CAUSE NO. 2016-03483

SANDBOX LOGISTICS, LLC, and	§	IN THE DISTRICT COURT
SANDY CREEK CAPITAL, LLC	§	
	§	
	§	
VS.	§	HARRIS COUNTY, TEXAS
	§	. 1
ARROWS UP, INC. (n/k/a ARROWS UP	§	
HOLDINGS, INC.), ARROWS UP, LLC,	§	
and JOHN ALLEGRETTI	§	334TH JUDICIAL DISTRICT
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FINAL JUDGMENT

On Tuesday, June 5, 2018, this case was called to trial

Plaintiffs SandBox Logistics, LLC and Sandy Creek Capital, LLC (collectively, "SandBox") appeared through their attorneys and announced they were ready for trial. Defendants Arrows Up, Inc. (n/k/a Arrows Up Holdings, Inc.) and Arrows Up, LLC (collectively, "Arrows Up") and Defendant Dohn Allegretti appeared through their attorneys and announced they were ready for trial.

A jury of twelve qualified jurors of Harris County was selected, sworn, and empaneled, after which the jury heard the evidence and the arguments of counsel.

Following the conclusion of evidence, the jury made findings that the Court received, filed, and entered of record on Tuesday, July 3, 2018. The questions submitted to the jury and the jury's findings are attached as **Exhibit 1** and incorporated by reference.

The Court renders judgment for Plaintiff SandBox against Defendants Arrows Up and John Allegretti as follows:

DAMAGES

Plaintiff SandBox shall recover jointly and severally from Defendants Arrows Up \$21,686,428 in disgorgement. SandBox shall also recover from Defendant John Allegretti \$15,603,300 in lost profit damages, and \$846,599.33 in prejudgment interest (calculated on the past damage award of \$6,345,149 at the annual rate of 5%) through September 20, 2018, plus \$869.20 in prejudgment interest per day for each day after September 20, 2018 until the day before the date this Final Judgment is signed. Provided, however, that SandBox may not collect more than \$21,686,428 in actual damages and disgorgement from all defendants.

SandBox shall also recover \$27,541,840 for exemplary damages from Arrows Up, LLC, based on the conduct of Arrows Up, Inc. and the jury finding against Arrows Up.

In the alternative, should the fraud cause of action or the exemplary damages award be set aside, Plaintiff SandBox shall recover jointly and severally from Defendants Arrows Up \$21,686,428 in disgorgement. SandBox shall also recover from Defendant John Allegretti \$15,603,300 in lost profit damages, and \$846,599.33 in prejudgment interest (calculated on the past damage award of \$6,345,149 at the annual rate of 5%) through September 20, 2018, plus \$869.20 in prejudgment interest per day for each day after September 20, 2018 until the day before the date this Final judgment is signed. SandBox shall also recover jointly and severally from Defendants Arrows Up and John Allegretti \$2,571,310 in attorney's fees through trial, \$200,000 in attorney's fees in the event of an appeal by Defendants to the Court of Appeals, \$35,000 in attorney's fees in the event a petition for review is filed with the Texas Supreme Court, \$150,000 in attorney's fees in the event briefs on the merits are requested by the Texas Supreme Court, \$50,000 in attorney's fees in the event oral argument is granted by the Texas Supreme Court, and \$1,069,018 in expenses for breach of contract.

In either scenario, should the disgorgement award be set aside, Plaintiff SandBox shall recover in its place jointly and severally from Defendants Arrows Up and John Allegretti \$15,603,300 in lost profit damages, and \$846,599.33 in prejudgment interest (calculated on the past damage award of \$6,345,149 at the annual rate of 5%) through September 20, 2018, plus \$869.20 in prejudgment interest per day for each day after September 20, 2018 until the day before the date this Final Judgment is signed.

DECLARATORY RELIEF

The Court declares that the frac sand shipping containers arrows Up has manufactured, sold, or leased since signing the Settlement Agreement and Release ("Settlement Agreement") are "Related Inventions" as defined by Section 4 of the Mutual Confidentiality and Non-Disclosure Agreement ("NDA") and are owned solely and exclusively by Plaintiff SandBox.

The Court declares that the following features or components of Defendants Arrows Up's post-Settlement Agreement containers are each a "Related Invention" as defined by Section 4 of the NDA: dimensions, weight capacity roof hatch, felt gasket material, stacking cones, tubular fork pockets, funnel angles, and detachable ladder. Each is owned solely and exclusively by Plaintiff SandBox.

CONVERSION

Plaintiff SandBox is awarded title to and possession of any frac sand shipping containers that Arrows Up has manufactured, sold, or leased since entering into the Settlement Agreement which are in the possession of Arrows Up on the date this Judgment is signed. Arrows Up is ordered to deliver these shipping containers to SandBox within the later of 30 days of the date this Judgment is signed or, if post-judgment motions are filed, 30 days after the date of the order overruling post-judgment motions.

Plaintiff SandBox is awarded title to and possession of any frac sand shipping containers that Arrows Up has manufactured, sold, or leased since entering into the Settlement Agreement and which are being currently leased—including the containers being leased under the contracts identified in **Exhibit 2** and which formed the basis of the award of future damages in this case—on the day such leases expire. Arrows Up is ordered to deliver such containers to SandBox within 10 days of the end of respective leases.

MISCELLANEOUS RELIEF

Plaintiff SandBox shall recover court costs from Defendants Arrows Up and Allegretti, including any court costs incurred in enforcement and collection.

All awards shall bear post-judgment interest at the annual rate of 5% until paid.

All relief not expressly granted by this Judgment is denied. This judgment is final, disposes of all claims and parties, and is appealable.

The Court orders execution to issue for this Judgment, including any writs or processes for the enforcement and collection of this Judgment or the costs of court as necessary.

SIGNED this ______, 2018.

Signed: 10/2/2018

PRESIDING JUDGE