

<p>Compromises and Settlements</p>	<p>On January 22, 2018, Mosaic Distributors, LLC was named as a defendant in the Superior County of the State of California, County of Los Angeles. The plaintiff, Robert Half International, Inc., claimed that Mosaic Distributors, LLC owed \$32,069.67 for goods and services sold and delivered.</p> <p>The defendant accepted a settlement of \$25,500 instead of the judgment amount of \$44,652.73, paid through \$550 monthly payments, which began in November 2018. The judgment may be enforced if payments are not current.</p> <p style="text-align: center;">-----</p> <p>On April 16, 2018 Audra Cooper filed a complaint in the Superior Court of the State of California in the County of Ventura against Mosaic Distributors, LLC and Christopher Kolodziejski on counts of breach of promissory note and pierce corporate veil. Ms. Cooper claimed that when Mosaic Distributors and Mr. Kolodziejski presented her with a notice of reorganization on or about December 11, 2013, Mr. Kolodziejski “unilaterally and errantly implied” that Ms. Cooper had authorized the conversion of her financial interest though a promissory note in Mosaic Distributors into preferred equity.</p> <p>The case was settled on July 31, 2019, with a total of \$95,000 being settled through a \$5,000 payment on August 1, 2019 and a \$7,000 payment on September 1, 2019. The balance of \$83,000 will be repaid over forty-two monthly installments of \$2,000 commencing on October 1, 2019.</p>
<p>Outstanding Liens & Judgments – Chris Kolodziejski</p>	<p>Chris Kolodziejski is the subject of two California state tax liens, filed on March 3, 2011 and May 13, 2015, in the amounts of \$105,672 and \$18,913, respectively.</p>
<p>Chapter 11 Bankruptcy</p>	<p>On January 22, 2014, Chris Kolodziejski filed for Chapter 11 voluntary bankruptcy in the state of California. The case was dismissed on November 7, 2014.</p>