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Order on Motions for Summary Judgment,
Discovery, and Protective Orders (BLANDFORD
INVESTMENTS)

Melvin K. Westmoreland
Superior Court of Fullton County

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IN THE SUPERIOR COURT OF FULTON COUNTY
STATE OF GEORGIA

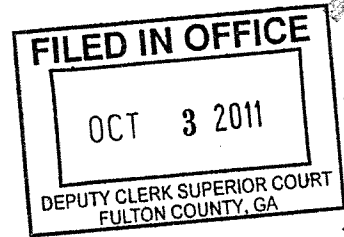
BLANDFORD INVESTMENTS, LLLP (Ethel)
B. Prescott, General Partner),)
ETHEL B. PRESCOTT, Individually,)
ETHEL B. PRESCOTT, as Executrix of the)
Estate of VIRGINIA M. BLANDFORD,)
ETHEL B. PRESCOTT, Trustee of the)
STUART BLANDFORD TRUST, WILLIAM D.)
PRESCOTT and SINCLAIR A.)
FREDERICK, III,)

Plaintiffs,)

v.)

MCDONALD INDUSTRIAL VIII, LLC,)
MCDONALD INDUSTRIAL XXI, LLC,)
MCDONALD INDUSTRIAL XXIV, LLC,)
MCDONALD DEVELOPMENT COMPANY,)
and JOHN R. MCDONALD,)

Defendants.)



Civil Action File No.

2011CV200764

ORDER

Counsel for the parties appeared before this Court for oral arguments on the following pending motions on September 29, 2011:

1. Plaintiffs' Motion for Partial Summary Judgment;
2. Plaintiffs' Motion for Inspection of Records pursuant to O.C.G.A. § 14-11-313;
3. Plaintiffs' Motion for an Order Compelling Discovery;
4. Defendants' Motion for Protective Order; and
5. Defendants' Motion for Summary Judgment.

After consideration of the record in this case including the pleadings, briefs, memoranda of law, affidavits and the transcripts of the depositions of Austin McDonald and John R. McDonald, and argument of counsel this Court finds as follows:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Court has determined that there is no dispute as to the following facts and that Plaintiffs are entitled to judgment as a matter of law:

1. Plaintiffs, Ethel B. Prescott, individually and in her capacity as Trustee of the Stuart Blandford Trust established under the Will of Virginia M. Blandford, William D. Prescott and Sinclair A. Frederick, III, ("Assignee Plaintiffs") are, by reason of the *Transfer and Assignment of Membership Interest* each dated December 30, 2010, "Investors Members" of McDonald Ventures VIII, LLC, McDonald Ventures XXI, LLC, and McDonald Ventures XXIV, LLC, in the percentage interests set forth therein (Exhibits P-1, P-2, and P-3). Said Plaintiffs have all of the rights and obligations of "Investor Members" as set forth in the Operating Agreements of said limited liability companies (Exhibits P-18 and P-19).

2. By reason of the foregoing finding, the alternative claim of Plaintiff Blandford Investments, LLLP ("Assignor Plaintiff") that it remains an Investor Member is rendered moot. The Court notes however, that in the event it had found that the Assignee Plaintiffs were not Investor Members, Blandford Investments, LLLP, as Assignor would have remained an Investor Member in said limited liability companies.

3. As Investor Members, the foregoing Assignee Plaintiffs are entitled to the following information pursuant to the Operating Agreements of said limited liability companies:

- a. A current list of the full name and last known business or residence street address of each Member and the Managers;

- b. Copies of the Articles of Organization of the Companies and all amendments thereto, together with any executed powers of attorney to which any documents have been executed;
- c. Copies of the Companies' federal, state, and local income tax returns and reports, if any, for the three most recent years (including Forms K-1 of all investors with the tax identification numbers redacted);
- d. Copies of records to enable a Member to determine the relative voting rights, if any, of the Members;
- e. Copies of the Companies' written Operating Agreement, together with any amendments thereto; and
- f. Copies of any financial statements of the Companies for the three most recent years.

IT IS HEREBY ORDERED AND ADJUDGED that Plaintiffs' Motion for Partial Summary Judgment is GRANTED. Plaintiffs' Motion for Inspection pursuant to O.C.G.A. § 14-11-313 (3) is GRANTED. Defendants' Motion for Summary Judgment is DENIED. Defendants are hereby ordered to produce, within ten (10) days hereof, to Plaintiffs' counsel of record the following items of McDonald Ventures VIII, LLC, McDonald Ventures XXI, LLC, and McDonald Ventures XXIV, LLC:

1. A current list of the full name and last known business or residence street address of each member and the percentage interest of each member;
2. Copies of the Articles of Organization of the Companies and all amendments thereto, together with any executed powers of attorney to which any documents have been executed;

3. Copies of the 2010, 2009, and 2008 federal and state income tax returns with forms K-1 and supporting schedules (with taxpayer numbers redacted);
4. Copies of records to enable a member to determine the relative voting rights, if any, of the members;
5. Copies of each companies' written Operating Agreement, together with any amendments thereto; and
6. Copies of any financial statements of the companies for the three most recent years.

IT IS FURTHER ORDERED AND ADJUDGED that Plaintiffs' Motion for an Order to Compel Discovery is GRANTED and Defendants' Motion for a Protective Order is DENIED. Defendants shall comply with Plaintiffs' Request for Production of Documents within fifteen (15) days hereof.

Plaintiffs, and their agent and/or attorney, shall have the right to inspect the business records of McDonald Ventures VIII, LLC, McDonald Ventures XXI, LLC and McDonald Ventures XXIV, LLC at its place of business (the service address) or at the offices of its accountants, upon at least five (5) business days prior notice to counsel for Defendants. Defendants shall cooperate with Plaintiffs in the inspection and copying of all available business records of said companies.

Plaintiffs' claims for expenses of litigation including reasonable attorneys fees pursuant to O.C.G.A. §§ 14-11-313 (3), 13-6-11, and 9-11-37(a)(4) are reserved. Plaintiffs shall submit to this Court, within 30 days hereof, their request including an itemized list of its expenses of litigation including a redacted itemization of attorneys' fees incurred in this matter. If Defendants object to the reasonableness or appropriateness of said expenses of litigation and attorneys'

fees, Defendants shall have fifteen (15) days thereafter to request a hearing before this Court on that issue.

SO ORDERED this 3rd day of October, 2011.


MELVIN K. WESTMORELAND, SENIOR JUDGE
Superior Court of Fulton County
Atlanta Judicial Circuit

Copies to:

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