

OCT 18 2010

K. McCoy, Exec. Off./Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF ALAMEDA

PETER FAZIO, et al.

Plaintiff,

vs.

DAVID J. JOHNSON, et al.

Defendants.

Case No: RG06 280041

JUDGMENT AFTER COURT TRIAL

Trial: June 7, 2010

And related cross complaints

The trial of this matter commenced June 7, 2010, before the undersigned Judge of the Superior Court, as to all equitable claims and defenses. In the course of the trial, all parties waived the right to a trial by jury as to any remaining claims or defenses and stipulated on the record that the Court may and shall decide all issues of law and fact raised by the operative pleadings in the case. On July 8, 2010, final arguments were made and the trial concluded.

The Court has filed its Statement of Decision on October 18, 2010, after previously filing Tentative and Proposed Statements of Decision, and receiving and considering the parties' objections and proposals thereto. For the reasons stated and the factual determinations made in

1 the Statement of Decision, and good cause appearing therefore, JUDGMENT is entered as
2 follows:

3 1) On all claims made by plaintiffs PETER S. FAZIO, SHARI FAZIO and CARMEL
4 GOUVEIA, judgment is hereby entered against PETER S. FAZIO, SHARI FAZIO and CARMEL
5 GOUVEIA, and for defendant GARY S. HUM.

6 2) On all personal claims made by cross-complainant GARY S. HUM in his first, second,
7 eighth, ninth and tenth causes of action, judgment is hereby entered against HUM and for cross-
8 defendants PETER S. FAZIO and CARMEL GOUVEIA.

9 3) On all derivative claims made by cross-complainant GARY S. HUM in his third,
10 fourth, fifth, sixth and seventh causes of action, judgment is hereby entered for HUM as derivative
11 claimant against cross-defendants PETER S. FAZIO and CARMEL GOUVEIA, jointly and
12 severally, in the sum of \$466,111.88.

13 4) On the derivative claim for exemplary damages by GARY S. HUM, judgment is
14 hereby entered for HUM against cross-defendant PETER S. FAZIO in the sum of \$250,000, in
15 that the Court finds by clear and convincing evidence that PETER S. FAZIO acted with malice,
16 fraud and oppression.

17 5) On all of HUM'S derivatives causes of action against RICHARD ST. DENNY,
18 judgment is hereby entered against HUM and for cross-defendant RICHARD ST. DENNY.

19 6) On all claims made by HUM as assignee of NEOPOXY INTERNATIONAL, INC.,
20 judgment is hereby entered for HUM as assignee of NEOPOXY INTERNATIONAL, INC. and
21 against cross-defendants PETER S. FAZIO, CARMEL GOUVEIA, VINCENT TOMERA and
22 PACIFIC EQUITY AND CAPITAL as follows:

23 a) Against PETER S. FAZIO and CARMEL GOUVEIA, jointly and severally, in
24 the sum of \$291,396.89.

25 b) Against FAZIO, VINCENT TOMERA and PACIFIC EQUITY AND
26 CAPITAL, jointly and severally in the sum of \$124,000.

27 7) Based upon the foregoing, JUDGMENT IS HEREBY entered as follows:

28 a) Against PETER S. FAZIO and CARMEL GOUVEIA, jointly and severally, in
the sum total \$757,508.77 in compensatory damages;

b) Against PETER S. FAZIO, VINCENT TOMERA and PACIFIC EQUITY
AND CAPITAL, jointly and severally, in the sum of \$124,000.

1 c) Against PETER S. FAZIO in the sum of \$250,000 as and for exemplary
2 damages;

3 8) The Court determines that there is no prevailing party and, pursuant to Code of Civil
4 Procedure section 1032(a)(4), denies interest, attorneys' fees or costs to any party.

5 9) As further non-monetary terms of this JUDGMENT, it is ORDERED:

6 a) Within 60 days of this judgment becoming final, PETER S. FAZIO shall turn
7 over to GARY S. HUM, as trustee for the innocent shareholders of Neopoxy Corporation, all
8 property of Neopoxy Corporation in FAZIO'S possession, custody or control, including, but not
9 limited to, the full proceeds of any remaining Neopoxy Corporation bank accounts, the spray rig
10 truck, any and all furniture and equipment and any and all books and corporate records of
11 Neopoxy Corporation. FAZIO shall make all these assets available to HUM where they are
12 currently located, except that the proceeds of any and all Neopoxy Corporation bank accounts
13 shall be delivered by FAZIO to HUM. If HUM determines that it is not in International's
14 interest to take possession of any or all such assets, he shall provide FAZIO with a written
15 statement to that effect within 30 days of the judgment becoming final, which shall discharge
16 FAZIO's obligations as to those assets.

17 b) IT IS FURTHER ORDERED that stock in Neopoxy International, Inc., shall be
18 issued by HUM as Trustee for the innocent shareholders of Neopoxy Corporation in direct
19 proportion to their ownership in Neopoxy Corporation. No stock in Neopoxy International, Inc.,
20 shall be exchanged for any Neopoxy Corporation common stock or any Series A preferred stock
21 owned by PETER S. or SHARI FAZIO, CARMEL GOUVEIA, or GARY HUM. The
22 percentages of Neopoxy International, Inc., shall be issued as follows:

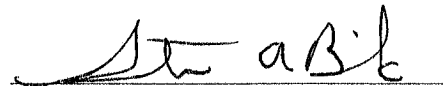
Name	# of NC Shares	% of NII Shares
Marty Way	100,000	5.042
Carol Hum	50,000	2.522
Peter Chan & Hiromi Takeshita	50,000	2.522
Antoine Faris	140,000	7.059
Sylvester De Fazio	40,000	2.018

1	Gary S. Hum as Assignee of Linda Michalopoulos	90,000	4.538
2	Ronald K. Olswang & Helene C. Gordon	20,000	1.01
3	Mark K. Benedetti	25,000	1.262
4	Vincenzo Ruggiero	10,000	0.506
5	Gary S. Hum as Assignee of George and Judy Rukavina, Assignees of Tony & Marie Nola	25,000	1.262
6	Gilbert R. Tapia	2,000	0.02
7	G. E. Carey	6,000	0.304
8	Guissepe & Rosaria Dito	40,000	2.018
9	Gary S. Hum as Assignee of Evelyne Y. Dito (Aurensan)	30,000	1.514
10	Rene Sevieri	30,000	1.514
11	John & Susan Hentz	20,000	1.01
12	Michael Dilibero	20,000	1.01
13	Joseph Bergh	20,000	1.01
14	Craig Silvestri & Helen Brackley	20,000	1.01
15	Florese Navigato	20,000	1.01
16	Rejinther K. Dosange	20,000	1.01
17	The Jason L. Lee Irrevocable Trust	20,000	1.01
18	Gordon Lum	20,000	1.01
19	Malcom-Gregg Profit Sharing Plan	400,000	20.163
20	Allen Mok & Christine Mok	120,000	6.05
21	Simon & Helen Lee	90,000	4.538
22	Benjamin Chan	20,000	1.01
23	Margaret Lawrie	50,000	2.522
24			
25			
26			
27			
28			

1	Korula Cherian	50,000	2.522
2	Thomson Kit Jue IRA 4868-9252	100,000	5.042
3	Lori A. Davidson	25,000	1.262
4	Tony James Albin	10,000	0.506
5	Thomas Van Bell	25,000	1.262
6	Julian B. Holifield (includes assignment of 1500 7 from Harry Mok)	3,500	0.178
8	Michele Field	60,000	3.026
9	Tony & Mary Luna	50,000	2.522
10	Gary S. Hum as Assignee of Bonifacio Iezza 11 (Maria Pia Iezza)	10,000	0.506
12	Joseph Padula	50,000	2.522
13	David Banks	100,000	5.042
14	Victor Jue	2,500	0.136
15	Totals: ¹	1,984,000	100

17
18 c) Upon issuance of the stock of Neopoxy International, Inc., as set forth above, all stock
19 ownership in Neopoxy Corporation shall be void and of no effect. This Judgment does not
20 determine the rights of any non-party creditor of Neopoxy or International.

21 Dated: October 18, 2010.

22
23 

24 Steven A. Brick
25 Judge of the Superior Court

26 ¹ * Unless carried to five decimal places, the percentages of the stock issued missed a total of
27 100% by .016% (.00016). Consequently, to equal 100%, .008% was added to the two
28 shareholders with the fewest shares, Mr. Tapia and Mr. Jue.

**Superior Court of California
Alameda County**

**Case # RG06 280041
Case Name: Fazio vs. Johnson
Document: Judgment after Court Trial**

**CLERK'S CERTIFICATE OF
MAILING
(CCP 1013a)**

I certify that the following is true and correct:

I am a Deputy Clerk employed by the Alameda County Superior Court. I am over the age of 18 years. My business address is 1221 Oak St. Oakland, California. I served this **Order** by placing copies in envelope(s) addressed as shown below and then by sealing and placing them for collection, stamping or metering with prepaid postage, and mailing on the date stated below, in the United States mail at **Oakland**, California, following standard court practices.

David M. Zeff, Esq.
Law Offices of David M. Zeff
1388 Sutter St. Suite 820
San Francisco, CA 94109

Donald Teconi, Esq.
Law Offices of Donald Teconi
1600 S. Main Street, Suite 325
Walnut Creek, CA 94596

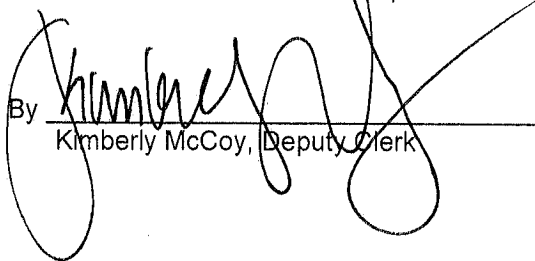
Thomas T. McCormick, Esq.
McCormick Law Firm
21-C Orinda Way, # 203
Orinda, CA 94563

Barbara Halperin
David H. Johnson
56 Jessica Court
Alamo, CA 94507

Richard St. Denny
587 Burnett Avenue #3
San Francisco, CA 94131

Date: 10/19/2010

Executive Officer/Clerk of the Superior Court

By 
Kimberly McCoy, Deputy Clerk