILL VEST ON THE FIRST ANNIVERSARY OF THIS GRANT PROVIDED CONTINUOUS EMPLOYMENT IS MAINTAINED
- 02.77% OF OPTION SHARES WILL VEST EACH MONTH THEREAFTER OF CONTINUOUS EMPLOYMENT UNTIL ALL GRANTED SHARES ARE VESTED

In the event of termination of Optionee's continuous status as an employee or consultant, Optionee may exercise this option only to the extent that Optionee was vested as of the date of termination. If termination resulted from the death of the Optionee, the Optionee's estate or person who acquired the right to exercise the option by bequest or inheritance will be entitled to exercise the option as if the termination had occurred one (1) year from the date of death.

To the extent that Optionee was not vested at the date of termination the option shall terminate. In addition, the option shall terminate, even as to vested shares, if the Optionee does not exercise the option within ninety (90) days from termination or within twelve (12) months in the event of the Optionee's death or disability. In no event may this option be exercised after the term/expiration date.

The option may be exercised by properly completing a "form of delivery" exercise form or its equivalent. The "form of delivery" form or its equivalent will be irrevocable and deemed executed upon receipt by the Stock Plan Administrator of a signed (electronically or otherwise) "form of delivery" form or its equivalent. The exercise notice must be accompanied by payment of the appropriate exercise price.

Such payment may be made by i) cash or check, ii) a "cashless exercise" (irrevocable instructions to a broker to deliver promptly to the company the amount of the sale or loan proceeds required to pay the exercise price), or iii) surrender of other shares of common stock of the company (which, if such shares were acquired from Company, have been held by the Optionee for more than six months) and with a value equal to the exercise price. This option may not be exercised for a fraction of a share.

The option is intended to qualify as an Incentive stock option as defined in section 422 of the Code. However, to the extent that it exceeds the US\$100,000 rule of code Section 422(d) it shall be treated as a non-statutory option. Optionee understands that Optionee may suffer adverse tax consequences as result of Optionee's exercise of the option or disposition of the shares acquired under the option. **Optionee should read the plan and/or prospectus and consult a tax adviser before exercising the option or disposing of the shares.** If Optionee sells or otherwise disposes of any of the shares on or before the later of i) two years after the grant date, or ii) one year after the option is exercised, the Optionee shall immediately notify the company in writing of such disposition. Optionee agrees that Optionee may be subject to income tax withholding by the company on the compensation income recognized by the Optionee from the early disposition.

Optionee acknowledges and agrees that the vesting of shares pursuant to the option hereof is earned only by continued employment at the will of the company. Optionee further acknowledges and agrees that nothing in this agreement, nor in the company's stock option plan shall confer upon Optionee any right with respect to continuation of employment by the company, nor shall interfere in any way with Optionee's right or the company's right to terminate Optionee's employment at any time, with or without cause.

This option may not be transferred in any manner otherwise than by will or by laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee. The terms of the Plan and this option agreement shall be binding upon the executors, administrators, heirs, successors and assignees of the option.

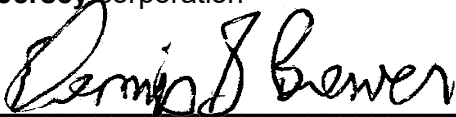
It is the Optionee's responsibility to read and understand the terms of the company's stock option plan. Optionee is familiar with the terms and provisions of the Plan, and hereby accepts this option subject to all of the terms and provisions of the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the company's Board of Directors upon any questions arising under the Plan or this option.

The Plan, the Stock Option Agreement, and this Notice constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of Company and Optionee with respect to the subject matter hereof and may only be changed by means of a written document signed by both parties. Agreed and executed as follows:

Sheldon Beef Inc

A New Jersey corporation

By:



Signed by authorized company representative

Employee/Consultant

Date

Important: You will not be able to exercise this option until you have signed and accepted the terms of this grant agreement.

SHELDON BEEF INC NOTICE OF STOCK OPTION GRANT

Subject to the terms, definitions and provisions of the Sheldon Beef Inc 2020 Stock Option and Equity Incentive Plan, ("the Plan"), even if conflicting herewith, **Sheldon Beef Inc** (the "Company"), hereby grants to Jon Nickless (the "Optionee"), the following option (the "Option") to purchase shares of Company's common stock:

GRANT ID: 200225-2

GRANT DATE: February 25, 2020

SHARES GRANTED: 7,750

EXERCISE PRICE: \$0.01

EXPIRATION DATE: February 24, 2027

Subject to Optionee maintaining continuous status as an employee or consultant as of such dates, the Option shall vest and become exercisable as follows:

- 33.33% OF OPTION SHARES WILL VEST ON THE FIRST ANNIVERSARY OF THIS GRANT PROVIDED CONTINUOUS EMPLOYMENT IS MAINTAINED
- 02.77% OF OPTION SHARES WILL VEST EACH MONTH THEREAFTER OF CONTINUOUS EMPLOYMENT UNTIL ALL GRANTED SHARES ARE VESTED

In the event of termination of Optionee's continuous status as an employee or consultant, Optionee may exercise this option only to the extent that Optionee was vested as of the date of termination. If termination resulted from the death of the Optionee, the Optionee's estate or person who acquired the right to exercise the option by bequest or inheritance will be entitled to exercise the option as if the termination had occurred one (1) year from the date of death.

To the extent that Optionee was not vested at the date of termination the option shall terminate. In addition, the option shall terminate, even as to vested shares, if the Optionee does not exercise the option within ninety (90) days from termination or within twelve (12) months in the event of the Optionee's death or disability. In no event may this option be exercised after the term/expiration date.

The option may be exercised by properly completing a "form of delivery" exercise form or its equivalent. The "form of delivery" form or its equivalent will be irrevocable and deemed executed upon receipt by the Stock Plan Administrator of a signed (electronically or otherwise) "form of delivery" form or its equivalent. The exercise notice must be accompanied by payment of the appropriate exercise price.

Such payment may be made by i) cash or check, ii) a "cashless exercise" (irrevocable instructions to a broker to deliver promptly to the company the amount of the sale or loan proceeds required to pay the exercise price), or iii) surrender of other shares of common stock of the company (which, if such shares were acquired from Company, have been held by the Optionee for more than six months) and with a value equal to the exercise price. This option may not be exercised for a fraction of a share.

The option is intended to qualify as an Incentive stock option as defined in section 422 of the Code. However, to the extent that it exceeds the US\$100,000 rule of code Section 422(d) it shall be treated as a non-statutory option. Optionee understands that Optionee may suffer adverse tax consequences as result of Optionee's exercise of the option or disposition of the shares acquired under the option. **Optionee should read the plan and/or prospectus and consult a tax adviser before exercising the option or disposing of the shares.** If Optionee sells or otherwise disposes of any of the shares on or before the later of i) two years after the grant date, or ii) one year after the option is exercised, the Optionee shall immediately notify the company in writing of such disposition. Optionee agrees that Optionee may be subject to income tax withholding by the company on the compensation income recognized by the Optionee from the early disposition.

Optionee acknowledges and agrees that the vesting of shares pursuant to the option hereof is earned only by continued employment at the will of the company. Optionee further acknowledges and agrees that nothing in this agreement, nor in the company's stock option plan shall confer upon Optionee any right with respect to continuation of employment by the company, nor shall interfere in any way with Optionee's right or the company's right to terminate Optionee's employment at any time, with or without cause.

This option may not be transferred in any manner otherwise than by will or by laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee. The terms of the Plan and this option agreement shall be binding upon the executors, administrators, heirs, successors and assignees of the option.

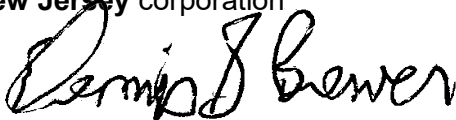
It is the Optionee's responsibility to read and understand the terms of the company's stock option plan. Optionee is familiar with the terms and provisions of the Plan, and hereby accepts this option subject to all of the terms and provisions of the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the company's Board of Directors upon any questions arising under the Plan or this option.

The Plan, the Stock Option Agreement, and this Notice constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of Company and Optionee with respect to the subject matter hereof and may only be changed by means of a written document signed by both parties. Agreed and executed as follows:

Sheldon Beef Inc

A New Jersey corporation

By:



Signed by authorized company representative

Employee/Consultant

Date

Important: You will not be able to exercise this option until you have signed and accepted the terms of this grant agreement.

SHELDON BEEF INC NOTICE OF STOCK OPTION GRANT

Subject to the terms, definitions and provisions of the Sheldon Beef Inc 2020 Stock Option and Equity Incentive Plan, ("the Plan"), even if conflicting herewith, **Sheldon Beef Inc** (the "Company"), hereby grants to Jon Nickless (the "Optionee"), the following option (the "Option") to purchase shares of Company's common stock:

GRANT ID: 200225-2

GRANT DATE: February 25, 2020

SHARES GRANTED: 7,750

EXERCISE PRICE: \$0.01

EXPIRATION DATE: February 24, 2027

Subject to Optionee maintaining continuous status as an employee or consultant as of such dates, the Option shall vest and become exercisable as follows:

- 33.33% OF OPTION SHARES WILL VEST ON THE FIRST ANNIVERSARY OF THIS GRANT PROVIDED CONTINUOUS EMPLOYMENT IS MAINTAINED
- 02.77% OF OPTION SHARES WILL VEST EACH MONTH THEREAFTER OF CONTINUOUS EMPLOYMENT UNTIL ALL GRANTED SHARES ARE VESTED

In the event of termination of Optionee's continuous status as an employee or consultant, Optionee may exercise this option only to the extent that Optionee was vested as of the date of termination. If termination resulted from the death of the Optionee, the Optionee's estate or person who acquired the right to exercise the option by bequest or inheritance will be entitled to exercise the option as if the termination had occurred one (1) year from the date of death.

To the extent that Optionee was not vested at the date of termination the option shall terminate. In addition, the option shall terminate, even as to vested shares, if the Optionee does not exercise the option within ninety (90) days from termination or within twelve (12) months in the event of the Optionee's death or disability. In no event may this option be exercised after the term/expiration date.

The option may be exercised by properly completing a "form of delivery" exercise form or its equivalent. The "form of delivery" form or its equivalent will be irrevocable and deemed executed upon receipt by the Stock Plan Administrator of a signed (electronically or otherwise) "form of delivery" form or its equivalent. The exercise notice must be accompanied by payment of the appropriate exercise price.

Such payment may be made by i) cash or check, ii) a "cashless exercise" (irrevocable instructions to a broker to deliver promptly to the company the amount of the sale or loan proceeds required to pay the exercise price), or iii) surrender of other shares of common stock of the company (which, if such shares were acquired from Company, have been held by the Optionee for more than six months) and with a value equal to the exercise price. This option may not be exercised for a fraction of a share.

The option is intended to qualify as an Incentive stock option as defined in section 422 of the Code. However, to the extent that it exceeds the US\$100,000 rule of code Section 422(d) it shall be treated as a non-statutory option. Optionee understands that Optionee may suffer adverse tax consequences as result of Optionee's exercise of the option or disposition of the shares acquired under the option. **Optionee should read the plan and/or prospectus and consult a tax adviser before exercising the option or disposing of the shares.** If Optionee sells or otherwise disposes of any of the shares on or before the later of i) two years after the grant date, or ii) one year after the option is exercised, the Optionee shall immediately notify the company in writing of such disposition. Optionee agrees that Optionee may be subject to income tax withholding by the company on the compensation income recognized by the Optionee from the early disposition.

Optionee acknowledges and agrees that the vesting of shares pursuant to the option hereof is earned only by continued employment at the will of the company. Optionee further acknowledges and agrees that nothing in this agreement, nor in the company's stock option plan shall confer upon Optionee any right with respect to continuation of employment by the company, nor shall interfere in any way with Optionee's right or the company's right to terminate Optionee's employment at any time, with or without cause.

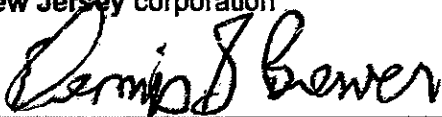
This option may not be transferred in any manner otherwise than by will or by laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee. The terms of the Plan and this option agreement shall be binding upon the executors, administrators, heirs, successors and assignees of the option.

It is the Optionee's responsibility to read and understand the terms of the company's stock option plan. Optionee is familiar with the terms and provisions of the Plan, and hereby accepts this option subject to all of the terms and provisions of the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the company's Board of Directors upon any questions arising under the Plan or this option.

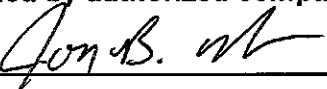
The Plan, the Stock Option Agreement, and this Notice constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of Company and Optionee with respect to the subject matter hereof and may only be changed by means of a written document signed by both parties. Agreed and executed as follows:

Sheldon Beef Inc
A New Jersey corporation

By:



Signed by authorized company representative



2-28-2020

Employee/Consultant

Date

Important: You will not be able to exercise this option until you have signed and accepted the terms of this grant agreement.

SHELDON BEEF INC NOTICE OF STOCK OPTION GRANT

Subject to the terms, definitions and provisions of the Sheldon Beef Inc 2020 Stock Option and Equity Incentive Plan, ("the Plan"), even if conflicting herewith, **Sheldon Beef Inc** (the "Company"), hereby grants to Jason Waseman (the "Optionee"), the following option (the "Option") to purchase shares of Company's common stock:

GRANT ID: 200225-3

GRANT DATE: February 25, 2020

SHARES GRANTED: 7,750

EXERCISE PRICE: \$0.01

EXPIRATION DATE: February 24, 2027

Subject to Optionee maintaining continuous status as an employee or consultant as of such dates, the Option shall vest and become exercisable as follows:

- 33.33% OF OPTION SHARES WILL VEST ON THE FIRST ANNIVERSARY OF THIS GRANT PROVIDED CONTINUOUS EMPLOYMENT IS MAINTAINED
- 02.77% OF OPTION SHARES WILL VEST EACH MONTH THEREAFTER OF CONTINUOUS EMPLOYMENT UNTIL ALL GRANTED SHARES ARE VESTED

In the event of termination of Optionee's continuous status as an employee or consultant, Optionee may exercise this option only to the extent that Optionee was vested as of the date of termination. If termination resulted from the death of the Optionee, the Optionee's estate or person who acquired the right to exercise the option by bequest or inheritance will be entitled to exercise the option as if the termination had occurred one (1) year from the date of death.

To the extent that Optionee was not vested at the date of termination the option shall terminate. In addition, the option shall terminate, even as to vested shares, if the Optionee does not exercise the option within ninety (90) days from termination or within twelve (12) months in the event of the Optionee's death or disability. In no event may this option be exercised after the term/expiration date.

The option may be exercised by properly completing a "form of delivery" exercise form or its equivalent. The "form of delivery" form or its equivalent will be irrevocable and deemed executed upon receipt by the Stock Plan Administrator of a signed (electronically or otherwise) "form of delivery" form or its equivalent. The exercise notice must be accompanied by payment of the appropriate exercise price.

Such payment may be made by i) cash or check, ii) a "cashless exercise" (irrevocable instructions to a broker to deliver promptly to the company the amount of the sale or loan proceeds required to pay the exercise price), or iii) surrender of other shares of common stock of the company (which, if such shares were acquired from Company, have been held by the Optionee for more than six months) and with a value equal to the exercise price. This option may not be exercised for a fraction of a share.

The option is intended to qualify as an Incentive stock option as defined in section 422 of the Code. However, to the extent that it exceeds the US\$100,000 rule of code Section 422(d) it shall be treated as a non-statutory option. Optionee understands that Optionee may suffer adverse tax consequences as result of Optionee's exercise of the option or disposition of the shares acquired under the option. **Optionee should read the plan and/or prospectus and consult a tax adviser before exercising the option or disposing of the shares.** If Optionee sells or otherwise disposes of any of the shares on or before the later of i) two years after the grant date, or ii) one year after the option is exercised, the Optionee shall immediately notify the company in writing of such disposition. Optionee agrees that Optionee may be subject to income tax withholding by the company on the compensation income recognized by the Optionee from the early disposition.

Optionee acknowledges and agrees that the vesting of shares pursuant to the option hereof is earned only by continued employment at the will of the company. Optionee further acknowledges and agrees that nothing in this agreement, nor in the company's stock option plan shall confer upon Optionee any right with respect to continuation of employment by the company, nor shall interfere in any way with Optionee's right or the company's right to terminate Optionee's employment at any time, with or without cause.

This option may not be transferred in any manner otherwise than by will or by laws of descent or distribution and may be exercised during the lifetime of the Optionee only by the Optionee. The terms of the Plan and this option agreement shall be binding upon the executors, administrators, heirs, successors and assignees of the option.

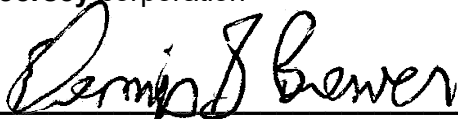
It is the Optionee's responsibility to read and understand the terms of the company's stock option plan. Optionee is familiar with the terms and provisions of the Plan, and hereby accepts this option subject to all of the terms and provisions of the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the company's Board of Directors upon any questions arising under the Plan or this option.

The Plan, the Stock Option Agreement, and this Notice constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of Company and Optionee with respect to the subject matter hereof and may only be changed by means of a written document signed by both parties. Agreed and executed as follows:

Sheldon Beef Inc

A New Jersey corporation

By:



Signed by authorized company representative

Employee/Consultant

Date

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Sheldon Beef Current and Projected Shareholdings

Vested Vested
2020 2025

	2020	2025		2020	2025
Sullivan, Ray	3000	3000		2.7%	2.2%
Belli, Lino	2500	2500		2.3%	1.8%
Petersen, Doug	2000	2000		1.8%	1.4%
Abdelsayed, Ibrahim		5000	5000 options vesting in 3 years	0.0%	3.6%
Waseman, Jason	1250	9000	7750 options vesting in 3 years	1.1%	6.5%
Nickless, Jon	1250	9000	7750 options vesting in 3 years	1.1%	6.5%
Canchola, Chris	250	8000	7750 options vesting in 3 years	0.2%	5.8%
Subtotal	10250	38500	28250		
	9.3%	27.8%			
Brewer	100000	100000			
	90.7%	72.2%			
Investor	0	0			
	0.0%	0.0%			
Total	110250	138500			
	100.0%	100.0%			

7,300,000
9839952
2,607,587
19,747,539

General Assumptions:

1,000,000 common shares authorized.

Assumes all currently outstanding options are converted to shares (fully diluted).

Assumes no more options are issued. It is likely that additional options will be issued.

Assumes no additional equity financing is consummated.

Return is not guaranteed and shareholders may be subject to additional dilution by stock option plans and/or additional equity investment.