

**UNITED STATES DISTRICT COURT
DISTRICT OF OREGON**

_____, Individually and on behalf of all
others similarly situated,

Plaintiff,

v.

HARBORSIDE INC., PETER BILODEAU,
ANDREW BERMAN, KEITH LI, ADAM
SZWERAS, and MATTHEW HAWKINS,

Defendants.

Case No:

**CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS**

JURY TRIAL DEMANDED

Plaintiff _____ (“Plaintiff”), individually and on behalf of all other persons similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint against Defendants (defined below), alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to all other matters, based upon, inter alia, the investigation conducted by and through her attorneys, which included, among other things, a review of the Defendants’ public documents, announcements, public filings, wire and press releases published by and regarding Harborside Inc. (“Harborside” or the “Company”), and information readily obtainable on the Internet. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a class action on behalf of persons or entities who purchased or otherwise acquired publicly traded Harborside securities between July 2, 2019 and August 12, 2020, inclusive (the “Class Period”). Plaintiff seeks to recover compensable damages caused by

Defendants' violations of the federal securities laws under the Securities Exchange Act of 1934 (the "Exchange Act").

JURISDICTION AND VENUE

2. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, and Section 27 of the Exchange Act (15 U.S.C. § 78aa).

4. This Court has jurisdiction over each defendant named herein because each defendant has sufficient minimum contacts with this judicial district so as to render the exercise of jurisdiction by this Court permissible under traditional notions of fair play and substantial justice. Harborside also operates a retail location in this judicial district.

5. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)) as the alleged misstatements entered and the subsequent damages took place in this judicial district and the Company maintains a retail location at 645 River Rd #3, Eugene, Oregon 97404, in this judicial district. The Company also maintained another location at 1436 SE Powell Blvd, Portland, Oregon 97202, during the Class Period until April 2020.

6. In connection with the acts, conduct and other wrongs alleged in this complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails and interstate telephone communications.

PARTIES

7. Plaintiff, as set forth in the accompanying Certification, purchased the Company's securities at artificially inflated prices during the Class Period and was damaged upon the revelation of the alleged corrective disclosure.

8. Defendant Harborside purports to be a vertically-integrated cannabis company.

9. The Company is incorporated in Canada and its head office is located at 2100 Embarcadero, Suite 202, Oakland, California 94606. Harborside securities trade on the OTC Pink market under the ticker symbol "HSDEF."

10. Defendant Peter Bilodeau ("Bilodeau") has served as the Company's interim Chief Executive Officer ("CEO") since October 2019 and Chairman of the Board throughout the Class Period. On information and belief, Defendant Bilodeau is a resident of Canada.

11. Defendant Andrew Berman ("Berman") served as the Company's ("CEO") during the Class Period from January 2018 until October 2019.

12. Defendant Keith Li ("Li") served as the Company's Chief Financial Officer during the Class Period from December 2017 until December 2019 and has served as the Company's Vice President of Finance since December 2019. On information and belief, Defendant Li is a resident of Canada.

13. Defendant Adam Szweras ("Szweras") has served as a Director of the Company throughout the Class Period. On information and belief, Defendant Szweras is a resident of Canada.

14. Defendant Matthew Hawkins ("Hawkins") has served as a Director of the Company throughout the Class Period.

15. Defendants Bilodeau, Berman, Li, Szweras, and Hawkins are collectively referred to herein as the “Individual Defendants.”

16. Each of the Individual Defendants:

- (a) directly participated in the management of the Company;
- (b) was directly involved in the day-to-day operations of the Company at the highest levels;
- (c) was privy to confidential proprietary information concerning the Company and its business and operations;
- (d) was directly or indirectly involved in drafting, producing, reviewing and/or disseminating the false and misleading statements and information alleged herein;
- (e) was directly or indirectly involved in the oversight or implementation of the Company’s internal controls;
- (f) was aware of or recklessly disregarded the fact that the false and misleading statements were being issued concerning the Company; and/or
- (g) approved or ratified these statements in violation of the federal securities laws.

17. The Company is liable for the acts of the Individual Defendants and its employees under the doctrine of *respondeat superior* and common law principles of agency because all of the wrongful acts complained of herein were carried out within the scope of their employment.

18. The scienter of the Individual Defendants and other employees and agents of the Company is similarly imputed to the Company under *respondeat superior* and agency principles.

19. 19. The Company and the Individual Defendants are referred to herein, collectively, as the “Defendants.”

SUBSTANTIVE ALLEGATIONS
Materially False and Misleading
Statements Issued During the Class Period

20. On July 2, 2019, Harborside (then named Lineage Grow Company Ltd.), filed with the Canadian securities regulatory authorities its Unaudited Condensed Interim Consolidated Financial Statements For The Three Months Ended April 30, 2019 And 2018 (the “1Q 19 Report”), which was signed by Defendant Bilodeau and Szweras.

21. The 1Q 19 Report provided the following financial information regarding the Company:

LINEAGE GROW COMPANY LTD.
Unaudited Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	As at April 30, 2019 \$	As at January 31, 2019 \$
Assets			
Current Assets			
Cash		370,587	578,528
Other receivables		32,456	321,035
Inventories	6	112,919	112,674
Prepaid expenses	7	26,072	60,132
Total Current Assets		542,034	1,072,369
Non-Current Assets			
Investments and advances	8	3,086,315	2,799,045
Right-of-use assets	9	593,641	-
Intangible assets	4, 10	558,269	546,666
Goodwill	4, 10	893,753	875,176
Total Assets		5,674,012	5,293,256
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	11	656,427	532,354
Convertible debentures - current	12	-	73,141
Derivative liabilities	12	182,106	289,693
Note payable - current	13	2,108,493	2,116,773
Lease payable - current	14	55,096	-
Tax payable		131,050	27,998
Total Current Liabilities		3,133,172	3,039,959
Non-Current Liabilities			
Convertible notes payable	12	1,015,876	937,397
Lease payable	14	539,775	-
Deferred tax liability		157,070	145,547
Total Liabilities		4,845,893	4,122,903
Shareholders' Equity			
Share capital	15	13,022,090	12,939,533
Conversion component of convertible debentures	12	-	8,824
Reserve for warrants	16	1,659,898	1,659,898
Reserve for share-based payments	17	820,301	782,960
Accumulated other comprehensive (loss) income		(62,909)	28,627
Accumulated deficit		(14,611,261)	(14,249,489)
Total Shareholders' Equity		828,119	1,170,353
Total Liabilities and Shareholders' Equity		5,674,012	5,293,256

22. The 1Q 19 Report provided the following “Statement of Compliance”:

The Company’s unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 – Interim Financial Reporting. Accordingly, they do not include all of the information and disclosures required by IFRS for annual financial statements. . . .

These unaudited condensed interim consolidated financial statements were reviewed, approved and authorized for issue by the Company’s Board of Directors on July 2, 2019.

(Emphasis added.)

23. Also on July 2, 2019, the Company filed with the Canadian securities regulatory

authorities its Management's Discussion And Analysis For The Three Months Ended April 30, 2019 (the "1Q 19 MD&A"). The 1Q 19 MD&A included the financial information from the 1Q 19 Report and included the following statement:

Management's Responsibility for Financial Information

Management is responsible for all information contained in this MD&A. *The Company's unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates.* The financial and operating information included in this MD&A is consistent with that contained in the unaudited condensed interim consolidated financial statements in all material aspects.

The Audit Committee has reviewed the unaudited condensed interim consolidated financial statements and this MD&A with management of the Company. The Board of Directors has approved the unaudited condensed interim consolidated financial statements and this MD&A on the recommendation of the Audit Committee.

(Emphasis added.)

24. Also on July 2, 2019, certifications signed by Defendants Berman and Li were filed with the Canadian securities regulatory authorities confirming their review of the 1Q 19 Report and 1Q 19 MD&A, attesting to the accuracy of the reporting, and attesting that the reporting was a fair representation in all material respects.

25. On August 29, 2019, Harborside filed with the Canadian securities regulatory authorities its Unaudited Condensed Interim Consolidated Financial Statements For The Three And Six Months Ended June 30, 2019 And 2018 (the "2Q 19 Report"), which was signed by Defendants Bilodeau and Hawkins.

26. The 2Q 19 Report provided the following financial information regarding the Company:

		As at June 30, 2019	As at December 31, 2018
	Notes	\$	\$
Assets			
Current Assets			
Cash		19,348,258	17,000,008
Accounts receivable	5	1,836,062	643,303
Inventories	6	5,767,836	3,692,851
Biological assets	7	3,827,595	3,682,832
Prepaid expenses	8	1,632,299	1,218,992
Other current assets		553,747	438,764
Notes receivable	21	-	1,538,469
Total Current Assets		32,965,797	28,215,219
Non-Current Assets			
Investments and advances	9	4,963,125	1,891,992
Property, plant and equipment	10	12,708,078	10,401,569
Right-of-use assets	11	430,993	-
Deposits	12	1,057,853	290,253
Intangible assets		415,905	-
Goodwill	4	7,579,421	-
Total Assets		60,121,172	40,799,033
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	13	13,628,521	12,686,002
Notes payable and accrued interest - current	14	380,623	1,591,377
Derivative liabilities - current	15	118,499	-
Lease payable - current	25	42,328	-
Income tax payable	12	89,038	49,311
Deferred gain - current	22	38,553	38,553
Accrued dividend		-	973,008
Total Current Liabilities		14,297,562	15,338,251
Non-Current Liabilities			
Convertible notes payable	15	783,566	17,679,766
Derivative liabilities	4,16	278,817	22,426,008
Warrant derivative liability	16	9,215,034	5,700,737
Provisions	17	15,370,000	-
Lease payable	25	396,977	-
Deferred tax liability		117,015	-
Deferred gain	22	234,534	253,810
Deferred rent	25	174,800	129,200
Total Liabilities		40,868,305	61,527,772
Shareholders' Equity			
Share capital	18	83,879,641	26,970,505
Contributed surplus	19	(5,702,614)	(8,302,375)
Reserve for warrants	20	2,245,264	988,772
Accumulated other comprehensive income		16,289	-
Accumulated deficit		(61,185,713)	(40,385,641)
Total Shareholders' Equity		19,252,867	(20,728,739)
Total Liabilities and Shareholders' Equity		60,121,172	40,799,033

27. The 2Q 19 Report provided the following “Statement of Compliance”:

The Company’s unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 – Interim Financial Reporting. Accordingly, they do not include all of the information and disclosures required by IFRS for annual financial statements.

These unaudited condensed interim consolidated financial statements were reviewed, approved and authorized for issue by the Company’s Board of Directors on August 27, 2019.

(Emphasis added.)

28. The 2Q 19 Report affirmed that FLRish was accounted for the same way as the Company and incorporated FLRish’s earlier financial statements stating: “The accounting

policies applied in these unaudited condensed interim consolidated financial statements are the same as those noted in FLRish’s audited consolidated financial statements for the year ended December 31, 2018, and in Lineage’s audited consolidated financial statements for the year ended January 31, 2019, unless otherwise noted below.”

29. Also on August 29, 2019, the Company filed with the Canadian securities regulatory authorities its Management’s Discussion And Analysis For The Three And Six Months Ended June 30, 2019 (the “2Q 19 MD&A”). The 2Q 19 MD&A included the financial information from the 2Q 19 Report and included the following statements:

Disclosure of Internal Controls over Financial Reporting

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements; and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

* * *

Management’s Responsibility for Financial Information

Management is responsible for all information contained in this MD&A. The Company’s unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS and include amounts based on management’s informed judgments and estimates. The financial and operating information included in this MD&A is consistent with that contained in the unaudited condensed interim consolidated financial statements in all material aspects.

The Audit Committee has reviewed the unaudited condensed interim consolidated financial statements and this MD&A with management of the Company. The Board of Directors has approved the unaudited condensed interim consolidated financial statements and this MD&A on the recommendation of the Audit Committee.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

30. Also on August 29, 2019, certifications signed by Defendants Berman and Li were filed with the Canadian securities regulatory authorities confirming their review of the 2Q 19 Report and 2Q 19 MD&A, attesting to the accuracy of the reporting, and attesting that the reporting was a fair representation in all material respects.

31. On November 21, 2019, Harborside filed with the Canadian securities regulatory authorities its Unaudited Condensed Interim Consolidated Financial Statements For The Three And Nine Months Ended September 30, 2019 And 2018 (the “3Q 19 Report”), which was signed by Defendant Bilodeau and Hawkins.

32. The 3Q 19 Report provided the following financial information regarding the Company:

		As at September 30, 2019	As at December 31, 2018
	Notes	\$	\$
Assets			
Current Assets			
Cash		16,626,218	17,000,008
Accounts receivable	5	1,484,147	643,303
Inventories	6	4,160,980	3,692,851
Biological assets	7	2,712,445	3,682,832
Prepaid expenses	8	1,864,383	1,657,756
Notes receivable	21	-	1,538,469
Total Current Assets		26,848,173	28,215,219
Non-Current Assets			
Investments and advances	9	4,509,514	1,891,992
Property, plant and equipment	10	13,199,642	10,401,569
Right-of-use assets	11	414,097	-
Deposits		57,853	290,253
Intangible assets		415,905	-
Goodwill	4	7,579,421	-
Total Assets		53,024,605	40,799,033
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	12	13,571,650	12,686,002
Notes payable and accrued interest - current	13	-	1,591,377
Derivative liabilities - current	14	107,662	-
Lease payable - current	24	44,306	-
Income tax payable		2,089,038	49,311
Deferred gain - current	21	38,553	38,553
Accrued dividend		-	973,008
Total Current Liabilities		15,851,209	15,338,251
Non-Current Liabilities			
Convertible notes payable	14	823,071	17,679,766
Derivative liabilities	4,15	65,888	22,426,008
Warrant derivative liability	15	436,850	5,700,737
Provisions	16	15,370,000	-
Lease payable	24	385,145	-
Deferred tax liability		98,279	-
Deferred gain	21	224,895	253,810
Deferred rent	24	197,600	129,200
Total Liabilities		33,452,937	61,527,772
Shareholders' Equity			
Share capital	18	71,125,662	14,197,070
Contributed surplus	19	8,628,456	4,471,060
Reserve for warrants	20	2,245,264	988,772
Accumulated other comprehensive loss		(40,879)	-
Accumulated deficit		(62,386,835)	(40,385,641)
Total Shareholders' Equity		19,571,668	(20,728,739)
Total Liabilities and Shareholders' Equity		53,024,605	40,799,033

33. The 3Q 19 Report provided the following “Statement of Compliance”:

The Company’s unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 – Interim Financial Reporting. Accordingly, they do not include all of the information and disclosures required by IFRS for annual financial statements.

(Emphasis added.)

34. The 3Q 19 Report affirmed that FLRish was accounted for the same way as the Company and incorporated FLRish’s earlier financial statements stating: “The accounting policies applied in these unaudited condensed interim consolidated financial statements are the same as those noted in FLRish’s audited consolidated financial statements for the year ended

December 31, 2018, and in Lineage’s audited consolidated financial statements for the year ended January 31, 2019, unless otherwise noted below.”

35. Also on August 29, 2019, the Company filed with the Canadian securities regulatory authorities its Management’s Discussion And Analysis For The Three And Nine Months Ended September 30, 2019 (the “3Q 19 MD&A”). The 3Q 19 MD&A included the financial information from the 3Q 19 Report and included the following statements:

Disclosure of Internal Controls over Financial Reporting

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements; and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

* * *

Management’s Responsibility for Financial Information

Management is responsible for all information contained in this MD&A. The Company’s unaudited condensed interim consolidated financial statements have been prepared in accordance with IFRS and include amounts based on management’s informed judgments and estimates. The financial and operating information included in this MD&A is consistent with that contained in the Q3 2019 Financial Statements in all material aspects.

The Audit Committee has reviewed the Company’s unaudited condensed interim consolidated financial statements and this MD&A with management of the Company. The Board has approved the Company’s unaudited condensed interim consolidated financial statements and this MD&A on the recommendation of the Audit Committee.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

36. Also on November 21, 2019, certifications signed by Defendants Bilodeau and Li were filed with the Canadian securities regulatory authorities confirming their review of the 3Q 19 Report and 3Q 19 MD&A, attesting to the accuracy of the reporting, and attesting that the reporting was a fair representation in all material respects.

37. On March 25, 2020, Harborside issued a press release entitled “Harborside Inc. Addresses COVID-19 and Provides Business Update” touting its positioning and business during the COVID-19 pandemic stating the following, in pertinent part:

Bilodeau continued, “We are pleased that Governor Newsom has deemed cannabis to be an ‘essential’ part of the infrastructure of California which will protect access to cannabis products from Harborside and other cannabis operators throughout the State. *We would like to assure you that all relevant Harborside operations and retail store locations remain fully operational*, as we meet the significant customer activity levels across our retail “footprint”.

“While the situation remains fluid, we are seeing record weekly revenues and average basket sizes across our California locations and significant improvement in profitability as our ongoing business transformation initiatives begin to take hold. We are confident that Harborside has the right focus and commitment to build sustainable shareholder value over the long-term.”

COVID-19 Update

The Company is closely monitoring the developments of COVID-19 and focusing its resources on navigating and adapting to the situation as it unfolds. As part of the essential infrastructure of the State of California, Harborside continues to operate mostly uninterrupted and has been implementing its business continuity plan. This includes the continued operation of the Company’s four retail stores in California, the two Terpene Station stores in Oregon, and the Harborside Farms cultivation facility in Salinas, which has also been deemed as an essential service in medicinal crop production.

* * *

Business Update

. . . Harborside’s executive team is actively managing costs as they relate to ongoing operations and revenue streams. Costs and expenses are being monitored on an ongoing basis to ensure the Company maximizes profitability.

The pressures brought on by the COVID-19 pandemic further reinforce *Harborside's ongoing mandate to monitor all financial decision-making with the strictest vigor*, which includes:

- Continuing to align labor costs with customer demand
- Reviewing expenses to ensure all non-essential operational expenses are cut
- Placing a near-term hold on non accretive operational and capital projects
- Suspending all non-essential supplier contracts

This financial management is with a goal of maintaining the strength of the ongoing operations and the long-term viability of Harborside.

(Emphasis added.)

38. The statements referenced in ¶¶20-37 above were materially false and/or misleading because they misrepresented and failed to disclose the following adverse facts pertaining to the Company's business, operational and financial results, which were known to Defendants or recklessly disregarded by them. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (1) Harborside had undisclosed material weaknesses and insufficient financial controls; (2) Harborside's previously issued financial statements were false and unreliable; (3) Harborside's earlier reported financial statements would need restatement; (4) as a result of the foregoing and subsequent reporting delays, Harborside's Canadian stock trading would be suspended; (5) Harborside downplayed the negative impacts of errors and delays regarding its financial statements; and (6) as a result, Defendants' public statements were materially false and/or misleading at all relevant times.

THE TRUTH EMERGES

39. On May 29, 2020, the Company issued a press release entitled "Harborside Inc. Announces Intent to Restate Certain Historical Financial Statements and Delay in Filing Annual Financial Statements and MD&A" which stated the following, in pertinent part, regarding the

newly announced needed financial restatements and the suspension of trading of its Canadian shares:

OAKLAND, CA and TORONTO, May 29, 2020 /PRNewswire/ - Harborside Inc. ("Harborside" or the "Company") (CSE: HBOR), a California-focused, vertically integrated cannabis enterprise, has announced today that due primarily to changes in the application of accounting treatments related to certain transactions by its reverse takeover acquirer, FLRish Inc., *the previously issued financial statements for the fiscal years ended December 31, 2017 and 2018 and the interim periods ended March 31, 2019, June 30, 2019 and September 30, 2019, and any corresponding management's discussion and analyses (collectively, the "Restated Documents"), will be restated and reissued. The primary accounting changes addressed by the restatements will include the reclassification and re-measurement of certain financial instruments and the change in the accounting for a common control acquisition to a business combination under IFRS 3. The accounting changes will include the recognition of fair value adjustments as part of the acquisition.* The effect of the restatements does not impact the Company's ongoing operations, cash position, or its expected positive operating results for Fiscal 2019 and First Quarter 2020 as described in more detail below.

Harborside intends to file its Restated Documents as soon as possible, beginning with the 2018/2017 FLRish restated audited annual financial statements which are expected to be filed no later than July 10, 2020. However, no assurance can be given that the anticipated timing of filing will be met due to the impact of the COVID-19 pandemic, as well as the need for the Company's auditors to complete their audit work, among other things. The Restated Documents will replace and supersede the respective previously-filed financial statements and management's discussion and analysis for such periods (collectively, the "Previous Documents"). The Previous Documents should no longer be relied upon.

* * *

Timing of Annual Filings

*Due to the continued impact of COVID-19, Harborside anticipates the filing of its audited annual financial statements and corresponding management's discussion and analysis (collectively, the "Annual Filings") for the financial year ended December 31, 2019 to be delayed beyond the required filing deadline: (i) under Parts 4 and 5 of National Instrument 51-102 – *Continuous Disclosure Obligations* and pursuant to National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, being April 29, 2020; as extended by (ii) the temporary blanket relief implemented by the Ontario Securities Commission Ontario Instrument 51-502 (the "Blanket Relief"), being June 15, 2020 (the "Filing Deadline").*

The Company intends to continue to work diligently and expeditiously with its auditors and expects to file the Annual Filings as soon as possible, and in any event no later than July 10, 2020. The Company currently does not anticipate any delay in filing its interim financial statements, management's discussion and analysis, and the related officer certifications for the financial period ended March 31, 2020, ***before its filing deadline under NI 51-102, as extended by the Blanket Relief, on July 14, 2020.*** Other than as previously disclosed by the Company and herein with this press release, Harborside confirms that there have been no material business developments since the date of its third quarter interim financial statements that were filed on November 21, 2019, other than as a result of the impact of restatement disclosed above.

Management Cease Trade Order

In light of the delay in filing of the Annual Filings prior to the Filing Deadline, the Company is providing this default announcement in accordance with National Policy 12-203 Management Cease Trade Orders ("NP 12-203"). The Company has made an application to the Ontario Securities Commission (the "OSC"), as principal regulator of the Company, for a management cease trade order ("MCTO") under NP 12-203 in respect of the anticipated default regarding the Annual Filings. The granting of the MCTO is at the discretion of the Ontario Securities Commission. ***The issuance of the MCTO generally will not affect the ability of persons who have not been directors, officers or insiders of the Company to trade in their securities.*** In the event that the MCTO is granted, it will be in effect until the default is remedied. The Company intends to follow the provisions of the Alternative Information Guidelines set out in NP 12-203, including the issuance of bi-weekly default status reports in the form of news releases, for as long as the Company remains in default. The Company confirms as of the date of this news release that there is no insolvency proceeding against it and there is no other material information concerning the affairs of the Company that has not been generally disclosed.

(Emphasis added.)

40. On this news, shares of Harborside fell 2% per share over the next two trading days to close at \$0.45 per share on June 2, 2020, damaging investors.

41. On June 22, 2020, during trading hours, Harborside issued a press release entitled "Harborside Inc. Provides Update to Management Cease Trade Order and Cease Trade Order" which stated the following, in pertinent part, regarding its delayed restatements and the continued suspension of trading of its Canadian shares:

As previously disclosed, ***the delay in completing the Annual Filings occurred due to the impact of COVID-19.*** The Restated Audit and Restated Interim are due primarily to changes in the application of accounting treatments related to certain transactions by its reverse takeover acquirer, FLRish, Inc. Notwithstanding the delays in completing the filings, there is not expected to be a material impact to the assets currently owned by the Company, its current cash position or the positive financial performance the Company has reported so far this year.

The Company continues to expect to file the Annual Filings and Restated Audit no later than July 10, 2020 and will apply to have the CTO revoked. Although the CTO resulted in trading in the subordinate voting shares of the Company being suspended on the Canadian Securities Exchange (the "CSE"), the CTO is not expected to result in the Company being delisted from the CSE and the Company expects trading to resume on the CSE shortly after the revocation of the CTO.

The Company expects that a MCTO will remain in place until the Restated Interims are filed. The Company continues to work diligently with its auditor to file the Annual Filings, Restated Audit and Restated Interims as quickly as possible. . . .

As required under Canadian securities laws, the Company will provide a further update on or about June 30, 2020. Additionally, to the knowledge of the Company, there have been no material business developments as of the date of this news release that have not been generally disclosed.

(Emphasis added.)

42. On this news, shares of Harborside fell 12% per share over the rest of the trading day and the next full trading day to close at \$0.45 per share on June 23, 2020, further damaging investors.

43. On June 30, 2020 issued a press release entitled "Harborside Inc. Provides Update on MCTO and Financial Statement Filings" which stated the following, in pertinent part, regarding its delayed restatements and the continued suspension of trading of its Canadian shares:

. . . as previously announced, the Company is relying on the blanket exemptions issued by provincial securities commissions due to COVID-19 to extend the date of filing its interim financial report for the three months ended March 31, 2020 and related management's discussion and analysis (collectively, the "Interim

Filings“). The Company does not expect to file the Interim Filings before the expiry of the 45 day extension on July 14, 2020 . [sic]

The Company continues to expect to file the Annual Filings, as well as the financial statements for the fiscal years ended December 31, 2017 and 2018 (the “Restated Audit“), no later than July 10, 2020 and will apply to have its previously disclosed cease trade order (the “CTO“) revoked. The Company expects trading to resume on the CSE shortly after the revocation of the CTO.

* * *

As required under Canadian securities laws, the Company will provide a further update on or about July 14, 2020 . [sic] Additionally, to the knowledge of the Company, there have been no material business developments as of the date of this news release that have not been generally disclosed.

(Emphasis added.)

44. On this news, shares of Harborside fell 7% per share, to close at \$0.49 per share on July 1, 2020, further damaging investors.

45. On July 10, 2020 issued a press release entitled “Harborside Inc. Provides Update on Financial Statement Filings” which stated the following, in pertinent part, regarding its delayed restatements and the continued suspension of trading of its Canadian shares:

The Company continues to work diligently and expeditiously with its auditors to finalize the Financial Statements. ***Despite significant effort and progress to date, the Company does not expect to complete the filing of the Restated Audit and Annual Filings by its previously expected filing date of July 10, 2020.*** As previously disclosed, ***the delay in completing the filing of the Financial Statements is due to the unprecedented impact of the COVID-19 pandemic on the Company,*** its employees, and its ability to rely on timely information in relation to its financial reporting obligations.

In the interim, the Company continues to be subject to the previously disclosed cease trade order (the “CTO“). The Company expects trading to resume on the CSE shortly after the revocation of the CTO.

After careful consideration, the Company has also decided to postpone its annual meeting of shareholders to a later date in 2020. The Company intends to rely on the temporary blanket relief provided by the Canadian Securities Administrators, including the exemptive relief contained in Ontario Instrument 51-504 – *Temporary Exemptions from Certain Requirements to File or Send Securityholder*

Materials of the Ontario Securities Commission to postpone the public filing of its executive compensation disclosure until such time as it is filed and delivered to shareholders as part of the Company's information circular relating to its 2020 annual meeting of shareholders. The Company will provide further information on its annual meeting when an appropriate date has been determined.

As required under Canadian securities laws, the Company will provide a further update on or about July 24, 2020. Additionally, to the knowledge of the Company, there have been no material business developments as of the date of this news release that have not been generally disclosed.

(Emphasis added.)

46. On this news, shares of Harborside fell 13% per share, to close at \$0.46 per share on July 13, 2020, on unusually heavy trading volume, further damaging investors.

47. On August 12, 2020, after market hours, Harborside filed with the Canadian securities regulatory authorities its Unaudited Restated Condensed Interim Consolidated Financial Statements for the Three and Six Months Ended June 30, 2019 and 2018 (the "Restated 2Q 19 Report"). The Restated 2Q 19 Report provided the following, in pertinent part, regarding the restatement:

The Company has restated its previously reported unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2019, and all related disclosures. . . .

The restatement was primarily due to the acquisitions of Patients Mutual Assistance Collective Corporation ("PMACC") and San Jose Wellness ("SJW") on January 7, 2019, which was deemed for accounting purposes to be a business combination that must be accounted for as an acquisition under IFRS 3 – *Business Combinations*. Further, the restatements included in the FLRish, Inc. Amended and Restated Consolidated Financial Statements for the years ended the December 31, 2018 and 2017 (the "2018 Restated Financial Statements") contributed to the adjustments required.

The Company has, amongst other things, increased the quantum reserved in relation to the provision for taxes purported to be owing by PMACC and SJW for historical periods. The provision was reflected retrospectively as part of the purchase accounting (see Note 4), in part as a result of a U.S. Tax Court decision in October 2019 (see Note 17).

Summary of the Impact of the Restatements on the Consolidated Financial Statements

The following is a summary of the impact of the restatements on the previously issued unaudited condensed interim consolidated statements of financial position, statements of loss and comprehensive loss, statement of changes in shareholders' equity (deficit) and statements of cash flows as of June 30, 2019 and December 31, 2018 and for the three and six months ended June 30, 2019 and 2018 (note supplementary information and non-cash investing and financing activities were excluded from the originally reported statements of cash flows, but are included in the restated statements of cash flows):

Unaudited Condensed Interim Consolidated Statement of Financial Position				
As at June 30, 2019				
	As Reported	Note 2.1	Adjustments	As Restated
	\$		\$	\$
Assets				
Current Assets				
Cash and cash equivalents	19,348,258	(8)	(301,794)	19,046,464
Accounts receivable, net	1,836,062	(8)	412,032	2,248,094
Inventories	5,767,836	(1),(8)	(3,400,401)	2,367,435
Biological assets	3,827,595	(1)	(3,056,634)	770,961
Prepaid expenses	1,632,299	(8)	(541,373)	1,090,926
Other current assets	553,747	(8)	(553,747)	-
Total Current Assets	32,965,797		(7,441,917)	25,523,880
Non-Current Assets				
Investment and advances	4,963,125	(1)	200,150	5,163,275
Property, plant and equipment	12,708,078	(2)	7,729,537	20,437,615
Right-of-use assets	430,993	(3)	927,758	1,358,751
Deposits	1,057,853	(8)	(1,000,000)	57,853
Intangible assets	415,905	(1)	51,737,964	52,153,869
Goodwill	7,579,421	(1)	43,431,209	51,010,630
Total Assets	60,121,172		95,584,701	155,705,873
Liabilities and Shareholders' Equity (Deficit)				
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	13,628,521	(8)	19,875	13,648,396
Notes payable and accrued interest - current	380,633	(8)	79,377	460,010
Convertible notes payable - current	-	(8)	150,000	150,000
Derivative liabilities - current	118,499		-	118,499
Lease payable - current	42,328	(3)	318,034	360,362
Income tax payable	89,038	(1),(8)	1,076,021	1,165,059
Provisions	-	(1)	35,305,542	35,305,542
Deferred gain - current	38,553	(2)	(38,553)	-
Total Current Liabilities	14,287,562		36,910,286	51,207,858
Long Term Liabilities				
Convertible notes payable	783,566	(8)	(150,000)	633,566
Notes payable and accrued interest	-	(2)	9,948,933	9,948,933
Derivative liabilities	278,817	(4)	4,288,602	4,567,419
Warrant derivative liability	9,215,034	(4)	(9,215,034)	-
Provisions	15,370,000	(1)	(15,370,000)	-
Lease payable	396,977	(3)	1,827,657	2,224,634
Deferred tax liability	117,015	(1)	15,621,852	15,738,867
Deferred gain	234,534	(2)	(234,534)	-
Deferred rent	174,800	(2)	(174,800)	-
Total Liabilities	40,868,305		43,452,972	84,321,277
Shareholders' Equity (Deficit)				
Share capital	83,879,641	(5),(8)	10,371,363	94,251,004
Contributed surplus	(5,702,614)	(5),(8)	15,053,495	9,350,881
Reserve for warrants	2,245,264	(8),(8)	(1,057,487)	1,187,777
Accumulated other comprehensive income	16,289	(8)	(16,289)	-
Accumulated deficit	(61,185,713)	(7)	27,780,647	(33,405,066)
Total Shareholders' Equity (Deficit)	19,252,867		52,131,729	71,384,596
Total Liabilities and Shareholders' Equity (Deficit)	60,121,172		95,584,701	155,705,873

48. Also on August 12, 2020, after market hours, Harborside filed with the Canadian securities regulatory authorities its Unaudited Restated Condensed Interim Consolidated Financial Statements for the Three and Nine Months Ended September 30, 2019 and 2018. The Restated 2Q 19 Report provided the following, in pertinent part, regarding the restatement:

The Company has restated its previously reported unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2019, and all related disclosures. The restatement followed a review of the

Company's consolidated financial statements and accounting records that was undertaken as part of the audit of the consolidated financial statements for the year ended December 31, 2019. This restatement has been prepared with information to August 12, 2020.

The restatement was primarily due to the acquisitions of Patients Mutual Assistance Collective Corporation ("PMACC") and San Jose Wellness ("SJW") on January 7, 2019, which was deemed for accounting purposes to be a business combination that must be accounted for as an acquisition under IFRS 3 – Business Combinations. Further, the restatements included in the FLRish, Inc. Amended and Restated Consolidated Financial Statements for the years ended the December 31, 2018 and 2017 (the "2018 Restated Financial Statements") contributed to the adjustments required.

The Company has, amongst other things, increased the quantum reserved in relation to the provision for taxes purported to be owing by PMACC and SJW for historical periods. The provision was reflected retrospectively as part of the purchase accounting (see Note 4), in part as a result of a U.S. Tax Court decision in October 2019 (see Note 17).

Summary of the Impact of Restatements on the Consolidated Financial Statements

The following is a summary of the impact of the restatements on the previously issued unaudited condensed interim consolidated statements of financial position, statements of loss and comprehensive loss, statement of changes in shareholders' equity (deficit) and statements of cash flows as of September 30, 2019 and December 31, 2018 and for the three and nine months ended September 30, 2019 and 2018 (note supplementary information and non-cash investing and financing activities were excluded from the originally reported statements of cash flows, but are included in the restated statements of cash flows):

Unaudited Condensed Interim Consolidated Statement of Financial Position

	As at September 30, 2019			
	As Reported	Note 2.1	Adjustments	As Restated
	\$		\$	\$
Assets				
Current Assets				
Cash and cash equivalents	16,626,218	(8)	(287,419)	16,338,799
Accounts receivable, net	1,484,147	(8)	87,469	1,571,616
Inventories	4,160,980	(1),(8)	(1,505,355)	2,655,625
Biological assets	2,712,445	(1)	(1,518,325)	1,194,120
Prepaid expenses	1,864,383	(8)	(369,727)	1,494,656
Total Current Assets	26,848,173		(3,592,357)	23,255,816
Non-Current Assets				
Investment and advances	4,509,514	(1)	(839,186)	3,670,328
Property, plant and equipment	13,199,642	(2)	7,595,178	20,794,820
Right-of-use assets	414,097	(3)	788,558	1,202,655
Deposits	57,853		-	57,853
Intangible assets	415,905	(1)	51,737,964	52,153,869
Goodwill	7,579,421	(1)	43,431,209	51,010,630
Total Assets	53,024,605		99,120,366	152,144,971
Liabilities and Shareholders' Equity (Deficit)				
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	13,571,650	(8)	787,400	14,359,140
Convertible notes payable - current	-	(8)	150,000	150,000
Derivative liabilities - current	107,662	(8)	(18,736)	88,926
Lease payable - current	44,306	(3)	280,950	325,256
Income tax payable	2,089,038	(1),(8)	472,328	2,561,366
Provisions	-	(1)	35,902,771	35,902,771
Deferred gain - current	38,553	(2)	(38,553)	-
Total Current Liabilities	15,851,209		37,536,250	53,387,459
Long-Term Liabilities				
Convertible notes payable	823,071	(8)	(150,000)	673,071
Notes payable and accrued interest	-	(2)	10,074,726	10,074,726
Derivative liabilities	65,888	(4)	350,432	416,320
Warrant derivative liability	436,850	(4)	(436,850)	-
Provisions	15,370,000	(1)	(15,370,000)	-
Lease payable	385,145	(3)	1,761,374	2,146,519
Deferred tax liability	98,279	(1)	15,582,863	15,681,142
Deferred gain	224,895	(2)	(234,895)	-
Deferred rent	197,600	(2)	(197,600)	-
Total Liabilities	33,452,937		48,926,300	82,379,237
Shareholders' Equity (Deficit)				
Share capital	71,125,662	(5),(8)	23,156,747	94,282,409
Contributed surplus	8,628,456	(5),(8)	1,015,655	9,644,111
Reserve for warrants	2,245,264	(8),(8)	(1,057,487)	1,187,777
Accumulated other comprehensive income	(40,879)	(8)	40,879	-
Accumulated deficit	(62,386,835)	(7)	27,038,272	(35,348,563)
Total Shareholders' Equity (Deficit)	19,571,668		50,194,066	69,765,734
Total Liabilities and Shareholders' Equity (Deficit)	53,024,605		99,120,366	152,144,971

49. On this news, shares of Harborside fell over 5%, to close at \$0.67 per share on August 13, 2020, further damaging investors.

50. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

51. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons other than defendants who acquired Harborside securities publicly traded on the OTC Pink market during the Class Period, and who were damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and directors of Harborside and its subsidiaries, members of the Individual

Defendants' immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

52. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Harborside securities were actively traded on the OTC Pink market. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds, if not thousands of members in the proposed Class.

53. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

54. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

55. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the Exchange Act was violated by Defendants' acts as alleged herein;
- whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business and financial condition of Harborside;
- whether Defendants' public statements to the investing public during the Class Period omitted material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading;

- whether the Defendants caused Harborside to issue false and misleading filings during the Class Period;
- whether Defendants acted knowingly or recklessly in issuing false filings;
- whether the prices of Harborside securities during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

56. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

57. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- Harborside shares were listed and actively traded on the OTC Pink market, an efficient market;
- As a public issuer, Harborside filed periodic public reports;
- Harborside regularly communicated with public investors via established market communication mechanisms, including through the regular dissemination of press releases via major newswire services and through other wide-ranging

public disclosures, such as communications with the financial press and other similar reporting services;

- Harborside securities were liquid and traded with moderate to heavy volume during the Class Period; and
- Harborside was followed by a number of analysts who wrote reports that were widely distributed and publicly available.

58. Based on the foregoing, the market for Harborside securities promptly digested current information regarding the Company from all publicly available sources and reflected such information in the prices of the securities, and Plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

59. Alternatively, Plaintiff and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128 (1972), as Defendants omitted material information in their Class Period statements in violation of a duty to disclose such information as detailed above.

COUNT I
For Violations of Section 10(b) And Rule 10b-5 Promulgated Thereunder
Against All Defendants

60. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

61. This Count is asserted against Defendants is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

62. During the Class Period, Defendants, individually and in concert, directly or indirectly, disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to

disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

63. Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that they:

- employed devices, schemes and artifices to defraud;
- made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- engaged in acts, practices and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of Harborside securities during the Class Period.

64. Defendants acted with scienter in that they knew that the public documents and statements issued or disseminated in the name of Harborside were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated, or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the securities laws. These defendants by virtue of their receipt of information reflecting the true facts of Harborside, their control over, and/or receipt and/or modification of Harborside's allegedly materially misleading statements, and/or their associations with the Company which made them privy to confidential proprietary information concerning Harborside, participated in the fraudulent scheme alleged herein.

65. Individual Defendants, who are the senior officers and/or directors of the Company, had actual knowledge of the material omissions and/or the falsity of the material statements set forth above, and intended to deceive Plaintiff and the other members of the Class,

or, in the alternative, acted with reckless disregard for the truth when they failed to ascertain and disclose the true facts in the statements made by them or other Harborside personnel to members of the investing public, including Plaintiff and the Class.

66. As a result of the foregoing, the market price of Harborside securities was artificially inflated during the Class Period. In ignorance of the falsity of Defendants' statements, Plaintiff and the other members of the Class relied on the statements described above and/or the integrity of the market price of Harborside securities during the Class Period in purchasing Harborside securities at prices that were artificially inflated as a result of Defendants' false and misleading statements.

67. Had Plaintiff and the other members of the Class been aware that the market price of Harborside securities had been artificially and falsely inflated by Defendants' misleading statements and by the material adverse information which Defendants did not disclose, they would not have purchased Harborside securities at the artificially inflated prices that they did, or at all.

68. As a result of the wrongful conduct alleged herein, Plaintiff and other members of the Class have suffered damages in an amount to be established at trial.

69. By reason of the foregoing, Defendants have violated Section 10(b) of the 1934 Act and Rule 10b-5 promulgated thereunder and are liable to the plaintiff and the other members of the Class for substantial damages which they suffered in connection with their purchase of Harborside securities during the Class Period.

COUNT II
Violations of Section 20(a) of the Exchange Act
Against the Individual Defendants

70. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

71. During the Class Period, the Individual Defendants participated in the operation and management of Harborside, and conducted and participated, directly and indirectly, in the conduct of Harborside's business affairs. Because of their senior positions, they knew the adverse non-public information about Harborside's false financial statements.

72. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to Harborside's financial condition and results of operations, and to correct promptly any public statements issued by Harborside which had become materially false or misleading.

73. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which Harborside disseminated in the marketplace during the Class Period concerning Harborside's results of operations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause the Company to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were "controlling persons" of the Company within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of Harborside securities.

74. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by the Company.

PRAYER FOR RELIEF

WHEREFORE, plaintiff, on behalf of himself and the Class, prays for judgment and relief as follows:

(a) declaring this action to be a proper class action, designating plaintiff as Lead Plaintiff and certifying plaintiff as a class representative under Rule 23 of the Federal Rules of Civil Procedure and designating plaintiff's counsel as Lead Counsel;

(b) awarding damages in favor of plaintiff and the other Class members against all defendants, jointly and severally, together with interest thereon;

(c) awarding plaintiff and the Class reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) awarding plaintiff and other members of the Class such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

**RANSOM, GILBERTSON, MARTIN &
RATLIFF, LLP**

Jeffrey S. Ratliff
8401 NE Halsey Street Suite 208
Portland, OR 97220
T: 503-226-3664

THE ROSEN LAW FIRM, P.A.

Phillip Kim, Esq.
Laurence M. Rosen, Esq.
275 Madison Avenue, 40th Floor
New York, NY 10016
Telephone: (212) 686-1060
Fax: (212) 202-3827
Email: pkim@rosenlegal.com
lrosen@rosenlegal.com

Counsel for Plaintiff