Broad Legal and General Disclosures to my Investors

The Cline Manufacturing Company will be set up as a limited liability partnership (LLP) where primary decisions are trusted in me the acting managing director. The goal and purpose of this company and this partnership is for the acquisition of American Gypsum LLC. Cline Manufacturing while an acquisition and management company is acting in the basic materials space and falls under the specific rules pertaining to companies in NAICS code 327420 (Gypsum Manufacturers). Upon completion of this deal -assuming all necessary steps are completed – Cline Manufacturing LLP will act as a managing and acquisition company to oversee the financing and operating activities of the operating company American Gypsum LLC. Cline Manufacturing LLP will take full ownership of American Gypsum LLC including all assets tangible and intangible and all existing employees. American Gypsum LLC is a medium to large sized (~200 employees) basic materials company that focus on building drywall. The company has failed so we are looking to make improvements namely improving sales by employing a new sales team. The company has what is regarded as a recognizable and quality brand and product line, hence we will seek to maintain it. This will mean producing drywall in the same way and using existing brand names logos and trademarks; the ability to use these is made possible by the acquisition of all intangible assets. Products will be primarily marketed towards material suppliers, contractors, big box stores and more broadly anyone willing and able to take physical delivery of large quantities of drywall in the state of Colorado

For clarity on schedule the company will be established upon investors signing the partnership agreement and the capital that is needed to be raised. Once we reach the necessary capital we will move forward with the establishment of documents with the state of Colorado. We will be filling out forms to have a certificate of partnership and submitting agent (me) and investor information (you) to the state. We expect no issues with the documentation process as the name Cline Manufacturing is unique within the state and in the industry additionally the proposed logo is still available as of writing this. note annual reports have to be filed with the state. Do note specific licensing will not be a point of concern as all licensing American Gypsum will be retained through American Gypsum allowing for operations in the current regulatory space. Also note the company will be located in Gypsum Colorado at the sight of the American Gypsum plant in Gypsum Colorado, that said investor relations will be maintained by the Cline capital office in Omaha Nebraska. An additional note on operations the companies American Gypsum and Cline Manufacturing will be headquartered, physically located and only operating within the state of Colorado.

**Our business operates solely within Colorado, meaning we would typically be sued in Colorado unless a case is severe enough to warrant federal court involvement. When it comes to torts, we must prioritize workplace safety given the hazardous nature of our operations. Our employees work with large equipment and potentially hazardous materials, so it’s crucial that we provide regular safety training, ensure compliance with OSHA regulations, and have employees acknowledge the risks. Foreseeable negligence claims could arise from workplace injuries or damaged merchandise. In these scenarios, a lawsuit would need to establish duty, breach, causation, and damages. To prevent such lawsuits, we must implement rigorous safety protocols and handle our products with utmost care.**

**Product liability is another area of potential concern due to the nature of the materials we handle. If a defect in our products causes harm, plaintiffs would need to prove that the defect was the cause. To mitigate this risk, we need to ensure thorough quality control and provide clear warnings about potential hazards. We also need to be vigilant about intentional torts that could be committed by our employees, such as distribution recklessness or mismanagement. For instance, if a driver with a commercial driver's license issue or under the influence causes an accident, or if a forklift operator's negligence results in injury, we could be held liable. It’s essential to maintain strict oversight and enforce company policies to prevent such incidents.**

**In terms of contracts, we will need several key agreements to operate effectively. Employment contracts will outline workplace hazards, qualifications, pay, benefits, and terms of termination between our company and each employee. Purchase orders will detail transactions both when we act as a buyer and as a seller, specifying quantities, delivery terms, and costs. The purchase agreement will outline how Cline Manufacturing acquires American Gypsum, detailing the scope of the deal and the price. A partnership agreement will define the responsibilities and limitations of the partners, earnings distribution, and negotiation processes.**

**Intellectual property protection is vital for our business. We will need to secure trademarks for our branding and distributor relationships to maintain our market presence. This includes registering our logos to ensure they are unique and not infringing on existing trademarks. Additionally, our business name and product names must be checked for availability to avoid confusion and legal conflicts. Our websites for Cline Manufacturing and American Gypsum, along with our branding efforts, will help us establish a strong market presence. While we don’t plan on heavy use of social media for advertising, we will leverage our sales team to reach potential buyers directly.**

**Regarding agency authority, our salespersons will have limited authority to create sales contracts and purchase orders for American Gypsum LLC. General managers will be authorized to create employment contracts and purchase materials. I will have broader authority to handle these tasks, obtain new capital, and make executive decisions for both Cline Manufacturing LLP and American Gypsum LLC. However, we must be aware of potential liabilities arising from our employees' actions. For example, if a salesperson pressures a buyer into purchasing a faulty product, we could face a fraud case. Similarly, if a manager disregards OSHA guidelines, both the manager and the company could be held liable. Therefore, maintaining strict compliance and monitoring is essential to prevent such issues.**