

DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80202	DATE FILED: December 9, 2019 4:42 PM FILING ID: 51A9945714242 CASE NUMBER: 2019CV33770
DAVID S. CHEVAL, Acting Securities Commissioner for the State of Colorado, Plaintiff, v. MARK RAY; REVA STACHNIW; CUSTOM CONSULTING & PRODUCT SERVICES, LLC; RM FARM & LIVESTOCK, LLC; MR CATTLE PRODUCTION SERVICES, LLC; SUNSHINE ENTERPRISES; UNIVERSAL HERBS, LLC; DBC LIMITED, LLC, Defendants.	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<i>Attorneys for Court-appointed Receiver Gary Schwartz:</i> John A. Chanin, #20749 Katherine A. Roush, #39267 FOSTER GRAHAM MILSTEIN & CALISHER, LLP 360 South Garfield Street, Suite 600 Denver, Colorado 80209 Phone: (303) 333-9810 Fax: (303) 333-9786 Email: jchanin@fostergraham.com ; kroush@fostergraham.com	Case Number: 19CV33770 Division: 209
RECEIVER’S PRELIMINARY REPORT	

Gary Schwartz, the duly-appointed receiver (“Receiver”) for Mark Ray (“Ray”), Reva Stachniw (“Stachniw”), Custom Consulting & Product Services (“Custom Consulting”), MR Cattle Production Services (“MR Cattle”), Universal Herbs (“UH”), DBC Limited (“DBC”), RM Farm & Livestock (“RM Farm”), and Sunshine Enterprises (“Sunshine” and collectively with Ray, Stachniw, Custom Consulting, MR Cattle, UH, DBC, RM Farm, and Sunshine, “Ray and the Ray Entities”), submits this preliminary report concerning the status and condition of the Receivership Estate.

I. Procedural History

1. On September 30, 2019, David Cheval, Securities Commissioner for the State of Colorado (the “Commissioner”), filed his Complaint for Injunctive and Other Relief against Ray and the Ray Entities.

2. On September 30, 2019, the Commissioner and Ray, Custom Consulting, MR Cattle, UH and DBC filed a Stipulated Motion for Appointment of Receiver, consenting to the appointment of a receiver over Ray, Custom Consulting, MR Cattle, UH and DBC pursuant to Colo. Rev. Stat. § 11-51-602(1) and C.R.C.P. 66.

3. On September 30, 2019, the Court entered a Stipulated Order Appointing Receiver (the “September 30 Order”) appointing Gary Schwartz of Betzer Call Lausten & Schwartz, LLP as receiver for Ray, Custom Consulting, MR Cattle, UH and DBC and their respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses (the “Ray Estate”) September 30 Order at ¶ 3.

4. On September 30, 2019, the Securities and Exchange Commission (“SEC”) filed a Complaint against Ray and the Ray Entities and Ron Throgmartin in the United States District Court for the District of Colorado, case no. 19-cv-02789-DDD-NYW (the “Federal Case”).

5. On September 30, 2019 the SEC and Ray, Throgmartin, UH, Custom Consulting, MR Cattle, and DBC filed a stipulated request for the entry of consent orders in the Federal Case.

6. The Court in the Federal Case granted the request for entry of consent orders on October 10, 2019 (the “Ray Consent Judgments”).

7. On October 16, 2019, the SEC and Stachniw, RM Farm and Sunshine filed a second stipulated request for the entry of consent orders in the Federal Case.

8. The Court in the Federal Case granted the request for entry of consent orders on October 18, 2019 (the “Stachniw Consent Judgments”).

9. On October 30, 2019, the Commissioner and Stachniw, RM Farm and Sunshine filed a Second Stipulated Motion for Appointment of Receiver, consenting to the appointment of a receiver over Stachniw, RM Farm, and Sunshine pursuant to Colo. Rev. Stat. § 11-51-602(1) and C.R.C.P. 66.

10. On November 4, 2019, the Court entered a Stipulated Order Appointing Receiver (the “November 4 Order” and collectively with the September 30 Order, the “Receivership Orders”) appointing Gary Schwartz of Betzer Call Lausten & Schwartz, LLP as receiver for Stachniw, RM Farm, and Sunshine and their respective properties and assets, and interests and management rights in related affiliated and subsidiary businesses, and (the “Stachniw Estate”)

and added the Stachniw Estate to the Ray Estate (collectively, the Stachniw Estate and Ray Estate are referred to herein as the “Receivership Estate” or “Estate”). November 4 Order at ¶¶ 3, 4.

11. The Ray Consent Judgments and the Stachniw Consent Judgments both stay the Federal Case during the pendency of the above-captioned litigation.

12. This Report is submitted as required by paragraphs 9 in the Receivership Orders.

II. Receiver’s Initial Activities

13. The Receiver has taken control of the operations and assets of Universal Herbs and is working to take control of the operations at Glencoe Ranch in Oklahoma.

14. The balance in bank accounts of entities subject to the Receivership Orders which the Receiver has been able to identify have been transferred to newly established Receivership Estate accounts, which are under the Receiver’s sole control. All income being generated by any Receivership assets is being deposited into the Receivership accounts.

15. The Receiver has retained counsel and forensic accounting experts to assist him in carrying out his duties.

16. The Receiver has elected to go forward with pre-receivership contract for the Sale of UH to Lifestream. The reasons for this decision relate to the already negotiated contract, the uncertain financial condition and regulatory status of the entity, the large volume of current liabilities owed by the entity, the various legal claims filed against the entity, and the fact that the potential purchaser is providing assistance in the on-going operations of the business at no cost to the entity. Further, the negotiated purchase price and terms appear to be fair and reasonable given my experience and expertise in the industry and the current overall condition of the entity.

17. The Receiver and his counsel have provided notice of the Receivership to all known investors and creditors of the Estate. I would note that the books and records currently available and in the possession of the Receiver relating to investors and creditors are incomplete and inadequate.

18. The Receiver and his counsel have subpoenaed and requested various records belonging to the Estate, including known bank records and records in the possession of the Defendants and associates of the Defendants.

19. The Receiver and/or his counsel notified the Colorado Department of Revenue and the Colorado Division of Marijuana of his appointment on October 2, 2019.

20. The Receiver and his staff are diligently working on performing a forensic accounting on the entire Estate, to establish what monies came into and went out of the Estate

and the various entities. It is entirely possible that other entities and individuals involved in this scheme will be identified as the Receiver continues his analysis.

III. Assets of the Receivership Estate

A. Estate Cash

21. To date, we have identified twenty-four (24) accounts owned by Mark Ray and the Ray Entities. Through counsel, we have subpoenaed five different banks for information and received four (4) responses to date. We continue to actively enter information related to these accounts into our transaction database and have entered approximately ten thousand transactions thus far to enable an accounting reconstruction. To date, our entry to date has identified over \$500 million in funds flow through the various accounts.

22. The UH entity had previously opened bank accounts at a financial institution in Colorado Springs, Colorado. Shortly after the appointment of the Receiver, the financial institution elected to close the UH bank accounts and opened new accounts under the direct control of the Receiver.

23. This is an iterative process and we may need to issue additional subpoenas at a later date for additional accounts identified during our analysis. This process is ongoing and we do not yet have an estimate as to the completion date. The completion date will depend on the timing and quality of information that has been requested but not yet provided.

24. Additionally, we understand that transactions directly between investors may have taken place. Where we have sufficient information to request this information, we have made these requests through counsel and are awaiting responses.

25. As of November 25, 2019, the balance in the Receivership account is \$86,732.26. A statement detailing the receipts and disbursements of the Estate are attached here as **Exhibit A**.

B. Universal Herbs

26. UH, a marijuana dispensary and growing operation, is one of the primary assets of the Estate. UH has 2 retail dispensaries (“Jason St” and “Park Ave.”) and one grow facility (“39th St.”).

27. Prior to the appointment of the Receiver, on August 26, 2019, UH had entered into an Asset Purchase Agreement (“APA”) with Lifestream Holdings, LLC, a Colorado corporation (“Lifestream”). The APA included the purchase of all tangible personal property, including, but not limited to, furniture, fixtures and equipment, all marketable inventory, cannabis inventory and related products, and leasehold improvements and intangible personal

property, including, but not limited to, “all licenses and permits necessary for the conduct of a retail and medical marijuana business.¹”, leases, tradenames, lease rights.

28. The purchase price identified in the APA is \$5.0 million, with \$2.0 million at closing and a \$3.0 million secured promissory note with a term of 36 months and monthly payments of \$83,500. This APA is in process and we will be filing for Court approval once all of the preconditions are met and/or satisfied.

29. Prior to the Receiver’s appointment, much of the day-to-day management of the operation was performed by individuals employed by or associated with Diego Pellicer and/or its other related entities. These entities include, but are not limited to Royal Asset Management, LLC, E2T2 LLC and Itachi Advisory Group, LLC. It is my understanding that some of the individuals ultimately became employees of UH, while others were working as independent contractors. It is my understanding that no formalized consulting or employment agreements were ever executed between the parties.

30. The Receiver is attempting to gather, review and analyze the financial records of UH. However, at this point in time, it appears that the books and records available are incomplete and inadequate.

31. UH uses a system entitled METRC to monitor, track and verify the marijuana inventory in real time that it grows, purchases and sells. The use of METRC is required by the Colorado Marijuana Enforcement Division (“MED”) to be used by all MED licensed medical and recreational marijuana businesses.

32. Upon taking control of UH, the Receiver performed an inventory audit of all locations, to confirm available assets and to reconcile this information to various accounting and regulatory information.

33. The audit findings were that the information previously maintained and administered by the Diego Pellicer staff that was managing and overseeing the UH operations was materially out of balance.

34. In addition, the financial records were incomplete and inadequate. The Receiver is still attempting to identify all existing liabilities and obligations of UH. At the time the Receiver took control of UH, there was a significant amount of past due and unpaid bills. Many of these obligations were not included in the UH liability information provided by the Diego Pellicer management staff at the time of their removal. Several of these invoices and bills remain in the name of Diego employees, and have not been provided to the Receiver in a timely manner.

35. In addition to vendors which are owed monies, UH continues to owe significant sums to various state and local agencies and authorities. Many of these obligations relate to

¹ APA, Section I. – Sale of Assets, subsections 1.1 and 1.2.

unpaid taxes from early to mid-2019. These include, but are not limited to, payroll taxes, sales taxes, excise taxes and related penalties and interest.

36. At the time of my appointment, the Receiver was provided with a listing of what was represented to be the current liabilities for UH. That schedule indicated total vendor liabilities of \$918,591.25, fines owing of \$100,000, and federal, state and local tax obligations of \$469,109.82. The total in this schedule for these categories is \$1,487,701.07. This amount also includes amounts related to matters currently in litigation as well as obligations to what appear to be to related parties of Diego.

37. Since that time, the Receiver has determined that the Current Liability list provided by the previous management group was incomplete and/or inaccurate. There were numerous vendors who were either not included on the schedule of for which the amounts owing were inaccurate. As of the date of this Report, the Receiver has estimated that **known** liabilities of UH are at least \$1.8 million.

C. Assets held by Express Ranches (“ER”)

38. The Receiver and his counsel have had several conversations with counsel for Express Ranches. Express Ranches has provided certain reports that indicate that, as of October 22, 2019, Ray and his related entities currently own some percentage ownership in 900 animals. Other owners in these animals include ER and Mr. Joe Porter (“JPorter”). No values were included on this report.

39. In addition, another report provided by ER indicates that Ray and his related entities own some percentage interest in approximately certain cattle and related assets. Again, no values were included on this report.

40. Another report provided by ER included a listing what I understand to be interests in cattle that have been sold and in which proceeds have been collected by ER. The report shows a total of \$61,068.93 next to the line “NET COLLECTED (Less Refunds and Adjustments). Based upon conversations with Counsel, these funds have been remitted to the Receiver and were deposited into the Receivership account to pay expenses related to UH.

41. Yet another report provided contains a listing of “Cattle marketed but no collected”. It is my understanding that these are monies owed to ER for the benefit of Ray and/or his related entities. Once these funds are collected, the Receiver will take possession of these funds and deposit them into a Receivership bank account.

42. As noted below, there is pending litigation or other claims involving the Defendants, some of which involves cattle currently maintained at ER.

D. The Glencoe Ranch

43. Per the Second Stipulated Motion for Appointment of Receiver, filed on November 4, 2019, the Court confirmed the fact that the Receivership estate included "...the real property, equipment, supplies or inventory located at 12700 E. Lone Chimney Rd., Glencoe, OK." It is my understanding that the property is in the name of and/or under the control of Ms. Stachniw.

44. The Receiver has requested information related to the operation of this asset and is in the process of securing this asset.

E. Pending Litigation against Ray and the Ray Entities

45. Before the Receiver was appointed, various lawsuits were pending against Ray and the Ray Entities. The following table summarizes that litigation.

PENDING LITIGATION AGAINST RAY AND RAY ENTITIES					
Case Caption	Court	Case Number	Date Suit Commenced	Nature of Suit	Status
<i>John Landry v. Mark Ray, individually, and Custom Consulting and Product Services, LLC</i>	United States District Court for the Southern District of Mississippi	1:19-CV-556 LG-RHW	9/4/2019	Breach of contract	Dismissed for lack of subject matter jurisdiction on 9/26/2019

<i>Youngdon Yun v. Mark David Ray, Custom Consulting and Product Services, LLC and MR Cattle Production Services, LLC</i>	Denver District Court	2019CV32728	7/16/2019	Breach of contract	Case stayed pursuant to Receivership Orders
<i>Henderson State Bank v. Universal Herbs, LLC</i>	United States District Court for the District of Nebraska	19-cv-03070	7/10/2019	Fraud	Notice of stay pursuant to Ray Consent Judgment filed on 10/23/2019
<i>Helen Squire v. Mark D. Ray, Universal Herbs, LLC and Custom Consulting and Product Services, LLC</i>	Denver District Court	2019CV032167	6/3/2019	Breach of contract, fraud	Dismissed without prejudice on 9/19/2019
<i>Beacon Integrated Technologies, Inc. and Secure Shield Enforcement Solutions v. Universal Herbs, LLC, Mark Ray, Elite Security Services, LLC and E2T2, LLC</i>	Denver District Court	2019CV32882	8/14/2019	Breach of contract, theft,	Stayed and administratively closed pursuant to Receivership Orders as of 10/17/2019

<i>Clark v. Ray and Custom Consulting and Product Services, LLC</i>	Denver District Court	2019CV033554	9/12/2019	Breach of contract, theft	Notice of stay filed 11/10/2019
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46. Counsel for Receiver contacted plaintiff’s counsel in all cases that remained active when the Receiver was appointed and when the Federal Orders were issued to ensure that a notice of stay was filed in each case. The Receiver’s counsel has entered an appearance in the Nebraska case and filed a Notice of Stay on that case.

47. In addition to the foregoing litigation, there are three pending EEOC investigations: *Isaiah Coleman v. Universal Herbs, LLC*, EEOC Charge No. 32A-2019-00495, CCRD Charge No. FE2019584874; *Uriah Dydell v. Universal Herbs, LLC*, EEOC Charge No. 32A-2019-00477, CCRD Charge No. FE2019901018; and *Alexander Caldwell v. Universal Herbs, LLC*, EEOC Charge No. 32A-2019-00443, CCRD Charge No. FE2019244319. The Receiver has notified the various investigators of the Receivership.

F. Miscellaneous Other Assets

48. Books and Records.

The Receiver has requested all books and records for all of the May entities. These books and records have been maintained by various individuals and entities. The books and records for UH were apparently maintained by various individuals related to the Diego entities.

We have requested and subpoenaed various accounting records and are either awaiting receipt of said records or have begun the analysis of said records.

49. Litigation Claims.

The Receiver is identifying and investigating potential litigation claims against various parties. these potential claims may allow the Receiver to recover asserts transferred before and after the Receivership Orders were entered. At this time, the Receiver cannot provide any reasonable estimate of the value, if any, of these claims.

IV. Summary of the Estate’s Liabilities

50. The full extent of the Estate’s liabilities is presently unknown. However, the Receive can offer the following estimates:

51. As of December 9, 2019, the Estate has incurred obligations to counsel and experts to assist in recovering the Estate's assets as follows:

Obligee	Amount of Obligation:	Basis of Obligation:
Betzer, Lausten Call & Schwartz, LLP	\$26,513	Accounting Fees
Gary Schwartz	\$69,093.40 \$27,436.36 ²	Receiver's fees UH Expenses Paid by Receiver
Foster Graham Milstein & Calisher, LLP	\$57,386.83	Legal Fees

The Receiver's fee's noted above includes monies paid to various consultants assisting with the administration and operation of UH. In addition, the Receiver has paid certain expenses and obligations of UH through the extension of a loan to the Estate. These represent critical expenses that were time sensitive. This loan will be repaid as funds become available.

52. The receiver continues to investigate the assets and liabilities of the Estate and will file additional quarterly periodic reports as contemplated by the Receivership Orders.

DATED this 9th day of December, 2019.

FOSTER GRAHAM MILSTEIN & CALISHER, LLP

By: /s/ John A. Chanin
John A. Chanin, #20749
Katherine A. Roush, #39267

Attorneys for Court-appointed Receiver Gary Schwartz

² The loan balance as of the date of this report is projected to be \$96,331.66, which includes \$55,405 for past due sales for the Jason St. and Park Ave. retail locations which are pending.

CERTIFICATE OF SERVICE

I hereby certify that on the 9th Day of December, 2019, a true and correct copy of the foregoing **RECEIVER'S PRELIMINARY REPORT** was electronically filed and served on all parties of record via the Colorado Court E-Filing System.

 /s/ Lucas Wiggins
Lucas Wiggins

**MARK RAY RECEIVERSHIP
BBVA CHECKING ACCOUNT - #7486**

Exhibit A

Date	Category	Details	Item No.	Amount	Deposits / Credits	Withdrawals / Debits	Balance
10/11/19							-
10/21/19	Deposit			9,000.00	9,000.00		9,000.00
10/21/19	Deposit			18,956.00	18,956.00		27,956.00
10/21/19	Deposit			30,000.00	30,000.00		57,956.00
10/24/19	Xfer in	close old bank account		68,446.97	68,446.97		126,402.97
10/25/19	Deposit			8,368.37	8,368.37		134,771.34
10/25/19	Deposit			11,500.00	11,500.00		146,271.34
11/08/19	Rent	Park	10001	(12,300.00)		(12,300.00)	20,980.32
11/04/19	Payroll		10002	(1,252.23)		(1,252.23)	34,264.00
11/05/19	Payroll		10003	(1,027.48)		(1,027.48)	29,200.86
11/01/19	Payroll		10004	(413.84)		(413.84)	55,285.48
11/05/19	Payroll		10005	(1,049.05)		(1,049.05)	28,151.81
11/04/19	Payroll		10006	(1,448.15)		(1,448.15)	49,423.01
10/30/19	Deposit			8,537.00	8,537.00		80,372.23
11/04/19	Payroll		10007	(1,146.00)		(1,146.00)	48,277.01
11/04/19	Payroll		10008	(981.06)		(981.06)	33,282.94
11/01/19	Deposit			4,630.00	4,630.00		55,699.32
11/04/19	Payroll		10009	(1,712.37)		(1,712.37)	46,564.64
11/04/19	Payroll		10010	(1,290.24)		(1,290.24)	31,992.70
11/04/19	Payroll		10011	(1,484.89)		(1,484.89)	45,079.75
11/04/19	Payroll		10013	(722.45)		(722.45)	44,357.30
11/04/19	Payroll		10014	(738.54)		(738.54)	43,618.76
11/04/19	Payroll		10015	(673.05)		(673.05)	42,945.71
11/04/19	Payroll		10016	(2,513.30)		(2,513.30)	40,432.41
11/04/19	Payroll		10017	(405.30)		(405.30)	40,027.11
11/04/19	Payroll		10018	(1,054.96)		(1,054.96)	38,972.15
11/04/19	Payroll		10019	(685.64)		(685.64)	38,286.51
11/05/19	Payroll		10020	(402.50)		(402.50)	23,180.08
11/08/19	Payroll		10021	(423.60)		(423.60)	20,556.72
11/05/19	Payroll		10022	(992.22)		(992.22)	27,159.59
11/06/19	Payroll		10023	(373.09)		(373.09)	57,626.99
11/04/19	Payroll		10025	(1,246.95)		(1,246.95)	35,516.23
11/04/19	Payroll		10026	(833.94)		(833.94)	37,452.57
11/04/19	Payroll		10027	(493.33)		(493.33)	31,499.37
11/04/19	Payroll		10028	(689.39)		(689.39)	36,763.18
11/04/19	Payroll		10029	(780.65)		(780.65)	30,718.72
11/05/19	Payroll		10030	(946.01)		(946.01)	26,213.58
11/05/19	Payroll		10031	(830.91)		(830.91)	25,382.67
11/04/19	Payroll		10032	(490.38)		(490.38)	30,228.34
11/05/19	Payroll		10033	(800.44)		(800.44)	24,582.23
11/05/19	Deposit			0.83	0.83		30,229.17
11/05/19	Deposit			0.63	0.63		30,229.80
11/05/19	Payroll		10034	(999.65)		(999.65)	23,582.58
11/06/19	Payroll		10035	(780.81)		(780.81)	56,846.18
11/06/19	Payroll		10036	(1,017.51)		(1,017.51)	53,768.57
11/13/19	Payroll		10037	(189.38)		(189.38)	60,327.03
11/06/19	Payroll		10038	(2,060.10)		(2,060.10)	54,786.08
11/21/19	Rent		10041	(3,679.20)		(3,679.20)	75,539.52
11/15/19	Payroll		10042	(1,273.32)		(1,273.32)	140,865.71

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**MARK RAY RECEIVERSHIP
BBVA CHECKING ACCOUNT - #7486**

Exhibit A

Date	Category	Details	Item No.	Amount	Deposits / Credits	Withdrawals / Debits	Balance
11/18/19	Payroll		10043	(1,307.56)		(1,307.56)	136,861.32
11/18/19	Payroll		10044	(846.47)		(846.47)	118,062.01
11/15/19	Payroll		10045	(758.94)		(758.94)	138,998.48
11/05/19	Deposit			13,660.00	13,660.00		36,840.08
11/05/19	Deposit			21,000.00	21,000.00		57,840.08
11/05/19	Deposit			20.00	20.00		57,860.08
11/05/19	Deposit			140.00	140.00		58,000.08
11/18/19	Payroll		10046	(1,475.07)		(1,475.07)	135,386.25
11/19/19	Payroll		10047	(1,237.02)		(1,237.02)	116,824.99
11/19/19	Payroll		10048	(1,075.85)		(1,075.85)	115,749.14
11/18/19	Payroll		10049	(1,365.69)		(1,365.69)	134,020.56
11/18/19	Payroll		10050	(1,865.01)		(1,865.01)	132,155.55
11/18/19	Payroll		10051	(1,459.00)		(1,459.00)	130,696.55
11/18/19	Payroll		10052	(651.77)		(651.77)	123,087.46
11/15/19	Payroll		10053	(1,070.29)		(1,070.29)	139,795.42
11/15/19	Payroll		10054	(335.51)		(335.51)	138,662.97
11/18/19	Payroll		10055	(755.10)		(755.10)	129,941.45
11/18/19	Payroll		10056	(1,108.94)		(1,108.94)	121,978.52
11/18/19	Payroll		10057	(879.61)		(879.61)	119,117.32
11/15/19	Payroll		10058	(335.51)		(335.51)	138,327.46
11/08/19	Deposit			7,294.64	7,294.64		27,851.36
11/08/19	Deposit			10,000.00	10,000.00		37,851.36
11/18/19	Payroll		10059	(542.38)		(542.38)	129,399.07
11/18/19	Payroll		10060	(821.00)		(821.00)	128,578.07
11/15/19	Payroll		10061	(741.26)		(741.26)	143,875.46
11/25/19	Payroll		10062	(653.81)		(653.81)	86,829.23
11/25/19	Payroll		10063	(1,039.46)		(1,039.46)	87,956.96
11/25/19	Payroll		10064	(473.92)		(473.92)	87,483.04
11/15/19	Payroll		10065	(1,736.43)		(1,736.43)	142,139.03
11/12/19	Deposit			20,000.00	20,000.00		51,697.41
11/12/19	Deposit			8,857.00	8,857.00		60,554.41
11/18/19	Payroll		10066	(308.41)		(308.41)	128,269.66
11/18/19	Payroll		10067	(269.57)		(269.57)	128,000.09
11/18/19	Payroll		10068	(536.12)		(536.12)	121,442.40
11/18/19	Payroll		10070	(644.56)		(644.56)	127,355.53
11/18/19	Payroll		10072	(384.64)		(384.64)	126,970.89
11/15/19	Deposit			60,000.00	60,000.00		70,222.87
11/15/19	Deposit			61,068.93	61,068.93		131,291.80
11/20/19	Payroll		10074	(818.40)		(818.40)	142,566.46
11/15/19	Deposit			1,726.00	1,726.00		132,788.72
11/15/19	Deposit			2,068.00	2,068.00		134,856.72
11/15/19	Deposit			9,760.00	9,760.00		144,616.72
11/18/19	Payroll		10075	(924.69)		(924.69)	119,996.93
11/19/19	Payroll		10076	(796.53)		(796.53)	114,952.61
11/18/19	Payroll		10077	(520.78)		(520.78)	120,921.62
11/20/19	Payroll		10078	(1,536.22)		(1,536.22)	141,030.24
11/26/19	Payroll		10079	(96.97)		(96.97)	86,732.26
11/18/19	Payroll		10081	(1,770.22)		(1,770.22)	125,200.67
11/22/19	Payroll		10082	(94.20)		(94.20)	70,392.15
11/18/19	Payroll		10083	(562.38)		(562.38)	124,638.29

**MARK RAY RECEIVERSHIP
BBVA CHECKING ACCOUNT - #7486**

Exhibit A

Date	Category	Details	Item No.	Amount	Deposits / Credits	Withdrawals / Debits	Balance
11/20/19	Payroll		10084	(1,296.33)		(1,296.33)	139,733.91
11/18/19	Payroll		10085	(899.06)		(899.06)	123,739.23
10/28/19	Rent	Park	901	(12,915.00)		(12,915.00)	122,795.57
10/28/19	Rent	Grow	903	(50,731.67)		(50,731.67)	72,063.90
11/04/19	Rent	Jason	904	(3,414.32)		(3,414.32)	50,871.16
10/28/19	Utilities			(5,000.00)		(5,000.00)	141,271.34
10/28/19	Utilities			(5,000.00)		(5,000.00)	136,271.34
10/28/19	Utilities			(560.77)		(560.77)	135,710.57
10/29/19	Banking	Checks		(228.67)		(228.67)	71,835.23
10/31/19	Grow Supplies	Grow		(3,302.91)		(3,302.91)	77,069.32
11/01/19	Inventory Purchase	purchase product		(26,000.00)		(26,000.00)	51,069.32
11/04/19	Office Expenses			(1,000.00)		(1,000.00)	54,285.48
11/05/19	Payroll			(0.83)		(0.83)	30,228.97
11/05/19	Payroll			(0.63)		(0.63)	30,228.34
11/06/19	Office Supplies			(36.00)		(36.00)	53,732.57
11/07/19	Insurance			(2,122.28)		(2,122.28)	51,610.29
11/07/19	Payroll			(4.00)		(4.00)	51,606.29
11/07/19	Utilities			(331.98)		(331.98)	51,274.31
11/08/19	Payroll			(230.00)		(230.00)	51,044.31
11/08/19	Payroll			(16,510.29)		(16,510.29)	34,534.02
11/08/19	Payroll			(1,253.70)		(1,253.70)	33,280.32
11/08/19	Office supplies			(113.65)		(113.65)	37,737.71
11/12/19	payroll			(741.25)		(741.25)	36,996.46
11/12/19	COGS - Inventory			(1,682.10)		(1,682.10)	35,314.36
11/12/19	COGS - Inventory			(3,014.95)		(3,014.95)	32,299.41
11/12/19	Grow Supplies			(246.95)		(246.95)	32,052.46
11/12/19	Office			(6.05)		(6.05)	32,046.41
11/12/19				(349.00)		(349.00)	31,697.41
11/12/19	Bank			(38.00)		(38.00)	60,516.41
11/19/19	Deposit			20,000.00	20,000.00		134,952.61
11/19/19	Deposit			9,375.67	9,375.67		144,328.28
11/19/19	Deposit			20.00	20.00		144,348.28
11/13/19	Rent	Grow		(49,745.00)		(49,745.00)	10,582.03
11/14/19	Office Supplies			(257.20)		(257.20)	10,324.83
11/14/19	Office Supplies			(101.96)		(101.96)	10,222.87
11/15/19	Bank	Cash Handling Fee		(229.08)		(229.08)	131,062.72
11/15/19	Bank			(38.00)		(38.00)	139,757.42
11/18/19	Repairs and Maint			(31.55)		(31.55)	138,295.91
11/18/19	Office Supplies			(113.65)		(113.65)	138,182.26
11/18/19	Office Supplies			(13.38)		(13.38)	138,168.88
11/18/19	Office Supplies			(208.84)		(208.84)	118,908.48
11/19/19	Office Supplies			(427.54)		(427.54)	143,920.74
11/19/19	Grow Supplies			(118.21)		(118.21)	143,802.53
11/19/19	Grow Supplies			(417.67)		(417.67)	143,384.86
11/20/19	Xfer			(60,000.00)		(60,000.00)	79,733.91
11/20/19	Repairs and Maint			(162.18)		(162.18)	79,571.73
11/22/19	Deposit			9,407.00	9,407.00		79,799.15
11/22/19	Deposit			10,000.00	10,000.00		89,799.15
11/20/19	Repairs and Maint			(353.01)		(353.01)	79,218.72
11/21/19				(2,478.29)		(2,478.29)	73,061.23

**MARK RAY RECEIVERSHIP
BBVA CHECKING ACCOUNT - #7486**

Exhibit A

Date	Category	Details	Item No.	Amount	Deposits / Credits	Withdrawals / Debits	Balance
11/21/19	Utilities			(798.13)		(798.13)	72,263.10
11/21/19				(1,776.75)		(1,776.75)	70,486.35
11/22/19	Grow Supplies			(42.24)		(42.24)	89,756.91
11/22/19				(81.67)		(81.67)	89,675.24
11/25/19	Office Supplies			(500.00)		(500.00)	89,175.24
11/25/19	Grow Supplies			(147.30)		(147.30)	89,027.94
11/25/19	Repairs and Maint			(5.94)		(5.94)	89,022.00
11/25/19	Repairs and Maint			(25.58)		(25.58)	88,996.42