

ROBERT W. WRIGHT  
ATTORNEY AT LAW  
CALIFORNIA BAR # 276653  
716 CASTRO STREET  
SOLANA BEACH, CA 92075  
(858) 353-6591  
bob.wright@mac.com

Attorneys for Plaintiffs  
MERLE FERGUSON, SUSAN  
DONOHUE, and WORLDWIDE FOOD  
SERVICES, INC., a Utah Corporation

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

MERLE FERGUSON, an individual,	)	
SUSAN DONOHUE, an individual, and	)	Case No: <b><u>'12CV1037 BEN JMA</u></b>
WORLDWIDE FOOD SERVICES, INC., a	)	
Utah Corporation,	)	
Plaintiff,	)	COMPLAINT FOR RESCISSION OF
-v-	)	CONTRACT, FRAUD, FRAUDULENT
	)	CONCEALMENT, CONSTRUCTIVE FRAUD,
	)	NEGLIGENT MISREPRESENTATION,
DANIEL KORREY, an individual, and DOES	)	FAILURE OF CONSIDERATION, AND LACK
1-20 inclusive,	)	OF CONSENT
	)	
Defendants.	)	
	)	

Plaintiffs MERLE FERGUSON, SUSAN DONOHUE, and WORLDWIDE FOOD SERVICES,  
INC, a Utah corporation, hereinafter referred to as Plaintiffs in this Complaint, claim against  
Defendant Daniel Korrey, an individual, hereinafter referred to as Defendant, as follows:

###

**JURISDICTION AND VENUE**

1. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1332. There is complete diversity between the parties, and the amount in controversy exceeds the sum of \$75,000, exclusive of interest and costs.
2. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(a)(2). Plaintiff maintains its principle place of business in this District, and a substantial part of the events or omissions giving rise to the claims at issue occurred in this District.

**THE PARTIES**

1. Plaintiff Merle Ferguson ("Ferguson") is a resident of California residing at 1750 Barbara Lane, Leucadia, California 92024.
2. Plaintiff Susan Donohue ("Donohue") is a resident of California residing at 1750 Barbara Lane, Leucadia, California 92024.
3. Plaintiff, Worldwide Food Services, Inc, ("Worldwide") is a corporation incorporated under the laws of the State of Utah, having its principal place of business in the State of California.
4. Upon information and belief, Defendant Daniel Korrey is a resident of Michigan residing at 4326 West Saginaw, Lansing, Michigan 48917;
5. Plaintiff Worldwide Food Services, Inc, is the corporate successor-in-interest to Prime Multimedia, Inc. ("PRMX") and has assumed its rights, duties, and liabilities by operation of law.
6. Defendants DOES 1 thru 20 inclusive, are sued herein under fictitious names. Their true names and capacities are unknown to Plaintiffs. When their true names and capacities are ascertained, Plaintiffs will amend this Complaint by inserting their true names and capacities herein. (Plaintiffs are informed and believe, and thereon allege, that each of the fictitiously named defendants is responsible in some manner for the occurrences herein alleged, and that Plaintiffs' damages as herein alleged were proximately caused by those defendants.)
7. On information and belief, Plaintiffs allege, that at all times mentioned herein, Defendants, and each of them, were agents, servants, general partners, joint

ventures, and employees of each of the other Defendants, and in doing the things herein alleged, were acting within the course and scope of their employment and agency, thereby rendering each Defendant legally responsible for the acts, omissions, breaches, and other conduct of each remaining Defendant.

#### **GENERAL ALLEGATIONS**

8. Plaintiff WorldWide Food Services, Inc. is the successor in interest to PRMX.
9. From August 1, 2005 to March 7, 2006 Defendant Korrey was employed with PRMX pursuant to a written employment agreement.
10. On or about March 7, 2006, the PRMX board of directors voted to terminate the employment agreement with Plaintiff Korrey, effective immediately. A copy of the PRMX BOARD MINUTES for March 7, 2006 is attached, designated as Exhibit "A" and made a part of this complaint.
11. On or about March 7, 2006, PRMX President and CEO Arastou Mahjoory terminated Defendant Korrey's employment contract due to failure to perform several terms of the Employment Agreement and divulging confidential information to third parties. A copy of the NOTICE OF TERMINATION is attached, designated as Exhibit "B" and made a part of this complaint.
12. In 2007, Plaintiffs and Defendant were involved in certain litigation entitled *Merle Ferguson, and Susan Donohue v. Prime Multimedia, Inc., Bradley Mooney, Ray Romeo Antonio, Rowland Chopin, et al.*, properly filed in the United States District Court for the Southern District of California, case no. 07 CV 1369 WQH WMC.
13. Defendant Korrey represented he was currently employed with PRMX.
14. Plaintiffs had no knowledge and were not informed that Defendant had been terminated from PRMX.
15. On or about December 4, 2007, Plaintiffs and Defendant Korrey entered a SETTLEMENT AGREEMENT to resolve disputes concerning the above litigation. A copy of the SETTLEMENT AGREEMENT is attached, designated as Exhibit "C" and made a part of this complaint.
16. The SETTLEMENT AGREEMENT provided for, in part, Plaintiff WorldWide

1 (formerly PRMX) to issue 5,500,000 shares of Plaintiff Worldwide's (formerly  
2 PRMX) stock in exchange for Defendant Korrey's termination of services.

3 17. Plaintiff Worldwide (formerly PRMX) issued Korrey a total of 12,500,000 shares.

4 18. On or about October 11, 2011, Plaintiff Ferguson was contacted by Arastou  
5 Mahjoory (earlier President and CEO of PRMX) who informed and provided  
6 Plaintiff Ferguson with PRMX corporate records indicating Defendant Korrey's  
7 employment was terminated on March 7, 2006, nearly two years before Plaintiffs  
8 and Defendant entered into the SETTLEMENT AGREEMENT.

9  
10 ***COUNT ONE***

11 **FRAUD**

12 19. On or about December 4, 2007, Plaintiffs and Defendant Korrey entered a  
13 SETTLEMENT AGREEMENT, with Plaintiff Worldwide providing 5,500,000 shares  
14 of Plaintiff Worldwide's stock in consideration for Defendant Korrey's voluntary  
15 termination of employment.

16 20. Defendant Korrey failed to disclose or inform Plaintiffs that Defendant Korrey was  
17 terminated long before the parties entered the SETTLEMENT AGREEMENT.

18 21. Plaintiffs are informed and believes Defendant Korrey purposely failed to disclose  
19 his prior termination with the intent to induce Plaintiffs to enter the SETTLEMENT  
20 AGREEMENT.

21 22. In reasonable and justifiable reliance that Defendant Korrey was, at that time,  
22 employed with PRMX, Plaintiffs entered the SETTLEMENT AGREEMENT,  
23 providing 5,500,000 shares for Defendant Korrey's benefit and to the detriment of  
Plaintiffs.

24 23. As a direct and proximate result of Defendant's misrepresentations and omissions,  
Plaintiffs entered the SETTLEMENT AGREEMENT which provides for 5,500,000  
shares to be issued to Defendant Korrey and to the detriment of Plaintiffs.

25 24. Plaintiffs did not discover, and in the exercise of reasonable diligence, could not  
have discovered Defendant's prior termination of employment until on or about

1 October 11, 2011 when Plaintiff Ferguson was contacted by Arastou Mahjoory  
2 (prior President and CEO of PRMX).

3 25. Service of summons and this Complaint to Defendant Korrey shall constitute  
4 notice of Plaintiffs' rescission of the SETTLEMENT AGREEMENT

5 ***COUNT TWO***

6 **FRAUDULENT CONCEALMENT**

7 26. Plaintiffs incorporate by reference paragraphs 1 through 24 of this Complaint.

8 27. As set forth above, Defendant Korrey intentionally failed to disclose he had  
9 previously been terminated prior to entering SETTLEMENT AGREEMENT with  
10 Defendant.

11 28. Commencing in or about 2007, and at all times prior to the execution of the  
12 SETTLEMENT AGREEMENT entered into by Plaintiffs, Defendant Korrey omitted  
13 material facts concerning the status of his employment, fact as alleged herein.

14 29. Defendant Korrey had a duty to disclose his employment status to Plaintiffs prior  
15 to entering the SETTLEMENT AGREEMENT.

16 30. In justifiable reliance on the representations of Defendant Korrey, and in  
17 justifiable belief that no material facts were being concealed, Plaintiffs entered  
18 into the SETTLEMENT AGREEMENT. Plaintiffs did not know Defendant Korrey  
19 was no longer employed by PRMX. Had Plaintiffs been aware of the facts being  
20 concealed by Defendant Korrey, Plaintiffs never would have entered into the  
21 SETTLEMENT AGREEMENT.

22 31. As a direct and proximate result of Defendant's fraud, Plaintiffs have been  
23 damaged in an amount to be determined at trial, which amount Plaintiffs believe  
to exceed \$75,000.

24 32. In committing the deception detailed above, Defendant Korrey acted intentionally,  
maliciously and oppressively, with a willful and conscious disregard of Plaintiffs'  
rights, and with the intent to injure Plaintiffs, such as to constitute oppression,  
fraud or malice under the law.

***COUNT THREE***

**CONSTRUCTIVE FRAUD**

33. Plaintiffs incorporate by reference paragraphs 1 through 31 of this Complaint.

34. Defendant Korrey had a duty to disclose his employment status to Plaintiffs prior to entering the SETTLEMENT AGREEMENT.

35. Defendant Korrey gained an advantage to and misled Plaintiffs by failing to disclose Defendant Korrey was not employed by PRMX prior to entering the SETTLEMENT AGREEMENT, to the prejudice of PRMX and Plaintiffs.

36. As a direct and proximate result of Defendant's fraud, Plaintiffs have been damaged in an amount to be determined at trial, which amount Plaintiffs believe to exceed \$75,000.

***COUNT FOUR***

**NEGLIGENT MISREPRESENTATION**

37. Plaintiffs incorporate by reference paragraphs 1 through 35 of this Complaint.

38. Commencing in or about 2007, Defendant intentionally omitted and misrepresented past and existing material facts to Plaintiffs including, but not limited to, misrepresentations and omissions concerning Defendant Korrey's prior termination of employment.

39. At the time that the representations were made by Defendant Korrey, these representations were false and made with no legitimate or reasonable grounds for believing them to be true. In truth and in fact Defendant Korrey was not a current employee of PRMX.

40. Plaintiffs are informed and believe that Defendant Korrey was aware that he could not accurately make the representations herein alleged, and at the time of the making of these representations, and at all times thereafter, Defendant Korrey made efforts to conceal the accuracy of his representation to Plaintiffs.

41. Plaintiffs justifiably relied on Defendant Korrey's misrepresentations.

42. Plaintiffs did not discover the falsity of these representations and significance of

1 omissions until in or about October 11, 2011, when Plaintiff Ferguson was  
2 contacted by the Arastou Mahjoory (prior President and CEO of PRMX)  
3 43. As a direct and/or proximate result of misrepresentations herein alleged, Plaintiffs  
4 have sustained and/or will sustain general, special, consequential and incidental  
5 damages. These damages are in a sum in excess of the jurisdictional amount,  
6 which sum is as yet unascertained but which will be proven at the time of trial.

7 ***COUNT FIVE***

8 **FAILURE OF CONSIDERATION**

9 44. Plaintiffs incorporate by reference paragraphs 1 through 42 of this Complaint.

10 45. On or about December 4, 2007 Defendant Korrey represented to Plaintiffs that  
11 Defendant Korrey was a current employee of PRMX.

12 46. The representations were false and untrue. In truth and in fact Defendant was not  
13 a current employee of PRMX.

14 47. Defendant Korrey was terminated on or about March 7, 2006.

15 48. The representations were known by Defendant Korrey to be false when he made  
16 them.

17 49. Plaintiffs believed the representations so made by Defendant Korrey to be true  
18 and relied on them, and was induced to enter SETTLEMENT AGREEMENT  
19 providing valuable consideration to Defendant.

20 50. Defendant's sole consideration pursuant to the SETTLEMENT AGREEMENT was  
21 his voluntary termination from PRMX. Since Defendant was previously  
22 terminated, this purported consideration to be provided to Plaintiffs was null and  
23 void, failing in a material respect before it was given.

43. Plaintiffs have sustained and/or will sustain general, special, consequential and  
incidental damages. These damages are in a sum in excess of the jurisdictional  
amount, which sum is as yet unascertained but which will be proven at the time of  
trial.

###

**COUNT SIX**

**LACK OF CONSENT**

52. Plaintiffs incorporate by reference paragraphs 1 through 50 of this Complaint.

53. On or about December 4, 2007 Defendant Korrey represented to Plaintiffs that

Defendant Korrey was a current employee of PRMX. In truth and in fact Defendant was not a current employee of Plaintiff.

54. Defendant Korrey failed to disclose he had previously been terminated prior to entering SETTLEMENT AGREEMENT with Defendant.

55. Plaintiffs did not know Defendant Korrey was no longer employed by PRMX. Had Plaintiffs been aware of the facts being concealed by Defendant Korrey, Plaintiffs never would have provided consent to enter the SETTLEMENT AGREEMENT.

56. Plaintiffs have sustained and/or will sustain general, special, consequential and incidental damages. These damages are in a sum in excess of the jurisdictional amount, which sum is as yet unascertained but which will be proven at the time of trial.

###

###

###

###

###

###

###

###

###

###

###

###

###

###



**PRAYER FOR RELIEF**


WHEREFORE, Plaintiffs pray judgment against Defendant Korrey as follows:

1. Rescission of SETTLEMENT AGREEMENT as to Plaintiffs' obligations to Defendant Korrey and Defendant Korrey's obligations to Plaintiffs;
2. General, special, consequential and incidental damages as proven at the time of trial.
3. Reasonable attorneys' fees;
4. Plaintiffs' costs and expenses incurred herein;
5. Such other and further relief as the Court deems just and proper.

**DEMAND FOR A JURY TRIAL**

Plaintiffs hereby demand trial by jury of all eligible claims.

Dated: 4/26/12

  
Robert W. Wright, Attorney  
for Plaintiffs Merle Ferguson,  
Susan Donohue, and Worldwide  
Food Services, Inc.

**EXHIBIT "A"**

**MEETING OF THE  
BOARD OF DIRECTORS  
OF  
PRIME MULTIMEDIA, INC.**

A meeting of the Board of Directors of Prime Multimedia Inc. was held on March 7, 2006. The following directors were present: Arastou Mahjoory, also President and CEO and Robert Max Gaither, Secretary. Mr. Antonio our third board member had a discussion with Mr. Mahjoory and was aware of the telephone conference between Mr. Gaither and Mr. Mahjoory. This meeting was done telephonically.

**OLD BUSINESS**

The Secretary read the minutes of the board meeting held telephonically on February 14, 2006 and on a motion made, the minutes were approved.

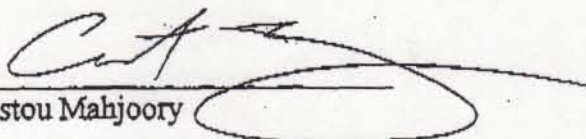
**NEW BUSINESS**

Mr. Mahjoory and Mr. Gaither discussed, as a majority of the board, which was also discussed with Mr. Antonio, our third board member the issue for this meeting. The reason for this meeting was for the board to discuss and vote on the termination of the Employment Business Services Agreement for Daniel Korrey. During the discussions it was agreed that in the best interest of the company, the Board would terminate the Employment agreement with Daniel Korrey. There were several reasons that included failure to perform in his contract, Section 2 subparagraph 2.01 and 2.02. Also, it was brought to the Boards attention that Mr. Korrey was having confidential conversations with outside parties which was a violation of Section 5.01. Mr. Korrey was also supposed to close on a \$4 Million Revolving Line of Credit for Prime Multimedia. The company made a Distribution agreement with Focen Networks on September 1, 2005 for this line, however, to this date we have received nothing. For the above reasons, the Board has made the decision to terminate Daniel Korrey's Employment Agreement.


On a motion made, and approved, it was:

**RESOLVED:** That the Board terminate the Employment Business Services Agreement with Daniel Korrey effective Immediately.

DATE: 3-7-2006

  
Arastou Mahjoory

DATE: 3-7-2006

  
Robert M. Gaither, Secretary

March 7, 2006

## EXHIBIT "B"

From: Prime Multimedia Inc  
154 North Main Street  
Fall River, MA 02720

To: Daniel Korrey  
3200 N. Grand River  
Lansing, MI 48906

RE: Employment Business Services Agreement

Mr. Korrey,

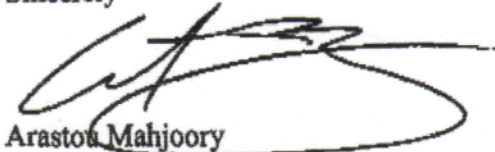
The Board of Directors has made the decision to terminate your Employment Business Services Agreement effective today, March 7, 2006. The Board of Directors has instructed me to send you this letter immediately.

Reasons for this termination are for failure to perform by you in regards to Section 2, subparagraph 2.01 and 2.02. In addition, it has been brought to our attention that you have been discussing business affairs of Prime Multimedia that are of a confidential nature with outside third parties without the written consent of Prime Multimedia. This is in violation of section 5.01.

Also, the company entered into an agreement with Focn Networks on September 1, 2005 for a \$4 Million revolving credit facility. You had told the Board that you were responsible for delivering this credit facility and that you were the direct negotiator for the financing for Focn Networks. As of today's date, there has been no financing and this has put the company in serious jeopardy.

We thank you for the time and effort you have put into Prime Multimedia, however, at this time the Board feels it is in the best interest of both parties to terminate our agreement.

Sincerely



Arastou Mahjoory  
President and CEO  
Prime Multimedia Inc.



# EXHIBIT "C"

## Settlement Agreement

This Agreement is made as of the date of the last signature below (the "Effective Date") between Bradley G. Mooney, Ronald Justice, Daniel Korrey, and Ray Romeo Antonio, all individuals ("Settling Parties"), and Prime Multimedia, Inc., a Utah corporation ("PRMX"), and Susan Donohue and Merle Ferguson, both individuals.

### Recitals

The parties are involved in certain litigation entitled *Merle Ferguson, And Susan Donohue v. Prime Multimedia, Inc., Bradley Mooney, Ray Romeo Antonio, Rowland Chopin, et al.*, United States District Court For The Southern District Of California, case no. 07 CV 1369 WQH WMC, and

The parties desire to resolve their disputes without incurring further costs by taking the actions provided for below.

IN CONSIDERATION of the mutual covenants and agreements in this Agreement and other good and valuable consideration, the receipt of which hereby mutually acknowledged, the parties agree as follows:

### Agreement

#### Employment Contracts

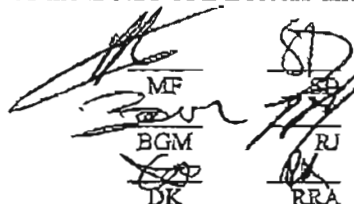
The Settling Parties will cancel the Employment Business Services Agreements (the "Employment Contracts") attached at Exhibit A and relinquish any claims for the compensation they are due under the Employment Contracts in consideration of the Issuance of New Shares as provided for below.

#### Promissory Notes

The Settling Parties will cancel and forgive the Promissory Notes ("Promissory Notes") attached at Exhibit B in consideration of the Spin Off as provided for below.

#### Transfer of Corporate Governance

Bradley G. Mooney and Ray Romeo Antonio shall take whatever action is required to appoint Susan Donohue as chairman of the Board of PRMX under the existing bylaws of PRMX and will then resign from their positions as members of the Board of Directors and

  
MF  
BGM  
DK  
SD  
RJ  
RRA

as officers of PRMX. From the date of resignation forward, Susan Donohue shall be responsible to comply with applicable law and the Bylaws of PRMX.

In exchange, Merle Ferguson, Susan Donohue and PRMX, as the case may be, agree as follows:

#### **Assets to be Vested in PRMX**

Merle Ferguson and Susan Donohue shall take whatever actions are necessary to vest PRMX with all right, title and interest to Z-Mix, including all contract and intellectual property rights, if any, in Z-Mix.

#### **Release of Restricted Shares**

Merle Ferguson, Susan Donohue, and PRMX shall take whatever action is required to cause Merit Transfer, its successors or assigns, or the then lawful transfer agent of PRMX, to issue unrestricted share certificates replacing the restricted share certificates currently held by the individuals listed on exhibit C hereto (copies of the restricted share certificates are attached to Exhibit C). All of these shares have been held in excess of two years. (the "Release of Restricted Shares").

#### **Issuance of New Shares**

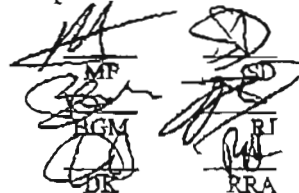
Specifically as consideration under the Employment Contracts and in consideration of their cancellation, Merle Ferguson, Susan Donohue and PRMX shall take whatever action is required to cause Merit Transfer, its successors or assigns, or the then lawful transfer agent of PRMX, to issue unrestricted share certificates to the following individuals as indicated:

Bradley G. Mooney	6,500,000 shares
Ronald Justice	5,600,000 shares
Daniel Korrey	5,500,000 shares

(the "Issuance of New Shares")

#### **Re-Issuance of Shares**

Specifically as consideration under an Employment Contract between Ray Romeo Antonio PRMX (the "Romeo Contract") and in consideration of its cancellation, Merle Ferguson, Susan Donohue and PRMX shall take whatever action is required to cause Merit



Transfer, its successors or assigns, or the then lawful transfer agent of PRMX, to re-issue unrestricted share certificates to Ray Romeo Antonio in exchange for previously issued share certificate in the amount of 15,000,000 (the "Romeo Shares") shares as indicated:

Ray Romeo Antonio 15,000,000 shares

(the "Re-Issuance of Shares")

The parties expressly acknowledge and agree that neither the Romeo Contract nor the Romeo Shares can be located and that by this Agreement, both are cancelled and all rights, liabilities and obligations under the Romeo Contract and the Romeo Shares are waived irrevocably and unconditionally. Further, Ray Romeo Antonio warrants and represents that he has not sold, assigned or in any other manner transferred either the Romeo Contract or the Romeo Shares or any rights or interests therein.

#### Shareholder List

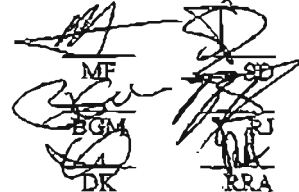
Following the issuance of the shares as outlined above, Merle Ferguson and Susan Donohue shall furnish, or take whatever actions are required to furnish, the Settling Parties a shareholder list, including the identity of the shareholder and the number of shares held by such shareholder. The first such list shall be at the cost and expense of Merle Ferguson, Susan Donohue and PRMX. Upon the request of any individual Settling Party, an updated copy of such list shall be provided to the Settling Parties every ninety (90) days for a period of three years from the Effective Date of this Agreement. The cost of such updated shareholder list shall be borne equally by Merle Ferguson, Susan Donohue, and PRMX and the Settling Party (ies) actually requesting such an updated list.

#### Spin Off of Joint Venture Agreement

Specifically as consideration for cancellation of the Promissory Notes, PRMX will direct its wholly owned subsidiary, RomenEmpire Records, Inc. to assign irrevocably its interest in the Joint Venture Agreement attached as Exhibit D (JV Agreement) to an entity to be formed by the Settling Parties (the "Spin Off"). Merle Ferguson, Susan Donohue and PRMX agree to waive and relinquish fully and forever any claims of any nature whatsoever against any person or entity whatsoever relating to or arising out of the JV Agreement or its assignment.

#### Anti-Dilution

Except as specifically provided below, for a period of three years from the Effective Date of this Agreement, Merle Ferguson, Susan Donohue and PRMX shall not undertake



MF  
SD  
RRA

any action that would dilute the fractional ownership of PRMX by the Settling Parties including, but not limited to, any reverse splits of shares, new issuance of shares, share exchanges, mergers, acquisitions, or any sale of the company, without the prior express written approval of the Settling Parties; however, this anti-dilution provision shall not prohibit the issuance by PRMX of a total of up to 135,000,000 shares to Merle Ferguson and/or Susan Donohue or the issuance of 300,000 shares to Duane Ford within one year from the Effective Date of this Agreement. Irrespective of the length of any restriction imposed by applicable law, or any exceptions to any restriction period under applicable law, the restriction period for the shares issued to Merle Ferguson, Susan Donohue and Duane Ford shall be no less than one year from the date of issuance. Further, Susan Donohue, Merle Ferguson, PRMX and their employees, agents, successors and permitted assigns shall take no action that would result in any shares contemplated under this agreement becoming restricted or in any other way not freely marketable.

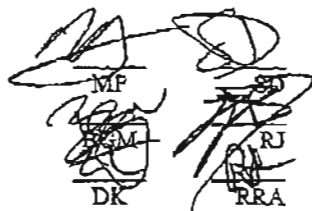
#### Dismissal of Lawsuit

Upon issuance of the shares and the appointment of Susan Donohue as the Chairman of the Board of PRMX, Merle Ferguson and Susan Donohue shall dismiss with prejudice, the lawsuit entitled *Merle Ferguson, And Susan Donohue v. Prime Multimedia, Inc., Bradley Mooney, Ray Romeo Antonio, Rowland Chopin, et al.*, United States District Court For The Southern District Of California, case no. 07 CV 1369 WQH WMC with prejudice.

#### Release of Claims

Merle Ferguson, Susan Donohue, and PRMX hereby release and forever discharge the Settling Parties, and their respective current and former employees, attorneys, representatives, insurers, parent companies, affiliated companies, shareholders, agents, officers, directors, assigns and successors from any and all claims, controversies, damages, state or federal claims, demands, actions, or causes of action asserted, or which could have been asserted as of the date of this Agreement. Merle Ferguson and Susan Donohue further release and forever discharge the Settling Parties and PRMX from all claims relating in any way to the June 13, 2006 Agreement of Compromise and Settlement, which is the subject of the above referenced lawsuit, and waive all rights thereunder.

Merle Ferguson, Susan Donohue, and PRMX expressly waive any and all rights under Section 1542 of the Civil Code of the State of California, or any other federal or state statutory right or rules, or principle of common law or equity, or those of any jurisdiction, government, or political subdivision, similar to Section 1542. Merle Ferguson, Susan Donohue, and PRMX may not invoke the benefits of Section 1542 or any similar provision



Handwritten signatures and initials of the parties. On the left, there are initials 'MP' and 'DK'. On the right, there are initials 'SD', 'RJ', and 'RRA'.

in order to prosecute or assert in any manner any claims that are released under this Agreement. Section 1542 provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

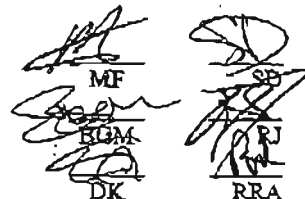
Merle Ferguson, Susan Donohue, and PRMX understand and acknowledge that they may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the subject matter of this Agreement and which, if they had known or suspected at the time of executing this Agreement, may have materially affected their decision to execute this Agreement. Nevertheless, Merle Ferguson, Susan Donohue, and PRMX hereby waive any right, benefit, claim, demand, or cause of action that might arise as a result of such different or additional claims or facts. The parties acknowledge that they understand the significance and consequence of such a general release and such specific waiver of Section 1542.

#### Indemnification

Merle Ferguson, Susan Donohue, and PRMX shall indemnify, defend and hold the Settling Parties, collectively and individually, harmless from and against any claims, demands, suits, costs or expenses, including actual attorney fees, associated with or arising out of this Agreement, the actions taken under this Agreement, and the actions of PRMX after the Effective Date of this agreement.

PRMX shall indemnify, defend and hold Bradley G, Mooney and Ray Romeo Antonio harmless from and against any claims, demands, suits, costs or expenses, including actual attorney fees, associated with or arising out of any claims, demands, or suits brought by third parties arising from actions taken or omitted while Bradley G, Mooney and Ray Romeo Antonio were officers or Directors of PRMX.

In the event that any of the Settling Parties' shares contemplated under this agreement are restricted for any reason whatsoever, or PRMX, its officers, directors, employees or agents, its transfer agent, or Merle Ferguson or Susan Donohue, or their employees or agents take any action, fail to act, or suffer any inaction that results in the Settling Parties' shares being restricted, whether by operation of law or otherwise, or not being freely marketable in any way, Susan Donohue and Merle Ferguson shall indemnify

  
MF  
BGM  
DK  
SP  
RJ  
RRA



the Settling Parties for all of their losses, including lost proceeds of sales during any period when such shares were either restricted or not marketable.

#### Sequence of Obligations

The Issuance of New Shares, Release of Restricted Shares, Re-Issuance of Shares, Provision of the Shareholder list, and Spin Off of the JV Agreement, all as described above, are conditions precedent to the Settling Parties Obligations under this Agreement. Once the conditions precedent have been fulfilled, the Parties shall take all other affirmative actions required by this Agreement within seven (7) days. The Issuance of Shares to Merle Ferguson and Susan Donohue shall take place after Susan Donohue is named Chairman of the Board of PRMX.

#### Corporate Records

The Settling Parties have no corporate records. To the best of their knowledge, such records are in the possession of prior officers of PRMX who have declined to provide such records to the Settling Parties.

#### Miscellaneous



Section Headings. The section headings in this Agreement are for convenience of reference only and shall not be deemed to be a part of this Agreement or to alter or affect any provisions, terms or conditions contained herein.

Exhibits. Any Exhibits referenced herein shall be deemed to be attached hereto and made a part hereof. All references herein to this Agreement shall include all such Exhibits.

Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. If any portion of this Agreement is declared invalid for any reason, such declaration shall have no effect upon the remaining portions of the Agreement which shall continue in full force and effect as if this Agreement had been executed with the invalid portions thereof deleted.

Entire Understanding. This Agreement sets forth the entire agreement and understanding between the parties with respect to the subject matter hereof and merges any and all discussions, negotiations and letters of intent.

Counterparts. This Agreement may be executed in counterparts by each party hereto on a separate counterpart, all of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

 MF	 SD
BGM	RJ
DK	RRA

the Settling Parties for all of their losses, including lost proceeds of sales during any period when such shares were either restricted or not marketable.

### Sequence of Obligations

The Issuance of New Shares, Release of Restricted Shares, Re-Issuance of Shares, Provision of the Shareholder list, and Spin Off of the JV Agreement, all as described above, are conditions precedent to the Settling Parties Obligations under this Agreement. Once the conditions precedent have been fulfilled, the Parties shall take all other affirmative actions required by this Agreement within seven (7) days. The Issuance of Shares to Merle Ferguson and Susan Donohue shall take place after Susan Donohue is named Chairman of the Board of PRMX.

### Corporate Records

The Settling Parties have no corporate records. To the best of their knowledge, such records are in the possession of prior officers of PRMX who have declined to provide such records to the Settling Parties.

### Miscellaneous

Section Headings. The section headings in this Agreement are for convenience of reference only and shall not be deemed to be a part of this Agreement or to alter or affect any provisions, terms or conditions contained herein.

Exhibits. Any Exhibits referenced herein shall be deemed to be attached hereto and made a part hereof. All references herein to this Agreement shall include all such Exhibits.

Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. If any portion of this Agreement is declared invalid for any reason, such declaration shall have no effect upon the remaining portions of the Agreement which shall continue in full force and effect as if this Agreement had been executed with the invalid portions thereof deleted.

Entire Understanding. This Agreement sets forth the entire agreement and understanding between the parties with respect to the subject matter hereof and merges any and all discussions, negotiations and letters of intent.

Counterparts. This Agreement may be executed in counterparts by each party hereto on a separate counterpart, all of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

MF  
SD  
RJ  
RRA  
DK

Pronouns and Plurals. All pronouns used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require in the context, and the singular form of nouns, pronouns and verbs will include the plural, and vice versa, whichever the context may require.


Governing Law and Venue. This Agreement shall be governed by Michigan law, notwithstanding the law of conflicts of law. Any claims arising out this agreement shall be brought in any court having proper jurisdiction; however, if jurisdiction is proper in the United States District Court, the parties expressly agree to venue in the United States District Court for the Western District of Michigan.

Enforcement. If any party files suit against any other party to enforce the terms of this agreement, the prevailing party as determined by the Court shall be entitled to recover its actual attorney fees as part of any judgment rendered in such case.

Binding Effect. This Agreement shall bind the parties hereto, their respective heirs and permitted assigns. However, no party may assign this Agreement without the written consent of the other parties.

Name of Company. If the name of PRMX is changed, all references in this Agreement shall be deemed to be to the new corporate name. Similarly, if the name is changed all shares of stock contemplated by this Agreement shall be issued or reissued in the new corporate name.

IN WITNESS WHEREOF, this Agreement shall be deemed entered into and effective on the last date shown below.

  
Merle Ferguson

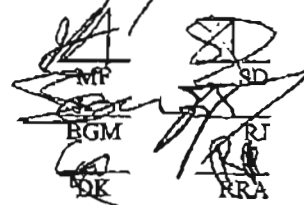
Date 12/3/2007

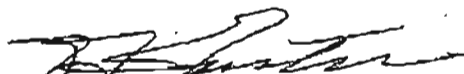
  
Susan Donohue

Date 12/1/2007


  
Bradley G. McCreary

Date 12/4/07

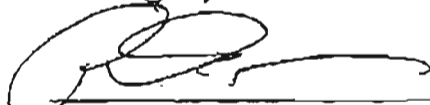
  
MF SD  
RGM RJ  
DK RRA

  
Renald Justice

Date 12-4-07

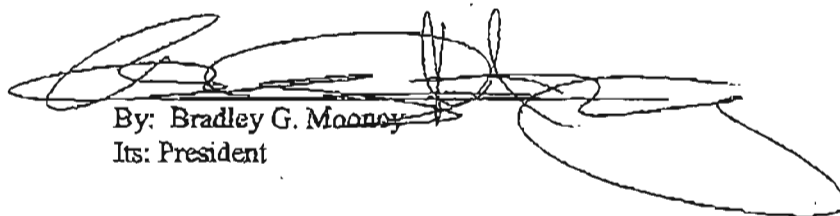
  
Daniel Kerey

Date 12-4-07

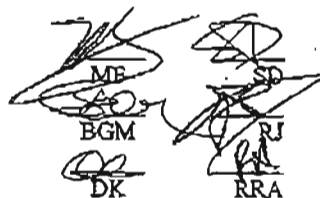
  
Ray Romeo Antonio

Date 11/27/07

Prime Multimedia, Inc.

  
By: Bradley G. Mooney  
Its: President

Date 12/4/07

  
ME SD  
BGM RJ  
DK RRA

The California lawsuit was filed because of the fraud and misrepresentation committed by Daniel Korrey in the original Settlement Agreement of December 2007 the full extent of which was not known to the Company until after it had agreed to a Judgment in the amount of \$350,000, said amount being reflected on the year end financials filed by the Company for the fiscal year ending December 31, 2011, which was subsequently increased to \$546,000. This amount is reflected in the Company's current financials for the quarter ended March 31, 2012. Said information, including Board minutes and Korrey's subsequent dismissal letter, was obtained from corporate records of the Company which were never turned over to it by the former executives of the Company and were only obtained after one of the former executives agreed to cooperate with the Company's current officers. Prime Multimedia (now Worldwide Food Services) did not provide these documents at the time of the Settlement in 2007. It is obvious that this was done for personal enrichment and gain under fraudulent conditions. Korrey obtained a Judgment in Michigan for \$546K without disclosing his dismissal to the Court. The Judgment was based upon his fraudulent complaint. The Company, through a third party major shareholder, has placed \$2.5M of collateral in an attorney's trust account. This offsets the Michigan Judgment until it gets vacated or overturned. The Company plans additional lawsuits against former officers and attorneys of the Company prior to December 2007 for fraud and nondisclosure and possible malpractice performed before and at the time of the 2007 Settlement Agreement.