

ABDALLAH LAW GROUP, P.C.

Mitchell Abdallah, Attorney at Law
Mervyn Naidoo, Law Clerk

555 Capitol Mall, Suite 766
Sacramento, CA 95814
Tel: (916) 446-1974
Fax: (916) 446-3371
abdallahlawgroup.com

Desiree Dundon, Legal Assistant

August 17, 2016

Sent U.S. Mail First and Email

Jacqueline McGowan
240 Joyce Street
Livermore, CA 94550

RE: Demand Letter, and Settlement Agreement

Dear Ms. Jacqueline McGowan,

Please be advised that our firm has been retained by Ms. Heidi Grossman and her corporations, organizations, cooperatives, collectives and associations in the Cannabis Industry (our "Client") to investigate and take legal action against you for the series of unwarranted and defamatory attacks against her made by you in addition to your breach of contract with our Client.

This letter constitutes our Client's demand that you cease and desist any and all defamatory comments, statements or remarks against her along with an offer to settle debt and damages you have caused to our Client and the below listed organizations. If you are represented by legal counsel, please direct this letter to your attorney immediately and have your attorney notify us of such representation.

Our Client is a respected professional in the community and has spent years serving the community in her professional capacity to build a positive reputation, specifically in representing clientele in the cannabis community. Our Client is sought out by business leaders throughout the community based on her sterling reputation.

We have recently learned that you engaged in spreading false, destructive, and defamatory rumors about our Client; that you have sullied her reputation with defamatory comments within our Client's community and farmer entities throughout California.

Under California law, slander is making a false spoken statement damaging a person's character and reputation. Defamation consists of: (1) a statement that tends to injure reputation; (2) communicated to another; and (3) that the speaker knew or should have known was false.

Specifically, your accusations were communicated with and gave false information to the AG Commissioner in Yolo County regarding the legality of operating a nonprofit in Yolo County officials regarding the legality of operating a nonprofit in Yolo County followed by a writing posted on the Facebook California City and County Ban Watch group on April 22, 2016 in the Ban Chat in order to discredit our Client and the services provided to the community. You further slandered our Client's reputation by calling clientele and Federal Agents making false

statements, disparaging to our Client. These statements against our Client are completely false and unfounded.

Proof of your depraved actions is supported by the below witnesses that have first-hand knowledge who are willing and available to testify in a court of law if necessary: James Benno, Lauren Hill, Zack H., Terre Cuttrone, Mary Ramirez, Mason Thomas, Carol Nelson (Aunt), Britt Petrotta (Cousin), Ron Mullins, Robin Miller, Jan Daley, Tanisha Wilson, Michelle Reeves, Gina Gaglione, Sherell Gilmore and Ray Ewell.

As an additional matter, you have violated the terms of your contract and Non Disclosure Agreement with our Client's patient association by soliciting several of our Client's clientele for money after your termination on behalf of CCIA. You attempted to sell our Client's intellectual property, trade secrets and contacts as a private lobbyist, e.g., "The California City and County Ban Watch", which was funded by Sugarleaf. You tried to run a Ponzi scheme out of our Client's office with shell companies that need to be returned with a signed action of incorporator. During a three-week period, you upset five (5) client's and two (2) potential members at the very first Yolo NORML meeting and treated staff at our Client's office with disrespect.

More, according to our Client's in-house forensic accountant there is documentation you are in arrears and owe the amount of sixteen thousand six hundred sixty dollars and sixty-six cents (\$16,660.66) for monies loaned to you for rent and personal bills you promised to pay back. The debt is accounted for as actual damages. You were paid with personal loans for work under contract that you promised to get funding for but never did.

Our Client has documentation of providing you with a personal loan in cash to do a job that you not only failed at, but made several costly and time consuming errors and then abandoned any responsibility on December 25, 2015. We have learned you frequently had several disruptive outbursts or tantrums at our Client's office and have bragged about being bi-polar in the local newspaper and community meetings. The industry does not need this image to progress at the moment.

Your behavior has been no less than chaotic and the drama has caused distress to our Client but also to Ms. Grossman's family, friends, business relationships. Particularly, troubling is after our Client was injured in a fatal car crash losing the loss of love of her life, Mr. Bradford Carper, you decided to harass and intentionally inflict emotional distress to her. There are witness accounts that the day after our Client's accident, knowing that our Client suffers from PTSD, you tried to extort five thousand dollars while she was incapacitated, in shock and very vulnerable. There is an email that you allegedly tried to delete while you still had access to our Client's information data base. The email indicated that your psychic said our Client was going to be raided and arrested and you needed her to give you five thousand dollars in cash so you could get her "bailed out" when that happened. You also placed tin foil over all the smoke detectors in the house claiming the FEDS were watching you.

For the reasons above, we demand that you immediately cease and desist from placing our Client's name and reputation in false light. If you fail to do so, or if my client is further harmed personally or professionally by your actions, this office will immediately pursue a legal action

Jacqueline McGowan

August 17, 2016

3 | Page

against you to the fullest extent of the law. Therefore, in order to avoid certain litigation against you, our Client demands that you comply with the following:

1. Repay the loan in full by December 31, 2016, or set up a payment plan no less than \$1500.00 a month;
2. Cease and Desist the Ban Chat and hand over the passwords and remove yourself from it;
3. Halt any further contact with our Client's family members, friends and business associates;
4. Get some long-term experience in this industry before you lobby or lead a NORML chapter or any type of organization anywhere;
5. Do not attend events where our Client is attending;
6. At all times, stay at least 1,000 feet away from our Client;
7. Do not interact with any government officials until you have five-years' experience in the industry. If your job contract requires interaction with governmental officials, our Client must see a written copy for approval;
8. Do not solicit any of our Clients;
9. Disclose all persons you prepared corporations for;
10. Return any equities that you earned using Sugarleaf's name and reputation, or have been distributed to you by any Sugarleaf clients during your contract period or after;
11. Do not disclose any confidential information regarding our Client;
12. Return the digital files created during your contract period with Sugarleaf in Google Drive by changing the ownership back to Heidig311@gmail.com; and,
13. Work step 8 in your AA program with a written apology to Our Client, her family, and the following, list of our Client's organizations: (1) Sugarleaf Productions Industrial Hemp Research Facility and Patient Association, A California Nonprofit Registration #13975; (2) Sugarleaf Professional Services, Inc.; (3) Yolo NORML; (4) Zack Ryan & Associates; (5) Boss Lady Productions; (6) Boss Lady Products (7) Superior Genetics; and (8) Several Other Confidential Entities that will be protected in camera.

If your defamatory statements are not rectified permanently by sending written notices to each community member, and the above undertakings are not complied with by August 30, 2016, we have been instructed to commence litigation against you.

This letter is sent without prejudice to our clients' rights and claims, all of which are expressly reserved. We are sending you a copy of this letter by regular first class mail in case you refuse to accept the certified mail, return receipt requested version of this letter.

If you or your attorney has any questions, please feel free to contact me.

ABDALLAH LAW GROUP, P.C.

By: _____

Mitchell Abdallah, Esq.

cc: Heidi Grossman

Enc.

EXHIBITS

We have attached the following documents in support of our Client's claims:

1. Independent Contractor Agreement dated 12/18/2015
2. W-9 Dated 12/29/2015
3. W-9 Dated 2/17/2016
4. Form 1099 Dated 2015
5. Summary Report of Transactions 2015-2016
6. Transaction Report January - December 2015
7. Other Staff Costs for Ms. McGowan's absence and abandonment of her responsibilities
8. Utility Transaction Report January - April 2016
9. Two (2) Check Receipts
10. A list of sample questions for discovery and special interrogatories if it's necessary that I need to proceed with litigation and you do not agree to my demands

Sugarleaf Professional Services Independent Contractor Agreement

SUGARLEAF PROFESSIONAL SERVICES, INC., referred to as CONTRACTING PARTY, and Jacqueline McGowan, referred to as INDEPENDENT CONTRACTOR agree:

INDEPENDENT CONTRACTOR shall perform the following services for CONTRACTING PARTY:

Professional Services

This agreement shall begin on 12-18-15 and shall terminate immediately if the Cooperative Membership agreement between Independent Contractor and Contracting Parties is breached. Contracting Party may terminate this contract on 24 hours notice to Independent Contractor for unsatisfactory performance. Both parties acknowledge that the Independent Contractor status is valid and that the Contracting Party would not have entered into this Agreement unless the other party was an Independent Contractor and warranted the same to the Contracting Party by signing this Agreement.

CONTRACTOR AGREES TO CARRY AND MAINTAIN A VALID CALIFORNIA DRIVER'S LICENSE AND CAR INSURANCE AT ALL TIMES IF USING PERSONAL VEHICLE. SUGARLEAF PROFESSIONAL SERVICES INC. IS NOT LIABLE FOR ANY DAMAGES OR CLAIMS INCURRED WHILE CONTRACTING WITH SUGARLEAF PROFESSIONAL SERVICES.

THIS IS AN AGREEMENT FOR INDEPENDENT CONTRACTING SERVICES. THE CONTRACTING PARTY PROVIDES NO BENEFITS SUCH AS UNEMPLOYMENT INSURANCE, CAR OR HEALTH INSURANCE OR WORKER'S COMPENSATION INSURANCE TO INDEPENDENT CONTRACTOR. CONTRACTING PARTY IS ONLY INTERESTED IN THE RESULTS OBTAINED BY THE INDEPENDENT CONTRACTOR. INDEPENDENT CONTRACTOR SHALL BE RESPONSIBLE FOR PROVIDING ALL TOOLS AND MATERIALS REQUIRED FOR PERFORMANCE OF THE TASKS AGREED TO. INDEPENDENT CONTRACTOR IS RESPONSIBLE FOR PAYMENT OF ALL FEDERAL, STATE AND LOCAL INCOME TAXES.

Dated: 12-18-15

[Signature]
CONTRACTING PARTY BY AN AUTHORIZED OFFICER

Jacqueline McGowan
INDEPENDENT CONTRACTOR

PLEASE ATTACH A COPY OF YOUR DRIVER'S LICENSE AND INSURANCE IF APPLICABLE.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. JACQUELINE MCGOWAN	
2 Business name/disregarded entity name if different from above	
3 Check appropriate box for federal tax classification. Check only one of the following seven boxes: <input checked="" type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate Note: For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶	
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ (Applies to accounts maintained outside the U.S.)	
5 Address (number, street, and apt. or suite no.) 2120 H. ST. SUITE 1	Requester's name and address (optional)
6 City, state, and ZIP code SACRAMENTO, CA 95816	
7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number										
6	4	7	-	3	6	-	6	4	7	7
or										
Employer identification number										

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶ *Jacqueline McGowan*

Date ▶ *2/17/14*

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.
Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/w9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
JACQUELINE MCLENNAN

2 Business name/disregarded entity name, if different from above
EMERGENCY PROFESSIONAL SERVICES

3 Check appropriate box for federal tax classification; check only one of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC
☒ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
 Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
 Exempt payee code (if any) _____
 Exemption from FATCA reporting code (if any) _____
 (Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)
1401 EL CAMINO AVE #540

6 City, state, and ZIP code
SACRAMENTO CA 95815

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number
567-35-2677

OR
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶ J. McLeenan

Date ▶ 12/29/15

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.
 Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country,
ZIP or foreign postal code, and telephone no.
Heidi Grossman
2120 H Street, Suite 1
Sacramento CA 95816
US - Phone: 530-446-0164

1 Rents
\$ 0.002 Royalties
\$ 0.003 Other income
\$ 0.00

OMB No. 1545-0115

2015

Form 1099-MISC

Miscellaneous
IncomeCopy B
For Recipient

Account number (see instructions)

276199656539

FATCA filing
requirement
☐5 Fishing boat proceeds
\$ 0.004 Federal income tax withheld
\$ 0.006 Medical and health care
payments
\$ 0.00

RECIPIENT'S name, address, ZIP/ postal code & Country

Jacqueline McGowan
2120 H Street, Suite 1
Sacramento CA 95816
US7 Nonemployee compensation
\$ 4987.009 Payer made direct sales of
\$5000 or more of consumer
products to a buyer
(recipient) for resale ☐8 Substitute payments in lieu
of dividends or interest
\$ 0.0010 Crop insurance proceeds
\$ 0.00

11

12

PAYER'S federal identification number

560-69-4701

RECIPIENT'S identification number

XXX-XX-5677

13 Excess golden
parachute payments
\$ 0.0014 Gross proceeds paid to an
attorney
\$ 0.00

15a Section 409A deferrals

\$ 0.00

15b Section 409A income

\$ 0.00

16 State tax withheld
\$ 0.00

17 State/Payer's state no.

18 State income
\$ 0.00

This is important tax
information and is
being furnished to
the Internal Revenue
Service. If you are
required to file a
return, a negligence
penalty or other
sanction may be
imposed on you if
this income is
taxable and the IRS
determines that it
has not been
reported.

Form 1099-MISC

IRS Approved e File Provider

Instructions for Recipient

Recipient's identification number. For your protection, this form may show only the last four digits of your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN). However, the issuer has reported your complete identification number to the IRS. Account number. May show an account or other unique number the payer assigned to distinguish your account.

FATCA filing requirement. If the FATCA filing requirement box is checked, the payer is reporting on this Form 1099 to satisfy its chapter 4 account reporting requirement. You also may have a filing requirement. See the instructions to Form 8938.

Amounts shown may be subject to self-employment (SE) tax. If your net income from self-employment is \$400 or more, you must file a return and compute your SE tax on Schedule SE (Form 1040). See Pub. 334 for more information. If no income or social security and Medicare taxes were withheld and you are still receiving these payments, see Form 1040-ES (or Form 1040-ES(NR)). Individuals must report these amounts as explained in the box 7 instructions on this page. Corporations, fiduciaries, or partnerships must report the amounts on the proper line of their tax returns.

Form 1099-MISC incorrect? If this form is incorrect or has been issued in error, contact the payer. If you cannot get this form corrected, attach an explanation to your tax return and report your income correctly.

Box 1. Report rents from real estate on Schedule E (Form 1040). However, report rents on Schedule C (Form 1040) if you provided significant services to the tenant, sold real estate as a business, or rented personal property as a business.

Box 2. Report royalties from oil, gas, or mineral properties, copyrights, and patents on Schedule E (Form 1040). However, report payments for a working interest as explained in the box 7 instructions. For royalties on timber, coal, and iron ore, see Pub. 544.

Box 3. Generally, report this amount on the "Other Income" line of Form 1040 (or Form 1040NR) and identify the payment. The amount shown may be payments received as the beneficiary of a deceased employee, prizes, awards, taxable damages, Indian gaming profits, or other taxable income. See Pub. 525. If it is trade or business income, report this amount on Schedule C or F (Form 1040).

Box 4. Shows backup withholding or withholding on Indian gaming profits. Generally, a payer must backup withhold if you did not furnish your taxpayer identification number. See Form W-9 and Pub. 505 for more information. Report this amount on your income tax return as tax withheld.

Box 5. An amount in this box means the fishing boat operator considers you self-employed. Report this amount on Schedule C (Form 1040). See Pub. 334.

Box 6. For individuals, report on Schedule C (Form 1040).

Box 7. Shows nonemployee compensation. If you are in the trade or business of catching fish, box 7 may show cash you received for the sale of fish. If the amount in this box is SE income, report it on Schedule C or F (Form 1040), and complete Schedule SE (Form 1040). You received this form instead of Form W-2 because the payer did not consider you an employee and did not withhold income tax or social security and Medicare tax. If you believe you are an employee and cannot get the payer to correct this form, report the amount from box 7 on Form 1040, line 7 (or Form 1040NR, line 8). You must also complete Form 8919 and attach it to your return. If you are not an employee but the amount in this box is not SE income (for example, it is income from a sporadic activity or a hobby), report it on Form 1040, line 21 (or Form 1040NR, line 21).

Box 8. Shows substitute payments in lieu of dividends or tax-exempt interest received by your broker on your behalf as a result of a loan of your securities. Report on the "Other Income" line of Form 1040 (or Form 1040NR).

Box 9. If checked, \$5,000 or more of sales of consumer products was paid to you on a buy-sell, deposit-commission, or other basis. A dollar amount does not have to be shown. Generally, report any income from your sale of these products on Schedule C (Form 1040).

Box 10. Report this amount on Schedule F (Form 1040).

Box 13. Shows your total compensation of excess golden parachute payments subject to a 20% excise tax. See the Form 1040 (or Form 1040NR) instructions for where to report.

Box 14. Shows gross proceeds paid to an attorney in connection with legal services. Report only the taxable part as income on your return.

Box 15a. May show current year deferrals as a nonemployee under a nonqualified deferred compensation (NQDC) plan that is subject to the requirements of section 409A, plus any earnings on current and prior year deferrals.

Box 15b. Shows income as a nonemployee under an NQDC plan that does not meet the requirements of section 409A. This amount is also included in box 7 as nonemployee compensation. Any amount included in box 15a that is currently taxable is also included in this box. This income is also subject to a substantial additional tax to be reported on Form 1040 (or Form 1040NR). See "Total Tax" in the Form 1040 (or Form 1040NR) instructions.

Boxes 16-18. Shows state or local income tax withheld from the payments. Future developments. For the latest information about developments related to Form 1099-MISC and its instructions, such as legislation enacted after they were published, go to www.irs.gov/form1099misc.

Legal & Professional Fees

Friday, Feb 26, 2016 04:26:34 PM PST GMT-8

Summary of Transactions - Jacqueline McGowan

Expense	Total
50% Rent	997.50
March	997.50
April	327.50
May	232.75
50% Utilities	468.41
	Xfinity, SMUD and PG&E
Total Rent & Utilities	3023.66
Jacqueline McGowan	3400.00
Website Development	800.00
25% Other Staff and mistakes	4396.00
Jacqueline McGowan	4987.00
	2015
Total Business Expenses	13583.00
Total	16606.66

Sugarleaf Professional Services Transaction Report January - February, 2016

Legal & Professional Fees

Date	Transaction Type	Num	Name	Memo/Description	Account	Amount
01/11/2016	Check	1078			Legal & Professional Fees	1,000.00
01/26/2016	Check	1085	Zachary Helmink	CHECK 1078	Legal & Professional Fees	1,000.00
01/29/2016	Check	1052	Zachary Helmink	CHECK 1085	Legal & Professional Fees	1,000.00
01/31/2016	Journal Entry		Jan Daly	Jan Daly CHECK 1052	Legal & Professional Fees	100.00
01/31/2016	Journal Entry			Michelle Reeves	Legal & Professional Fees	100.00
01/31/2016	Journal Entry		Jan Daly	Jan Daly	Legal & Professional Fees	100.00
01/31/2016	Journal Entry		Michelle Reeves	Michelle Reeves	Legal & Professional Fees	100.00
01/31/2016	Journal Entry		Tanisha		Legal & Professional Fees	150.00
01/31/2016	Journal Entry		Taylor Ledford		Legal & Professional Fees	50.00
02/02/2016	Check	1089	Zachary Helmink	Jan Daly CHECK 1089	Legal & Professional Fees	500.00
02/08/2016	Check	1057	Zachary Helmink	Zack CHECK 1057	Legal & Professional Fees	150.00
02/08/2016	Check	1091	Michelle Reeves	Michelle CHECK 1091	Legal & Professional Fees	1,000.00
02/18/2016	Check	1064	Zachary Helmink	CHECK 1064	Legal & Professional Fees	110.00
02/29/2016	Journal Entry		Michelle		Legal & Professional Fees	100.00
02/29/2016	Journal Entry		Michelle		Legal & Professional Fees	100.00
TOTAL						\$ 5,560.00

Friday, May 20, 2016 02:06:28 PM PDT GMT-7 - Cash Basis

Sugarleaf Professional Services

TRANSACTION REPORT

January - April, 2016

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
Utilities								
02/05/2016	Check	1055	PG & E	PG & E CHECK 1055	Utilities	TOTAL BUS CHK (0067)	55.00	55.00
02/17/2016	Check	1065	Comcast	Internet	Utilities	TOTAL BUS CHK (0067)	120.58	175.58
02/17/2016	Check		SMUD		Utilities	TOTAL BUS CHK (0067)	205.45	381.03
02/23/2016	Check	1066	PG & E	CHECK 1066	Utilities	TOTAL BUS CHK (0067)	170.39	551.42
04/13/2016	Check	1032	Jacqueline McGowan	CHECK 1032	Utilities	TOTAL BUS CHK (0067)	180.00	731.42
04/27/2016	Check	1006	SMUD	CHECK 1006	Utilities	TOTAL BUS CHK (0067)	90.94	822.36
04/28/2016	Check	1007	PG & E	CHECK 1007	Utilities	TOTAL BUS CHK (0067)	34.50	856.86
04/29/2016	Check	1005		Xfinity CHECK 1005	Utilities	TOTAL BUS CHK (0067)	79.95	936.81
Total for Utilities							<u>\$936.81</u>	
TOTAL							<u>\$936.81</u>	

Friday, May 20, 2016 01:18:45 PM PDT GMT-7 - Cash Basis



CHASE ONLINE

CHASE ONLINESM Friday, May 20, 2016

[My Accounts](#) > [Account Activity](#) > Check Details

Check Details

I'd like to...

[See Account Statements](#)

TOTAL BUS CHK (...0067)

Check Number: 1086

Post Date: 02/05/2016

Amount of Check: \$1,000.00

SUGARLEAF PROFESSIONAL SERVICES, INC.
1401 EL CAMINO AVE. STE. 540
SACRAMENTO, CA 95815-2750

1086

DATE 1-29-16

PAY TO THE ORDER OF Jackie M. Gowan \$1,000

One thousand

CHASE

MEMO 1099 Owner draw

1544821528

1544821528

[Need help printing or saving this check?](#)

1544821528

DO NOT WRITE IN THESE SPACES

Signature

[Need help printing or saving this check?](#)

[Return to Account Activity](#)



[My Accounts](#) > [Account Activity](#) > Check Details

CHASE ONLINESM Friday, May 20, 2016

Check Details

[Print](#) [Help with this page](#)

I'd like to...

[See Account Statements](#)

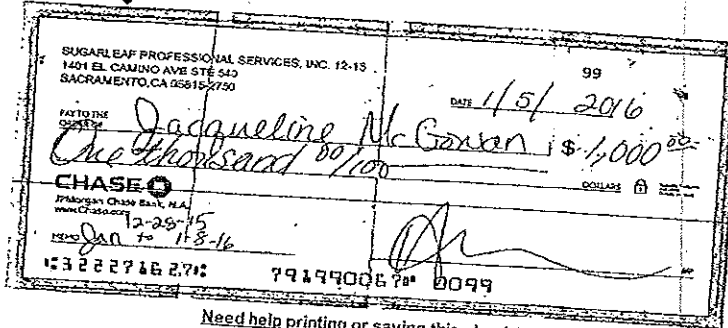
TOTAL BUS CHK (...0067)

Check Number: 99

Post Date: 02/05/2016

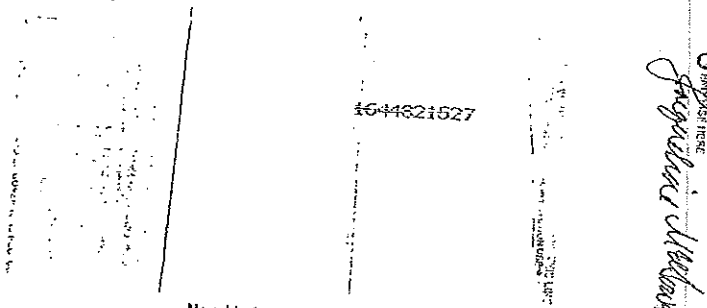
Amount of Check: \$1,000.00

[Front](#) [Enlarge/Reduce Check Image](#)



[Need help printing or saving this check?](#)

[Back](#) [Enlarge/Reduce Check Image](#)



[Need help printing or saving this check?](#)

[Return to Account Activity](#)