# IN THE CIRCUIT COURT OF JACKSON COUNTY, MISSOURI, AT INDEPENDENCE

SAMUEL K. LIPARI )	
(Statutory Trustee of Dissolved )	
Medical Supply Chain, Inc.)	
Plaintiff )	Case No.0616- CV07421
vs.	
GENERAL ELECTRIC COMPANY, )	
GENERAL ELECTRIC CAPITAL )	
BUSINESS ASSET FUNDING CORPORATION,)	
GE TRANSPORTATION SYSTEMS )	Contract Breach
GLOBAL SIGNALING, L.L.C. )	
CARPET n, MORE )	Jury Requested
STEWART FOSTER )	
HEARTLAND FINNCIAL )	
Defendants	

# **PETITION**

Comes now the petitioner, SAMUEL K. LIPARI in his role as a statutory trustee for the dissolved Missouri

Corporation Medical Supply Chain, Inc. where he was the founder and Chief Executive Officer and appears pro se.

#### I. Jurisdiction

1. This court has jurisdiction over questions of Missouri common law in real estate purchase contracts raised in a timely manner by a plaintiff that has never slept on his rights.

# II. Venue

- 2. The plaintiff makes a well pleaded complaint claiming a state common law cause of action over a breached real estate contract on property located in Jackson County.
- 3. The plaintiff's complaint is against defendants that regularly do business in Jackson County, owned or controlled real property in Jackson County or resided in Jackson County, Missouri.
  - 4. Venue is proper in this court.

# III. Procedural History

- 5. Plaintiff brought this claim under state law in a federal action in the US District Court for Kansas (Medical Supply Chain, Inc. v. General Electric Company, et al., case number 03-2324-CM) within a week of the June 15, 2003 breach. The trial court dismissed the plaintiff's federal antitrust based claims and expressly dismissed the plaintiff's state law claims without prejudice stating GE's requests for sanctions was inappropriate where the plaintiff's contract claims could have merit.
- 6. The Tenth Circuit upheld the trial court's express dismissal without prejudice of the state law claims but reversed the trial court on sanctions.
- 7. The GE defendants threatened to bring sanctions after remand and to take the plaintiff's counsel's house if all claims including the state claims were not dropped.

- 8. The plaintiff demonstrated that the sanction order was in contradiction to Tenth Circuit authority and if sanctions were issued they would be a trespass at law. They were not issued.
- 9. The plaintiff sought to have these claims added to a related antitrust action (Medical Supply Chain, Inc. v. Neoforma, et al., case number 05-2299) first through combination with the remanded case against the GE defendants and then trough raising new federal claims against the GE defendants on September 15<sup>th</sup>, 2005 in the related antitrust action.
- 10. The trial court ordered the federal claims dismissed and again expressly declined to exercise jurisdiction over the state claims on March  $7^{\rm th}$ , 2006.
- 11. The case remains open for the purposes of sanctioning the plaintiff and his former counsel.

#### IV. PARTIES

- 12. Mr. LIPARI was Chief executive officer of the Missouri Corporation Medical Supply Chain, Inc.
- 13. Medical Supply Chain, Inc. was dissolved by Mr. LIPARI on January  $27^{\rm th}$ , 2006. See Exb. 1.
- 14. Mr. LIPARI is the statutory trustee of the Missouri Corporation Medical Supply Chain, Inc. under Section 351.526 RSMo.

- 15. GENERAL ELECTRIC COMPANY, (herein "GE"), Missouri registered agent: C T CORPORATION SYSTEM, 314 NORTH BROADWAY, ST. LOUIS, MO 63102.
- 16. GENERAL ELECTRIC CAPITAL BUSINESS ASSET FUNDING CORPORATION, (herein "GE CAPITAL") Missouri registered agent: The Company Corporation 120 SOUTH CENTRAL AVENUE CLAYTON, MO 63105.
- 17. GE TRANSPORTATION SYSTEMS GLOBAL SIGNALING, L.L.C. (herein "GE TRANSPORTATION") Missouri registered agent C T Corporation System, 120 SOUTH CENTRAL AVENUE, CLAYTON MO 63105
- 18. CARPETS n' MORE Inc. Stewart Foster 9700 Keystone Dr. Lee's Summit, MO 64086
- 19. HEARTLAND FINANCIAL 1600 N.E. Coronado Drive in Blue Springs, MO 64015

#### V. INTRODUCTION

20. Mr. LIPARI dissolved company Medical Supply Chain, Inc. (Medical Supply) formed a written contract via email with GE and GE TRANSPORTATION to buy a \$10 million dollar building at 1600 N.E. Coronado Drive in Blue Springs, MO for \$5 million and simultaneously to sell GE TRANSPORTATION a release from its ten year lease for a deeply discounted value.

- 21. The GE entities knew Medical Supply intended to use the transaction to capitalize its entry into the hospital supply market and that it was the victim of antitrust conspirators using the USA PATRIOT ACT to prevent it from getting capital by conventional means. GE corporate "business leaders" approved the transaction obligating GE CAPITAL's underwriting based on Mr. LIPARI'S business plan and Medical Supply's ability to pay as detailed in Medical Supply's forward looking financials.
- 22. The e-mail was a written contract meeting the Missouri Statute of Frauds and under Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001 et seq.
- 23. Both the GE entities and Medical Supply partially performed the terms of the contract. GE caused the breach of the contracts when GE Medical and the electronic hospital supply marketplace GHX LLC created by GE interfered to prevent Medical Supply from getting capitalization through the contract to enter the hospital supply marketplace. GHX, GE and GE Medical are openly part of a hospital supply cartel that had previously prevented Medical Supply from capitalizing its entry into the hospital supply market.

- 24. Medical Supply is entitled to its contract expectations Albrecht v. The Herald Co., 452 F.2d 124 at 129 (8th Cir. 1971) including its business plan forward looking financials under Anuhco, Inc. v. Westinghouse Credit Corp., 883 S.W.2d 910 (Mo App 1994) and GE Capital has specifically been subjected to business plan expectation damages in Missouri State Court: Rasse v. GE Capital Small Business Finance Corp., 2002 MO 808 (MOCA, 2002). See appendix 1.
- 25. A Missouri federal court decided an electronic contract/electronic signature case under federal and state electronic contract laws and the Missouri statute of frauds as Medical Supply advocated: International Casings Group,
  Inc., v. Premium Standard Farms, Inc., 358 F. Supp. 2d 863;
  2005 U.S. Dist. LEXIS 3145, February 9, 2005 See appendix

# VI. STATEMENT OF FACTS

26. The plaintiff through his now dissolved corporation made a contract with the defendants to sell GE TRANSPORTATION'S remaining ten year lease at a deep discount benefiting GE in exchange for GE'S funding of the plaintiff's purchase of the building through GE'S business lending subsidiary, GE CAPITAL.

# FORMATION OF A CONTRACT BETWEEN THE PLAINTIFF AND THE DEFENDANTS TO EXCHANGE GE TRANSPORTATION'S REMAINING LEASE AND FUND THE PURCHASE OF 1600 N.E. CORONADO BUILDING

- 27. On or about June 1<sup>st</sup>, 2002, Mr. LIPARI, in his role as CEO of Medical Supply Chain, Inc. contacted the leasing agent Cohen & Esrey Property Management ("Cohen") regarding a building located at 1600 N.E. Coronado Drive in Blue Springs, MO.
- 28. Cohen indicated the building was already leased but that the lessee could and would like to sub-lease the building.
- 29. The building was not occupied so Mr. LIPARI made a verbal offer to sub-lease a portion of the building.
- 30. Cohen declined his offer indicating the existing lessee would not accept anything less than sub-leasing the entire building.
- 31. On or about April 1<sup>st</sup>, 2003 Mr. LIPARI contacted the new leasing agent, B.A. Karbank & Company ("Karbank") in the event the new agent had different instructions regarding a sub-lease of the property located at 1600 N.E. Coronado Drive in Blue Springs, MO.
- 32. The new leasing agent Karbank told Mr. Lipari that GE was the lessee seeking to sub-lease the building due to their vacating the building after GE TRANSPORTATION bought out Harmon Industries.

- 33. The building was still not occupied so again Mr. LIPARI made a verbal offer to lease a portion of the building.
- 34. Karbank declined his offer indicating GE Corporate Properties would not accept anything less than leasing the entire building.
- 35. On or about April 7<sup>th</sup>, 2003 Mr. LIPARI contacted GE and spoke with the GE property manager, Mr. GEORGE FRICKIE regarding Medical Supply's interest in sub-leasing the building.
- 36. Mr. FRICKIE indicated again that GE would not be interested in sub-leasing a portion of the building but rather would be interested in leasing the entire building.
- 37. Mr. LIPARI requested the name of the owners and Mr. FRICKIE gave him the name and number of Mr. BARRY PRICE with Cherokee Properties L.L.C.
- 38. Mr. LIPARI contacted Mr. BARRY PRICE, and he was referred to Mr. SCOTT ASNER who also had a substantial interest in the building.
- 39. While speaking with Mr. ASNER he provided Mr. LIPARI the background and current details on the building lease with GE, terms and a price to purchase the building.
- 40. The lease was transferable and GE was still obligated for 7-years out of a 10-year lease.

- 41. Mr. ASNER agreed to sell Medical Supply the building for the remaining balance of the GE 7-year lease (\$5.4 million) and provided Mr. LIPARI with a letter of intent to sell the building to Medical Supply.
- 42. On or about April 15<sup>th</sup>, 2003 Mr. LIPARI contacted Mr. FRICKIE with GE Commercial Properties and indicated that he had an interest in purchasing the building.
- 43. Mr. LIPARI asked Mr. FRICKIE if GE had an interest in buying out the remainder of their lease so that Medical Supply could occupy the building following the purchase.
- 44. Mr. FRICKIE offered GE's lease payments for the remainder of 2003 (\$350,000) as a buy out offer.
- 45. On or about May 1<sup>st</sup>, 2003 Mr. LIPARI tentatively contacted several local Banks, knowing that US Bank had threatened his company with a malicious USA PATRIOT ACT report to keep Medical Supply from entering the hospital supply market where US bank was affiliated with Neoforma, an existing electronic marketplace for healthcare supplies.
- 46. Mr. LIPARI knew Medical Supply could not get a loan because of the threat and extortion of the USA PATRIOT ACT, but knew he needed inputs from bankers familiar with the commercial real estate market in Blue Springs, MO.

- 47. Mr. LIPARI felt Medical Supply could form a holding company to obtain the property without US Bank realizing, and could then enter the hospital supply market.
- 48. Mr. LIPARI spoke with Mr. ALLEN LEFKO President of Grain Valley Bank, Mr. PAT CAMPBELL branch manager of Gold's Bank and Mr. RANDY CASTLE Senior Vice-President of Jacomo Bank.
- 49. Each of the banks indicated a wiliness to provide the mortgage because they felt the property was worth far more than the price offered by Cherokee Properties L.L.C., but the mortgage was too large for the regulatory size of their bank and they each suggested a national bank as an alternative.
- 50. Due to US Bank's extortion and racketeering, including the pretext and very real threat of a malicious USA PATRIOT ACT "suspicious activity report" (SAR) against Medical Supply since Mr. LIPARI had tried to enter the hospital supply market in October of 2002, Mr. LIPARI knew he was unable to solicit a national bank for the real estate loan.
- 51. On or about May 7<sup>th</sup>, 2003 Medical Supply contracted a financial consultant (Mrs. JOAN MARK) for advice on how to structure a mortgage to buy the building which has a 7-year revenue stream from GE in the amount of \$5.4 Million

dollars, the identical amount offered to purchase the building and for which Medical Supply had a letter of intent from the owner Cherokee Properties L.L.C.

- 52. Mrs. Mark suggested Mr. LIPARI propose a mortgage arrangement directly to Mr. FRICKIE with GE Corporate.
- 53. Mrs. Mark explained how a purchase of the \$10 Million dollar property for \$5.4 Million dollars was a great deal for any mortgage lender.
- 54. Mrs. MARK also explained if GE provided a \$5.4 Million dollar mortgage on a \$10 Million dollar property and eliminated a \$5.4 Million dollar lease liability that GE would directly benefit from a \$15 Million dollar positive swing to their balance sheet.

#### A. Offer

55. On or about May 15<sup>th</sup>, 2003, Medical Supply's corporate counsel sent a proposed transaction to Mr. FRICKIE outlining the terms of Medical Supply's proposal (Exb. 2):

Dear Mr. Fricke:

I am writing on behalf of Medical Supply Chain, Inc. with a proposal to release GE from a seven-year 5.4 million dollar obligation on 1600 N.E. Coronado Dr., Blue Springs MO. We have spoke with the City of Blue Springs economic development officer and the city attorney. Medical Supply Chain, Inc. has also obtained a letter of intent from the building's owner, Cherokee South, L.L.C. (Barry Price/Scott Asner) to purchase the building. We offer to release GE from its lease and

5.4 million dollar obligation, providing GE pays Medical Supply Chain, Inc. at closing for the remainder of the 2003 lease and transfers title to the building's furnishings. This offer is contingent on GE's acceptance by 3pm (EST), Friday, May 23rd; the City of Blue Spring's approval of Medical Supply Chain's purchase and occupation of the building and is contingent upon GE Capital securing a twenty year mortgage on the building and the property with a first year moratorium.

Medical Supply Chain, Inc. believes this arrangement will result in a net gain in revenue for GE and GE's Capital services was our first choice for the commercial mortgage when our area bankers advised us the building and the property at 6.2 million dollars was substantially less than its market value of 7.5 million dollars, but would require a commercial lender. Medical Supply Chain, Inc. has no existing debt and a valuation of thirty two million dollars. See attachment 1.

GE Capital or its underwriter would need to provide Medical Supply Chain, Inc. a twenty-year mortgage at 5.4% on the full purchase price of 6.4 million dollars, with a moratorium on the first full year of mortgage payments. The City of Blue Springs would be paid the balance of lease payments for the land (\$800,000.00) or in the alternative, the mortgage will include an escrow account to complete the lease and purchase of the land on its original terms. GE Capital can provide or designate the closing agent and would be required to provide 5.4 million dollars to Cherokee South, L.L.C. and your division's check for the remainder of the lease payable to Medical Supply Chain, Inc. along with a bill of sale for the buildings furniture and equipment. This closing would need to be completed by June 15th, 2003. Please contact us at your receipt of this offer and provide us a contact person for GE Capital or its mortgage agent.

Bret D. Landrith

#### B. Oral Acceptance Affirming Meeting of the Minds

56. The afternoon of May  $15^{\rm th}$ , 2003 Mr. FRICKIE responded, leaving a taped voicemail message and stating he

had spoke with the "business leaders" at GE corporate and that they will accept Medical Supply's proposal (Exb. 3):

May 15<sup>th</sup>, 2003-George FRICKIE "Bret, George FRICKIE, ah... I know I sent you an email saying that my counsel is out ah...and I followed up with another email but I spoke to the business leaders and we will accept that transaction ah... let's start the paper work ah... if you want to do some drafting of lease termination or if you would like us to do that, give me a holler 203-431-4452."

# C. Verification, A Writing Meeting Statute of Frauds

57. The second e-mail Mr. FRICKIE referenced on the phone conversation explicitly stated that GE would accept Medical Supply's proposal and initialed the written acceptance in addition to the electronic signature file for the e-mail (Exb. 4):

"From: Fricke, George (CORP) To: Bret Landrith Cc: Newell, Andrew (TRANS); Payne, Robert J (TRANS); Davis, Tom L (TRANS); Jakaitis, Gary (CORP) Sent: Thursday, May 15, 2003 6:05 PM Subject: RE: Lease buyout GE/Harmon building Bret, I would like to confirm our telephone conversation in that GE will accept your proposal to terminate the existing Lease. Robert Payne GE Counsel will start working on the document. He is out of the office until Monday the 19th. GCF"

#### D. Conduct Consistent With Contract

58. On or about May 20<sup>th</sup>, 2003, Medical Supply was given a walk through of the property to inventory the buildings furniture and fixtures and discuss building maintenance and operational procedures.

- 59. Mr. TOM DAVIS, the property manager for GE
  TRANSPORTATION in Blue Springs and Mr. JOHN PHILLIPS, the
  GE TRANSPORTATION building maintenance engineer provided a
  three-hour walk through in addition to the building
  maintenance and operational procedures.
- 60. Mr. Philips also provided the construction blueprints of the building and allowed Mr. LIPARI to make copies.
- 61. Mr. LIPARI returned the blueprints after copies were made.
- 62. Mr. DAVIS and Mr. PHILLIPS both stated they were being dismissed from employment with GE since they would no longer be needed.
- 63. On May 22<sup>nd</sup>, 2003 Mr. LIPARI spoke to Mr. DOUG McKAY with GE Capital who had called earlier that week with regard to the mortgage outlined in Medical Supply's proposal.
- 64. Mr. McKAY asked that Mr. LIPARI send his company information regarding the mortgage.
- 65. Mr. LIPARI indicated that he could meet him the following Tuesday because Medical Supply had a loan package for him that included its financials, the proposal that Mr. FRICKIE and GE's business leaders accepted, the letter of intent from the owners Cherokee Properties LLC and Medical

Supply's Dunn & Bradstreet report showing Medical Supply's good credit rating and strong financial condition.

66. Mr. LIPARI gave the information to Mr. McKAY and Mr. McKAY indicated he needed to speak with GE TRANSPORTATION to see how they wanted to handle the terms of the accepted proposal.

# E. Conduct Suggesting Repudiation

- 67. On or about June 2<sup>nd</sup>, 2003 Mr. LIPARI called Mr. McKAY to see how they were doing on closing and Mr. McKAY indicated that the person he needed to speak with was at corporate and that he needed to speak with him before moving forward.
- 68. As the June 15<sup>th</sup>, 2003 closing date approached, medical Supply had not received any definitive closing date so Medical Supply's corporate counsel called and sent Mr. FRICKIE an email stating that a delay in closing would not effect the lease buyout of \$350,000.
- 69. Medical Supply's counsel later again called Mr. FRICKIE when he received no response and Mr. FRICKIE became extremely angry and hung up the phone.
- 70. Medical Supply then proceeded to speak with GE's counsel Mrs. KATE O'LEARY to determine if the contract had been repudiated.

- 71. Supporting statutes and the antitrust basis including damage implications were explained to Ms. O'LEARY.
- 72. Medical Supply gave GE a deadline of June 10<sup>th</sup>,
  2003 to clarify whether there had been contract
  repudiation. Mrs. O'LEARY later faxed a letter on June 10<sup>th</sup>,
  requesting that Medical Supply not speak to anyone at GE or
  its affiliates and that any correspondence relating to this
  matter be directed to her.
- 73. Medical Supply then emailed a letter stating that if no earnest money were deposited to indicate the contract was not being repudiated, Medical Supply would file its claims on June  $16^{\rm th}$ , 2003 for antitrust and breach of contract.
- 74. GE repudiated its contract, sacrificing \$15 million dollars on June  $15^{\rm th}$ , 2003 to keep Medical Supply from being able to compete against GHX, L.L.C. and Neoforma in the market for hospital supplies.
- 75. Mr. LIPARI filed a lis pendens in the Jackson County Register of Deeds office based on his state law claims in the US District Court. See Exb. 5.
- 76. The defendant Carpet n' More Inc. STEWART FOSTER placed the building up for sale with actual or imputed knowledge of Medical Supply's claims.

- 77. The defendants have occupied the building at 1600 NE Coronado preventing plaintiff from receiving the value of his bargain and with actual or imputed knowledge of Medical Supply's claims.
- 78. In March, 2006 GE CAPITAL funded the purchase of Neoforma, an electronic marketplace competitor of Medical Supply Chain, Inc.
- 79. Neoforma has never been profitable: "Neoforma's balance sheet shows a cumulative loss of nearly \$739 million dollars as of Sept. 30, 2004." Healthcare Purchasing News March 2005.
- 80. "In 2005, in accordance with GAAP, Neoforma's net loss and net loss per share were \$35.9 million dollars and \$1.81 per share respectively, an improvement from the \$61.2 million dollar net loss and \$3.17 net loss per share recorded in the prior year." Neoforma, Inc. press release SAN JOSE, CA USA 02/26/2003.

# VII. CAUSE OF ACTION FOR BREACH OF CONTRACT

81. Mr. LIPARI hereby re-alleges the averments of fact above and makes the following allegations:

# A. Meeting of Minds

82. Mr. FRICKIE, property manager for THE GENERAL ELECTRIC COMPANY who Medical Supply had been told by Mr. FRICKIE and his agents, was the authority for the building

at 1600 NE Coronado Dr. telephoned Medical Supply Chain's Missouri headquarters and placed a message on its answering machine stating he had been instructed by "GE business leaders" to accept Medical Supply's proposal and he was calling to do so.

83. Medical Supply Chain Inc. and Mr. LIPARI reasonably believed Mr. FRICKIE had authority to enter into contract over the building at 1600 NE Coronado Dr. and Mr. LIPARI honored the contract in reliance upon Mr. FRICKIE's stements about his authority and the acceptance of the contract by GE.

#### B. Contract Was Signed and in Writing

- 84. Then, Mr. FRICKIE sent a written acceptance via email with his initials added a signature at the end of the email message. No terms were disputed and the acceptance confirmed THE GENERAL ELECTRIC COMPANY would make its subsidiary GE TRANSPORTATION L.L.C. pay \$350,000 for the buy out of the lease and its GE Capital subsidiary provide the \$6.4 million dollar mortgage and closing at 5.4% for twenty years with a first year moratorium on payments.
- 85. Mr. FRICKIE's signed written acceptance referenced the proposal he had received from Medical Supply earlier that day.

- 86. This set of documents became a bilateral contract completed with the last act exchanging mutual promises (D.L. Peoples Group, Inc. v. Hawley, So.2d (2002 WL 63351, Ct. App., Fla., 2002) enforceable for the sale of the lease interest and the benefit of the bargain obtained by Medical Supply under its clear and complete terms meeting the writing requirements of a real estate purchase contract in Missouri and the writing and definiteness requirement of a credit agreement under Missouri statute RMS 432.045.2.
- 87. The formation of an enforceable contract in a set of documents created in correspondence is well settled See Estate of Younge v. Huysmans, 127 N.H. 461, 465-66, 506 A.2d 282, 284-85 (1965).
- 88. Since state law requires a writing, the e-mail acceptance and signature of Mr. FRICKIE is valid and enforceable under 15 USC §7001, the federal Electronic Signatures in Global and National Commerce Act, widely known as "E-SIGN." Section 101(a) of E-SIGN states that:
  - "(1) a signature, contract, or other record relating to such transaction may not be denied legal effect, validity, or enforceability solely because it is in electronic form; and (2) a contract relating to such transaction may not be denied legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation."

# C. Mutual Consideration Through Exchange of Promises

- 89. Medical Supply performed as required, introducing itself to the City of Blue Springs Economic Development.
- 90. The City of Blue Springs Economic Development

  Director approved of the use of the building for a national corporate headquarters of a hospital supply chain technology company capable of producing above living wage jobs for the community.
- 91. The City of Blue Springs Attorney agreed that the proposed use was suitable.
- 92. Mr. LIPARI committed to purchase the building from its owner in reliance on the contract with GE
  TRANSPORTATION made open partial performance of the contract by opening the building for a three hour briefing on the operation and maintenance of the building's complex systems.
- 93. This briefing was made by GE TRANSPORTATION'S Blue Springs property manager and the building's maintenance engineer, both of whom told Medical Supply's Mr. LIPARI that they had been terminated and will be leaving employment with GE TRANSPORTATION the following month because they were no longer needed.
- 94. GE CAPITAL partially performed as required and made an appointment with Mr. LIPARI in its Overland Park,

Kansas office where Mr. LIPARI took the building's blueprints furnished him by GE TRANSPORTATION, the building's physical description and photo furnished by Mr. FRICKIE of GE corporate and Medical Supply's corporate records for the loan.

- 95. The GE CAPITAL loan officer Mr. DOUGLAS McKAY discussed the terms and questioned Mr. LIPARI in detail about the US Bank lawsuit. Mr. LIPARI explained why under the threat by US Bank of a malicious USA PATRIOT ACT suspicious activity report, Medical Supply could not risk going to a bank until the lawsuit was settled.
- 96. Mr. McKAY agreed the USA PATRIOT ACT had no valid relationship to Medical Supply's involvement with US Bank and stated he would obtain the additional requirements GE CAPITAL required from Mr. FRICKIE and GE TRANSPORTATION.

  Mr. McKAY indicated it could take longer to close but he would check into it.
- 97. Medical Supply communicated to its stakeholders, business associates, potential customers, and the owners of the building that it had obtained the financing and made commitments in reliance of GE's performance on the contract.

# D. Indications of Repudiation

- 98. No letter similar to that which Mr. McKAY had described was received from GE CAPITAL by the June 15th contract deadline and no notice of rejection of credit has been received.
- 99. Mr. FRICKIE communicated by phone and e-mail that the GE CAPITAL performance would be at arm's length but since the financing was the benefit bargained for by Medical Supply, this did not contradict the contract.

#### E. Breach

- 100. When doubts about GE' intent to honor the contract arose, counsel for GE, GE TRANSPORTATION and GE CAPITAL each refused to confirm the repudiation.
- 101. The proposal accepted by Mr. FRICKIE on behalf of GE's business leaders contained the executive summary of Medical Supply's business plan, including an explanation of the antitrust lawsuit with US Bancorp, et al and the financial projections for Medical Supply's entry into market.
- 102. The GE defendants willfully breached their contract with Medical Supply Chain, Inc. and Mr. LIPARI with full knowledge of the benefit of the bargain negotiated upon by Mr. LIPARI and his expectations in reliance upon the contract.

# VIII. Prayer for relief

- 103. Under Anuhco, Inc. v. Westinghouse Credit Corp., 883 S.W.2d 910 (Mo App 1994) GE is responsible for the expectation damages of the forward projections that it had accepted at the time it entered into contract with Medical Supply. Medical Supply is able to prove its projected profits with reasonable certainty.
- 104. Lost future profits may be used as a method of calculating damage where no other reliable method of valuing the business is available, see *Albrecht v. The Herald Co.*, 452 F.2d 124 at 129 (8th Cir. 1971).

#### **Expectation Damages**

- 105. The monetary relief sought is the contract expectation damages as determined by the business plan summary and forward financials in possession of GE at the time the proposal was accepted and the contract was formed from the GE defendants.
- 106. Mr. LIPARI seeks the lost profits that can be determined with reasonable certainty that it would have made for the next four years of operations, had it been allowed to enter the market from the GE defendants.
- 107. In addition to this amount, Mr. LIPARI seeks the equity it would have gained from the purchase of the building, and the cash payment for the remainder of the lease from the GE defendants.

108. The total damages from the GE Defendants sought by the plaintiff Mr. LIPARI is four hundred and fifty million dollars (\$450,000,000).

# Specific Performance

- 109. Mr. LIPARI seeks the lease hold currently occupied by Heartland Financial be vacated.
- 110. Mr. LIPARI seeks that the court orders CARPET & MORE to make whole Heartland Financial for the loss of their lease and or ownership.
- 111. The plaintiff seeks any other relief the court believes is just.

Respectfully Submitted,

Samuel K. Lipari 297 NE Bayview Lee's Summit, MO 64064 816-365-1306 saml@medicalsupplychain.com Pro se

# REQUEST FOR JURY

The plaintiff respectfully requests a jury decide all questions of fact.

Samuel K. Lipari

#### TABLE OF ATTACHMENTS

- Exb. 1 Medical Supply Chain, Inc. January 27<sup>th</sup>, 2006 Corporate Dissolution by Secretary of State
- Exb. 2 May 15<sup>th</sup>, 2003 Medical Supply Offer to GE
- Exb. 3 Executive Summary & 5 Year Forward Financials
- Exb. 4 May 15<sup>th</sup>, 2003 Mr. GORGE FRICKIE Voicemail & e-mail Confirming Voicemail Message Accepting Medical Supply Offer
- Exb. 5 Jackson County Lis Pendens on 1600 NE Coronado Blue Springs, MO
- Appendix 1 Rasse v. GE Capital Small Business Finance Corp., 2002 MO 808 (MOCA, 2002).
- Appendix 2 International Casings Group, Inc., v.

  Premium Standard Farms, Inc., 358 F. Supp.

  2d 863; 2005 U.S. Dist. LEXIS 3145, February
  9, 2005