



Attorneys at Law

Southwest Colorado | Northern New Mexico

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Durango, CO 81302-2790

Durango Natural Foods, Inc.
geoff@wolfdirect.com

Date: Aug 12, 2014

Matter#: 8741.001 Durango Natural

Invoice#: 8290

Matter: Sale to La Montanita

Due Upon Receipt

PROFESSIONAL SERVICES

			<u>Hours/Rate</u>	<u>Amount</u>
TIME CHARGES				
7/2/14	KD	Begin research and analysis of client question, research and analyze merger of cooperative.	1.00 125/hr	125.00
7/2/14	KD	Read and analyze Chesnut/Hosney memo confirming DNF's statutory position as a cooperative. Review and analyze bylaws for dissolution procedure and current LOI to see what changes should be made to comport with client specifications.	0.70 125/hr	87.50
7/3/14	KD	Meet with K. Newbold regarding the typical course of action for former employees upon sale of a corporation and how to advise DNF to consult with accountant regarding tax issues.	0.50 125/hr	62.50
7/3/14	KD	Research and analyze corporate merger to analogize to cooperative merger.	0.90 125/hr	112.50
7/3/14	KD	Research and analyze sale of corporation, sale of cooperative, and DNF bylaws to ascertain effect of merger or sale.	0.90 125/hr	112.50
7/3/14	KD	Call with P. Kosnik wherein he directed me to proceed as if DNF were being sold and not merged. Discuss the possibility that DNF doesn't have members yet according to the Bylaws.	0.25 125/hr	31.25
7/3/14	KD	Draft memorandum reflecting issues with LOI, including that DNF may not have members yet and procedures for asset distribution upon liquidation.	0.75 125/hr	93.75
7/3/14	KD	Draft new LOI reflecting client specifications, including softer provisions for employees upon dissolution and more extensive protections for DNF in the confidentiality section.	1.50 125/hr	187.50

7/11/14	RTG	Review and analyze emails from P. Kosnik and issues related to the letter of intent and his questions on same. Conference with K. Dittelberger related to research to be done and issues regarding same. Attempt calls to P. Kosnik. Confirm that he is out of the office until next week. Conference with G. Wolf related to my concerns with the confidentiality language and my thoughts on same. Confirm after discussing the positives and negatives of the current confidentiality language, he is not concerned about it and does not want to change it, but would like me to add a few sentences related to the potential to bring an injunctive action of the terms if the confidentiality agreement were violated. Also confirm research that needs to be done on the issues on the unemployment compensation and liability of members or board of director post dissolution for liabilities that are out there. Confirm work to be done on same.	0.60 225/hr	135.00
7/11/14	KD	Meet with T. Geyer regarding new research into potential DNF liabilities upon sale to La Montanita.	0.40 125/hr	50.00
7/11/14	KD	Research and analyze DNF's potential liabilities upon dissolution under unemployment law.	0.90 125/hr	112.50
7/13/14	RTG	Review and revise the DNF letter of intent. Send email to G. Wolf and P. Kosnick regarding same.	0.40 225/hr	90.00
7/14/14	KD	Research and analyze effects of corporate dissolution for comparison with cooperative law.	0.30 125/hr	No Charge
7/16/14	RTG	Review and exchange emails with K. Dittelberger regarding research to be done and conference with P. Kosnick regarding the LOI to be sent.	0.10 225/hr	22.50
7/17/14	KD	Research and analyze whether corporate law on liabilities after dissolution applies to cooperative.	0.25 125/hr	31.25
7/17/14	KD	Complete research on effect of corporate statutes on cooperative law regarding dissolution and liabilities.	0.20 125/hr	25.00
7/17/14	KD	Research and analyze whether DNF is responsible to pay unemployment benefits to employees who could be terminated by DNF and not rehired by La Montanita. Research and analyze the effect of La Montanita's offer to rehire on eligibility for unemployment benefits.	0.25 125/hr	31.25
7/17/14	KD	Research and analyze 2 avenues by which DNF could notify potential creditors upon dissolution.	1.00 125/hr	125.00
7/17/14	KD	Draft memorandum for P. Kosnik detailing answers to two questions regarding DNF's potential liabilities upon liquidation or dissolution.	1.00 125/hr	125.00
7/31/14	KD	Prepare for DNF meeting. Review research on potential DNF liabilities.	0.30 125/hr	No Charge
7/31/14	KD	Participate in DNF meeting wherein client directed us to review LOI.	0.25 125/hr	31.25
7/31/14	KD	Review DNF LOI.	0.40 125/hr	50.00
7/31/14	RTG	Review email from P. Kosnik related to redline changes to the LOI by La Montanita. Brief review of LOI before conference with P. Kosnik. Participate in conference with P. Kosnik, G. Wolf and K. Dittelberger related to this matter. Address questions and issues and their desire for me to review and provide comments on the LOI so they can proceed forward. Discuss some of my concerns and that they will address same. Review and analyze the redline changes to the LOI. Conference with K. Dittelberger and P. Kosnik regarding same.	0.80 225/hr	180.00
TOTAL TIME CHARGES			13.65	1,821.25

TOTAL	1,821.25
PREVIOUS BALANCE Jul 23, 2014	1,218.75
BALANCE BROUGHT FORWARD	3,040.00

PAYMENTS

7/28/14	Payment of Inv 8155 from \$1,218.75 check of 7/24/14 rec'd 7/28/14	-1,218.75
	TOTAL PAYMENTS	-1,218.75
	BALANCE DUE	\$ 1,821.25

Timekeeper



<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
11.75	125/ Hr	\$1,393.75
1.90	225/ Hr	\$427.50