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*Counsel to Plaintiff Peter Hurwitz, not individually
but solely in his capacity as the Liquidating Trustee
of the Ittella Liquidating Trust*

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re:

☐ ITTELLA INTERNATIONAL LLC, a
California limited liability company;

☐ ITTELLA'S CHEF, LLC, a California
limited liability company;

☐ TATTOOED CHEF, INC., a Delaware
corporation;

Case No. 2:23-bk-14154-JWB

(Jointly administered with Case Nos. 2:23-bk-
14161-SK; 2:23-bk-14159-SK; 2:23-bk-
14157-SK; 2:23-bk-14156-SK; 2:23-bk-
14158-SK; 2:23-bk-14155-SK; and 2:23-bk-
14160-SK)

☐ MYJOJO, INC., a Delaware corporation;
☐ NEW MEXICO FOOD DISTRIBUTORS,
INC., a New Mexico corporation;
☐ KARSTEN TORTILLA FACTORY, LLC,
a New Mexico limited liability company;
☐ BCI ACQUISITION, INC., a Delaware
corporation;
☐ TTCF-NM HOLDINGS INC., a New
Mexico corporation,
☒ All Debtors

Debtors and Debtors-in-Possession.

Chapter 11 (Post-Confirmation)

PETER HURWITZ, as Liquidating Trustee of
the Ittella Liquidating Trust,

Plaintiff,

v.

SALVATORE GALLETTI, AL GALLETTI,
SARAH GALLETTI, STEPHANIE
DIECKMANN, DAVID BORIS, PAULA
CIARAMITARO, JENNIFER FELLNER,
EDWARD GELFAND, RYAN OLOHAN,
MARIE QUINTERO-JOHNSON, BRYAN
ROSENBERG, DANIEL WILLIAMSON,
MATT WILLIAMS, and CHARLES
CARGILE,

Defendants.

Adv. Proc. No.:

**ADVERSARY COMPLAINT AND
DEMAND FOR JURY TRIAL:**

- (1) BREACH OF FIDUCIARY
DUTY;**
- (2) AIDING AND ABETTING
BREACHES OF FIDUCIARY
DUTY;**
- (3) WASTE OF CORPORATE
ASSETS;**
- (4) UNJUST ENRICHMENT**

ADVERSARY COMPLAINT AND DEMAND FOR JURY TRIAL

PETER HURWITZ, not individually but solely in his capacity as the Liquidating Trustee (“**Plaintiff**” or the “**Liquidating Trustee**”) of the Ittella Liquidating Trust (the “**Liquidating Trust**”), by his undersigned counsel, files this Adversary Complaint against SALVATORE GALLETTI (“**Sam Galletti**” or “**Galletti**”), AL GALLETTI (“**Al**”), SARAH GALLETTI (“**Sarah**”), STEPHANIE DIECKMANN (“**Dieckmann**”), DAVID BORIS (“**Boris**”), PAULA CIARAMITARO (“**Ciaramitaro**”), JENNIFER FELLNER (“**Fellner**”), EDWARD GELFAND (“**Gelfand**”), RYAN OLOHAN (“**Olohan**”), MARIE QUINTERO-JOHNSON (“**Quintero-Johnson**”), BRYAN ROSENBERG (“**Rosenberg**”), DANIEL WILLIAMSON (“**Williamson**”), MATT WILLIAMS (“**Williams**”) and CHARLES CARGILE (“**Cargile**”) (collectively, the “**Defendants**”),¹ and alleges as follows:

NATURE OF ACTION

1. This is an action against Defendants for breaches of their fiduciary duties, waste of corporate assets, unjust enrichment, and aiding and abetting breaches of fiduciary duties.

2. The Defendants owed Ittella International LLC (“**Ittella**”), Ittella’s Chef LLC (“**ICLLC**”), Tattooed Chef, Inc. (“**Tattooed Chef**”),² Myjojo, Inc. (“**Myjojo**”), New Mexico Food Distributors, Inc. (“**NMFD**”), Karsten Tortilla Factory LLC (“**Karsten**”), BCI Acquisition, Inc. (“**BCI**”), and TTCF-NM Holdings, Inc. (“**TTCF**”, and collectively with Ittella, ICLLC, Tattooed Chef, Myjojo, NMFD, Karsten, and BCI the “**Ittella Companies**” or the “**Debtors**”) the fiduciary duties of loyalty, good faith, and care.

3. By virtue of such duties, the Defendants were required to (among other things):

- (a) establish and maintain an adequate and functioning system of internal legal, financial, and management controls, such that Tattooed Chef’s operations would comply with all applicable laws and Tattooed Chef’s financial statements and regulatory filings with the United States Securities and

¹ In compliance with Fed. R. Bankr. P. 7020 regarding the joinder of multiple parties in a single action, the claims asserted against the named Defendants arise out of the same series of transactions, acts, and omissions and involve common issues of law and fact.

² Tattooed Chef is referenced to as the “Company” in public filings, which are cited herein.

Exchange Commission (“SEC”) would be accurate;

- (b) establish and maintain an adequate and functioning system of internal accounting controls sufficient to provide reasonable assurances that transactions were recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles (“GAAP”);
- (c) exercise reasonable and prudent supervision over the management, policies, procedures, practices, and internal controls of Tattooed Chef;
- (d) disseminate accurate and truthful information with respect to Tattooed Chef’s financial condition and results of operations, and to correct promptly any public statements issued by Tattooed Chef which had become materially false or misleading;
- (e) refrain from unduly benefitting themselves and other insiders at the expense of Tattooed Chef; and
- (f) refrain from using their position, influence or knowledge of the affairs of Tattooed Chef to gain personal advantage.

4. Between 2020 through 2023, the Defendants committed wrongful acts that necessitated bankruptcy filings by the Ittella Companies on July 2, 2023, and sale of their assets for a fraction of the amounts owed to creditors. The wrongful acts include, but are not limited to:

- (a) improperly personally enriching themselves upwards of \$75 million from the De-SPAC (defined below) transaction that raised \$480 million for Tattooed Chef;
- (b) failing to properly inform themselves of the risks of the De-SPAC and many other transactions;
- (c) failing to create, maintain or implement a business plan for Tattooed Chef;
- (d) wasting hundreds of millions of dollars on acquisitions and marketing while simultaneously ignoring strategic planning, integration of acquisitions, consolidation of operations, reducing expenses or ensuring proper

management and controls were in place;

(e) failing to maintain an adequate system of oversight, disclosure controls and procedures, and internal controls over expenditures and financial reporting resulting in revenue being inaccurately recorded from 2021 through the 2Q of 2022;

(f) making false and materially misleading statements concerning the accuracy of Tattooed Chef's financial statements and the effectiveness of its internal controls and disclosure procedures in filings with the SEC from 2020 through 2Q of 2022; and

(g) wasting corporate assets of Tattooed Chef by engaging in multiple value-eroding transactions (discussed below).

5. The Defendants' conduct was not the product of prudent business judgment as it was based on bad faith and intentional, reckless, or disloyal misconduct rather than protection and promotion of Tattooed Chef's corporate interests. Thus, Tattooed Chef's directors cannot claim exculpation from their violations of duty pursuant to the company's charter. Exculpation is also limited by section 102(b)(7) of Title 8 of the Delaware Code, which does not insulate one from personal liability for breaches of the duty of loyalty or acts or omissions not in good faith.

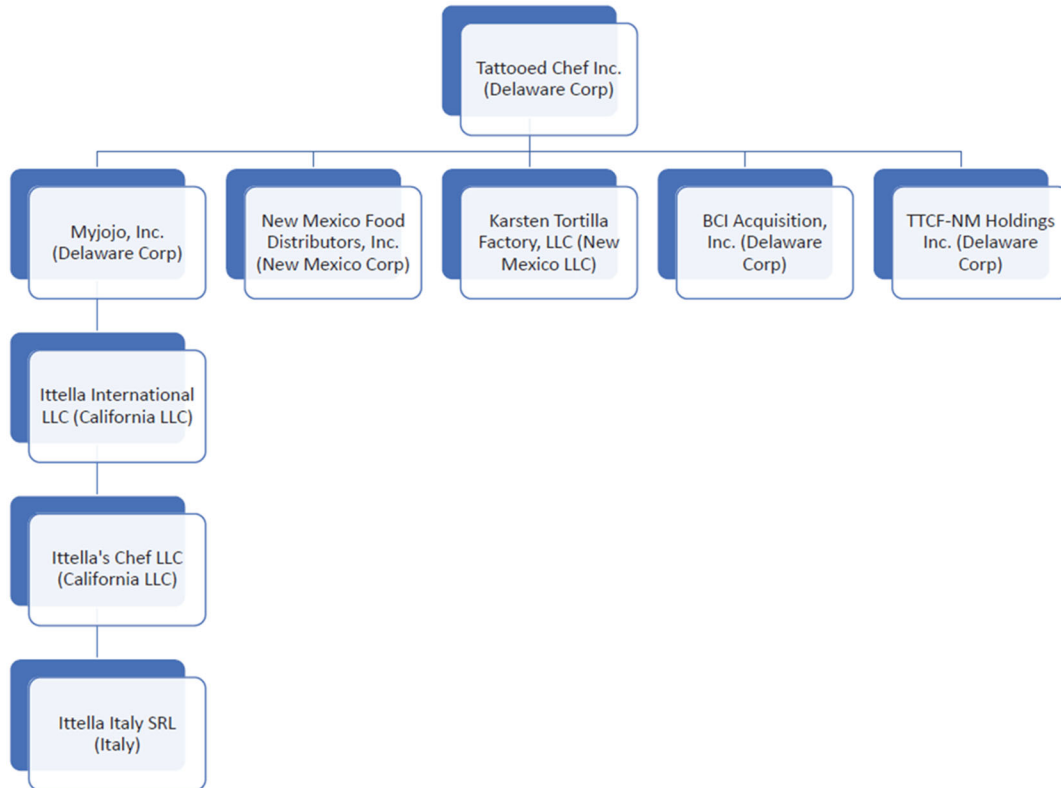
6. As a direct and proximate result of the wrongful acts committed by the Defendants in breach of their respective fiduciary duties of loyalty, good faith, and care alleged herein, Tattooed Chef has suffered significant damages that include, but that are not necessarily limited to: (i) the loss and depletion of valuable assets of Tattooed Chef; (ii) increased liabilities of Tattooed Chef; (iii) the decrease in the asset values and enterprise value of Tattooed Chef; (iv) the increased insolvency of Tattooed Chef; (v) administrative fees and expenses incurred by Tattooed Chef's estate during the bankruptcy cases related to mitigating and/or rectifying the acts and omissions of the Defendants, and claims filed or asserted against the Debtors' estates; (vi) corporate waste; and (vii) other damages as may be ascertained through discovery.

PROCEDURAL BACKGROUND

7. On July 2, 2023 (the "**Petition Date**"), voluntary petitions for relief under Chapter

11 of Title 11 of the United States Code were each filed by Ittella, ICLLC, Tattooed Chef, Myjojo, NMFD, Karsten, BCI, and TTCF in the United States Bankruptcy Court for the Central District of California (the “**Bankruptcy Court**”).

8. The Debtors’ corporate organizational chart is below:



9. On July 3, 2023, the Court entered an *Order Granting Debtors’ Ex Parte Motion for Joint Administration* (Dkt. 24) of the Debtors’ cases for procedural purposes only.

10. On March 21, 2024, the Debtors filed their *First Amended Joint Chapter 11 Liquidating Plan* (Dkt. 892 – the “**Chapter 11 Plan**”) and the related *First Amended Disclosure Statement Describing Debtors’ First Amended Joint Chapter 11 Liquidating Plan* (Dkt. 891). Among other things, Article III of the Chapter 11 Plan provided for (i) the establishment of a Liquidating Trust; (ii) the appointment of a Liquidating Trustee; (iii) the preservation of Estate Causes of Action; and (iv) empowering the Liquidating Trustee to prosecute Estate Causes of Action. Article III, section G of the Chapter 11 Plan likewise states that “from and after the Effective Date, the Liquidating Trustee, shall have the sole and exclusive right, to file, litigate, prosecute, settle, adjust, retain, [and] collect ... claims and interests of the Estates with respect to

1 the Estate Causes of Action.” Estate Causes of Action include, but are not limited to, any and all
2 claims and causes of action against the Debtors’ former managers, officers, directors, employees
3 and/or agents.

4 11. On May 9, 2024, the Court entered an *Order: (1) Granting Debtors’ Motion to*
5 *Confirm Debtors’ First Amended Joint Chapter 11 Liquidating Plan (as Modified) Dated February*
6 *21, 2024, and (2) Confirming Debtors’ First Amended Joint Chapter 11 Liquidating Plan (as*
7 *Modified) Dated February 21, 2024, as Further Modified* (Dkt. 965 - the “**Confirmation Order**”).

8 12. On June 5, 2024, the Official Committee of Unsecured Creditors filed the *Notice of*
9 *Effective Date of Plan* (Dkt. 1007) setting forth May 24, 2025 (the “**Effective Date**”) as the
10 effective date of the Chapter 11 Plan.

11 **PARTIES**

12 13. Plaintiff Peter Hurwitz was appointed as the Liquidating Trustee and serves as a
13 fiduciary who is responsible for administering the Liquidating Trust for the benefit of the Debtors’
14 creditors. Plaintiff is the representative of the Debtors’ estates with exclusive standing and
15 authority to enforce, sue on, prosecute, settle, or compromise “Estate Causes of Action” assigned
16 and transferred to the Liquidating Trust including claims or causes of action of the Debtors against
17 any former managers, officers, directors, employees and/or agents.

18 14. At all or certain times material hereto, the Defendants were managers, directors,
19 officers, and/or control persons of the Debtors holding *de facto* and/or *de jure* titles and positions
20 with the Debtors.

21 15. Defendant Galletti served as the Ittella Companies’ CEO and President since its
22 founding in 2009 and as a director of Tattooed Chef since 2020. As part of the De-SPAC, Galletti
23 and entities he controlled received payment in cash of \$63 million, as well as stock in excess of
24 \$680 million. According to Tattooed Chef’s Schedule 14A filed with the SEC on April 21, 2022
25 (the “**2022 Proxy Statement**”), as of April 4, 2022, Galletti beneficially owned 31,420,522 shares
26 of Tattooed Chef’s common stock, representing 38.2% of the Tattooed Chef’s outstanding shares,
27 thus making Galletti a controlling shareholder of Tattooed Chef. Given that the price per share of
28 Tattooed Chef’s common stock at the close of trading on April 4, 2022 was \$12.25, Galletti owned

1 approximately \$384.9 million worth of Tattooed Chef stock.

2 16. For the fiscal year ending on December 31, 2021 (the “**2021 Fiscal Year**”), Galletti
3 received \$375,000 in total compensation from Tattooed Chef, made up entirely of his salary. For
4 the fiscal year ending on December 31, 2020 (the “**2020 Fiscal Year**”), Galletti received \$387,067
5 in total compensation from Tattooed Chef. This included \$272,095 in salary, \$100,000 in stock
6 awards, and \$14,972 in all other compensation.

7 17. During the Restatement Period, while Tattooed Chef’s stock price was artificially
8 inflated, but before the material misrepresentations were exposed, Galletti sold 800,000 shares of
9 Tattooed Chef stock based on inside information, for which he received approximately \$8,000,000
10 in proceeds. His insider sales, made with knowledge of material nonpublic information before the
11 material misstatements and omissions were exposed, demonstrate his motive in facilitating and
12 participating in the scheme.

13 18. The 2022 Proxy Statement stated the following about Galletti:
14 Salvatore “Sam” Galletti has served as our President and CEO since
15 our founding in 2009 as Stonegate Foods, Inc. Mr. Galletti has over
16 35 years’ experience in the food industry including prior operational
17 and investor roles at Tattooed Chef, Sonora Mills, Good Karma
18 Foods, and others, where he gained experience manufacturing a
19 variety of products including seafood, breaded vegetables, grilled
20 chicken and other organic foods. Through these prior roles, he has
21 established key relationships with many of the retailers who now
22 carry our products. Mr. Galletti initially intended that we be
23 primarily an importer of Italian vegetables and other products,
24 having realized the quality of produce from Italy surpassed that of
25 available comparable produce from the U.S. Following our entrance
26 into private label production and manufacturing of frozen products
27 in our own facility, the name was changed to Ittella International in
28 2015. Mr. Galletti also serves as one of our directors.

23 19. At all times material hereto, Galletti was acting within the scope of his duties as an
24 officer and director of the Ittella Companies, including Tattooed Chef, and in such positions, owed
25 the Ittella Companies the fiduciary duties of loyalty, good faith, and care. By virtue of his high-
26 level positions, and his ownership and contractual rights, substantial participation in, and/or
27 awareness of, Tattooed Chef’s operations and/or knowledge of the statements filed with the SEC,
28 Galletti had the power to influence and control, and did in fact influence and control, directly or

1 indirectly, the decision-making of Tattooed Chef.

2 20. Defendant Dieckmann served as Ittella Companies' Chief Financial Officer
3 ("CFO") since November 2021. Prior to this, Dieckmann served as Ittella Companies' Chief
4 Operating Officer ("COO") from 2017 to 2021. According to the 2022 Proxy Statement, as of
5 April 4, 2022, Dieckmann beneficially owned 500,000 shares of Tattooed Chef's common stock.
6 Given that the price per share of Tattooed Chef's common stock at the close of trading on April 4,
7 2022 was \$12.25, Dieckmann owned approximately \$6.1 million worth of Tattooed Chef stock.

8 21. For the 2021 Fiscal Year, Dieckmann received \$380,423 in total compensation from
9 Tattooed Chef. This included \$280,423 in salary and \$100,000 in all other compensation. For the
10 2020 Fiscal Year, Dieckmann received \$13,203,846 in total compensation from Tattooed Chef,
11 which included \$163,846 in salary and \$13,040,000 in all other compensation.

12 22. The 2022 Proxy Statement stated the following about Dieckmann:

13 Stephanie Dieckmann served as our COO from 2017 to 2021 and
14 currently serves as our CFO. She has over 12 years of combined
15 food industry experience. In her role as CFO, she oversees all of our
16 accounting, business support, financial planning and analysis,
17 treasury, real estate and tax functions. Ms. Dieckmann was appointed
18 as our CFO on April 15, 2021. In her role as COO, Ms. Dieckmann
19 is primarily responsible for all operations in the U.S. and helped
20 spearheaded growth from approximately \$32.5 million in sales in
21 2017 to approximately \$148.5 million in 2020. Prior to joining us,
22 Ms. Dieckmann was CFO at APPA Fine Foods, a private label food
23 manufacturer of fresh ready to eat, frozen meals, and grilled chicken
24 products, where she worked for over seven years. She also held a
25 financial controller position with The Perfect Bite Co., a gourmet
26 frozen appetizer company. During her time at APPA Fine Foods, Ms.
27 Dieckmann became acquainted with Mr. Galletti, who was a former
28 investor in that company.

23 23. At all times material hereto, Dieckmann was acting within the scope of her duties
24 as an officer of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of
25 loyalty, good faith, and care. Dieckmann was also a significant shareholder of Tattooed Chef. In
26 her position as COO and CFO, Dieckmann was or should have been involved in and otherwise had
27 knowledge or should have had knowledge of all material aspects of the business, operational, and
28 financial affairs of Tattooed Chef. By virtue of her high-level positions, and her ownership and

1 contractual rights, substantial participation in, and/or awareness of, Tattooed Chef's operations
2 and/or knowledge of the statements filed with the SEC, Dieckmann had the power to influence and
3 control, and did in fact influence and control, directly or indirectly, the decision-making of Tattooed
4 Chef.

5 24. Defendant Sarah was a co-founder of the Ittella Companies and served as the Chief
6 Marketing Officer at all relevant times, responsible for all sales and marketing decisions. Together
7 with her father Sam Galletti, Sarah owned over 50% of Tattooed Chef's stock and was a control
8 person. Sarah also held the title of Chief Creative Officer. At all times material hereto, Sarah was
9 acting within the scope of her duties as an officer and director of Tattooed Chef, and in such
10 position, owed Tattooed Chef the fiduciary duties of loyalty, good faith, and care. Sarah was also
11 a significant shareholder of Tattooed Chef. By virtue of her high-level positions, and her ownership
12 and contractual rights, substantial participation in, and/or awareness of, Tattooed Chef's operations
13 and/or knowledge of the statements filed with the SEC, Sarah had the power to influence and
14 control, and did in fact influence and control, directly or indirectly, the decision-making of Tattooed
15 Chef.

16 25. Defendant Al served as an officer and director of Tattooed Chef since at least 2020.
17 At all times material hereto, Al was acting within the scope of his duties as an officer and director
18 of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of loyalty, good
19 faith, and care.

20 26. Defendant Boris served as a director of Tattooed Chef since 2018, and served as a
21 member of the Compensation Committee. Boris also served as co-CEO and CFO of Forum Merger
22 II Corporation ("**Forum**"). According to the 2022 Proxy Statement, as of April 4, 2022, Boris
23 beneficially owned 4,935 shares of Tattooed Chef's common stock. Given that the price per share
24 of Tattooed Chef's common stock at the close of trading on April 4, 2022 was \$12.25, Boris owned
25 approximately \$60,454 worth of Tattooed Chef stock.

26 27. For the 2021 Fiscal Year, Boris received \$100,000 in total compensation from
27 Tattooed Chef, made up entirely of cash. For the 2020 Fiscal Year, Boris received \$100,000 in
28 total compensation from Tattooed Chef made up entirely of stock awards.

1 28. The 2022 Proxy Statement stated the following about Boris:
2 David Boris has served as Co-Chief Executive Officer, Chief
3 Financial Officer and Director of Forum Merger I Corporation
4 (“Forum I”) from its inception in November 2016 until Forum I’s
5 business combination with ConvergeOne and served as a member of
6 ConvergeOne’s board of directors from the business combination
7 until ConvergeOne’s acquisition by CVC in January 2019 at \$12.50
8 per share. He was Co-Chief Executive Officer, Chief Financial
9 Officer and Director of Forum Merger II Corp from its inception in
10 August 2018 until its business combination with Myjojo, Inc. Mr.
11 Boris was the Co-Chief Executive Officer, Chief Financial Officer
12 and Director of Forum Merger III Corp until its merger with Electric
13 Last Mile Solutions. He is currently Co-CEO and CFO of Forum
14 Merger IV Corp. Mr. Boris has been the Co-Chief Executive Officer
15 of Form Merger IV Corp. since March 2021. He has over 30 years of
16 Wall Street experience in mergers and corporate finance and has
17 been involved in approximately 20 SPAC transactions as an advisor,
18 investment banker and/or officer or board member, including over
19 ten business combinations totaling over \$5.0 billion. Mr. Boris was
20 a Director of Pacific Special Acquisition Corp. from July 2015 until
21 August 2017. From November 2010 to May 2013, Mr. Boris served
22 as Chairman of Primcogent Solutions LLC, leading the board during
23 the period of the company’s preparation to seek reorganization by
24 way of a voluntary bankruptcy petition, which was filed in 2013. Mr.
25 Boris served as Senior Managing Director and Head of Investment
26 Banking at Pali Capital, Inc., an investment banking firm, from 2007.
27 Mr. Boris served as President of Ladenburg Thalmann Group Inc.
28 from 1999 to 2000, and was also Executive Vice President and Head
 of Investment Banking at Ladenburg Thalmann & Co. Inc. from
 1998 to 2000. In addition, he was a co-founder, director, and a
 principal stockholder of Brenner Securities Corporation and its
 successors. Prior to Brenner, Mr. Boris was at Oppenheimer &
 Company Inc., as a Senior Vice President and Limited Partner. Mr.
 Boris began his career as a member of the Business Development
 Group of W.R. Grace & Company, from 1984 to 1985. He is an
 active member of the Young Presidents’ Organization, an
 organization with over 25,000 members who are in the top position
 of a qualifying company or division and are directly responsible for
 all operations of such business or division. Mr. Boris received a
 M.B.A. from Columbia University Business School and a B.A. from
 Vassar College, cum laude.

29. At all times material hereto, Boris was acting within the scope of his duties as a
director of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of loyalty,
good faith, and care.

1 30. Defendant Ciaramitaro served as a director of Tattooed Chef since 2020.
2 Ciaramitaro also served as a member of Tattooed Chef's Audit Committee and the Nominating and
3 Corporate Governance Committee. According to the 2022 Proxy Statement, as of April 4, 2022,
4 Defendant Ciaramitaro beneficially owned 9,930 shares of Tattooed Chef's common stock. Given
5 that the price per share of Tattooed Chef's common stock at the close of trading on April 4, 2022
6 was \$12.25, Ciaramitaro owned approximately \$121,643 worth of Tattooed Chef stock.

7 31. For the 2021 Fiscal Year, Ciaramitaro received \$100,000 in total compensation from
8 Tattooed Chef, which included \$99,983 in stock awards and \$17 in cash. For the 2020 Fiscal Year,
9 Ciaramitaro received \$100,000 in total compensation from Tattooed Chef made up entirely of stock
10 awards.

11 32. The 2022 Proxy Statement stated the following about Defendant Ciaramitaro:
12 Paula Ann Ciaramitaro is a seasoned financial executive with more
13 than 25 years of experience in the food industry. She has served as
14 the Controller for J&D Seafoods, Inc. since 1994 and has extensive
15 experience managing accounts receivable, accounts payable,
16 inventory and trading, product sourcing and creation, developing
17 trading strategies in a very competitive seafood market, and much
18 more. Prior to her position with J&D Seafoods, she founded her own
19 travel agency, M.A.P. Travel, Inc., which she operated from 1982 to
20 1987. Through June 30, 2020, Ms. Ciaramitaro served as the
21 President of the University of Southern California ("USC" or the
22 "University") Town and Gown, which is the largest USC alumni
23 organization in existence and oversaw a \$46 million budget for the
organization. She currently serves as an advisor to the Board of Town
and Gown. She has been highly involved with philanthropic and
fundraising efforts for the University and was instrumental in
working with the USC Board of Trustees to coordinate a \$6 billion
fundraising effort for the University. She graduated from the
University of Southern California in 1985 with a B.S. in Business
Administration and a Master of Business Administration from the
University of Phoenix in June 2010.

24 33. At all times material hereto, Ciaramitaro was acting within the scope of her duties
25 as a director of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of
26 loyalty, good faith, and care.

27 34. Defendant Fellner served as a director of Tattooed Chef since 2020 and served as a
28 member of the Compensation Committee. According to the 2022 Proxy Statement, as of April 4,

2022, Fellner beneficially owned 7,471 shares of Tattooed Chef's common stock. Given that the price per share of Tattooed Chef's common stock at the close of trading on April 4, 2022 was \$12.25, Fellner owned approximately \$91,520 worth of Tattooed Chef stock.

35. For the 2021 Fiscal Year, Fellner received \$100,000 in total compensation from Tattooed Chef. This included \$48,000 in stock awards and \$52,000 in cash. For the 2020 Fiscal Year, Fellner received \$100,000 in total compensation from Tattooed Chef made up entirely of stock awards.

36. The 2022 Proxy Statement stated the following about Fellner:

Jennifer Fellner is a veteran communications consultant with 30 years of broad public relations experience at national communication agencies helping a wide range of clients from start-ups developing brands to Fortune 500 companies successfully communicating with stakeholders across industries spanning consumer products, technology, food and politics. She has been privileged to work with brands such as Apple Computer, Annie's Organics, Brinker International, Clif Bar, ESPN, Hasbro, Horizon Organic, Intuit, LeapFrog Toys, Lundberg Family Farms, Peet's Coffee & Tea, Polycom, Safeway, SEGA, Seiko and Toys "R" Us among others. Dedicated to delivering fresh ideas, measurable results and strategic insights, she recently founded Ally Advisers, a Communications Consultancy. Ms. Fellner's focus on reputation management and sustainability gives her deep experience in financial communications, executive communications, influencer relations and social media, as well as issues management, counseling clients with challenges ranging from exploding toys, food manufacturing safety issues and online financial fraud. Ms. Fellner's focus on Reputation Management and Sustainability gives her deep experience in financial communications, executive communications and speechwriting, as well as crisis communications and issues management, counseling clients with challenges ranging from exploding toys, food tampering to online financial fraud. Ms. Fellner was contracted to provide marketing assistance to us for the year ended December 31, 2021. Ms. Fellner directed all aspects of marketing communication including advertising, digital, social and content initiatives, promotions, PR, events and partnerships and led the annual marketing function planning process, establishing marketing goals and strategies, tactical plans, and a performance dashboard that includes all critical key performance indicators. We paid approximately \$0.10 million for the services provided during the year ended December 31, 2021.

37. At all times material hereto, Fellner was acting within the scope of her duties as a

1 director of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of loyalty,
2 good faith, and care.

3 38. Defendant Gelfand served as a director of Tattooed Chef since 2020. Defendant
4 Gelfand also served as Chairman of the Audit Committee and as a member of the Nominating and
5 Corporate Governance Committee. According to the 2022 Proxy Statement, as of April 4, 2022,
6 Gelfand beneficially owned 7,471 shares of Tattooed Chef's common stock. Given that the price
7 per share of Tattooed Chef's common stock at the close of trading on April 4, 2022 was \$12.25,
8 Gelfand owned approximately \$91,520 worth of Tattooed Chef stock.

9 39. For the 2021 Fiscal Year, Gelfand received \$125,000 in total compensation from
10 Tattooed Chef. This included \$48,000 in stock awards and \$77,000 in cash. For the 2020 Fiscal
11 Year, Gelfand received \$100,000 in total compensation from Tattooed Chef made up entirely of
12 stock awards.

13 40. The 2022 Proxy Statement stated the following about Gelfand:
14 Edward Gelfand has over four decades of combined legal experience
15 involving business and securities regulation. Mr. Gelfand specializes
16 in public and private securities offerings and syndications, securities
17 compliance and transactions, public company filings, merger and
18 acquisitions, as well as other related practices, including SEC and
19 FINRA defense representation. Mr. Gelfand is an active member of
20 the State Bar of California, and is a partner in the law firm of
21 Gartenberg Gelfand Hayton LLP and also serves as of counsel to the
22 law firm of Gundzik Heeger LLP. Mr. Gelfand has served and
23 continues to serve as corporate securities counsel for several SEC-
24 reporting public companies, including QS Energy, Inc., Rightscorp
25 Inc., Iroquois Valley Farmland REIT, PBC (Regulation A+),
26 Massroots, Inc. and PPOL, Inc. He also serves as corporate counsel
27 to numerous private companies and individuals. Mr. Gelfand has
28 experience across a wide range of industries, including broker-
dealers, investment advisers, restaurants, film distribution pro
boxing, renewable energies, aeronautics, auto racing, and real estate.
Mr. Gelfand has been engaged in private and government practice
since 1976. He has previously served as a staff attorney, special
counsel, and as a Chief, Branch of Enforcement, in the Los Angeles
Regional Office of the U.S. Securities and Exchange Commission.
He has also served as an arbitrator for the NASD, now Financial
Industry Regulatory Authority (FINRA), and been appointed as a
receiver by numerous federal courts. Mr. Gelfand received a B.S.
from Roosevelt University in 1970, and a J.D. from the University of
San Fernando Valley College of Law in 1976.

1 41. At all times material hereto, Gelfand was acting within the scope of his duties as a
2 director of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of loyalty,
3 good faith, and care.

4 42. Defendant Olohan served as a director of Tattooed Chef since 2020. Olohan also
5 served as Chairman of the Food Safety Committee. According to the 2022 Proxy Statement, as of
6 April 4, 2022, Olohan beneficially owned 7,471 shares of Tattooed Chef's common stock. Given
7 that the price per share of Tattooed Chef's common stock at the close of trading on April 4, 2022
8 was \$12.25, Olohan owned approximately \$91,520 worth of Tattooed Chef stock.

9 43. For the 2021 Fiscal Year, Olohan received \$100,000 in total compensation from
10 Tattooed Chef, which included \$48,000 in stock awards and \$52,000 in cash. For the 2020 Fiscal
11 Year, Olohan received \$100,000 in total compensation from Tattooed Chef made up entirely of
12 stock awards.

13 44. The 2022 Proxy Statement stated the following about Olohan:
14 Ryan Olohan is the managing director of Food, Beverage and
15 Restaurants at Google. Ryan started his career at Google in 2007,
16 first overseeing the consumer packaged goods industry and has spent
17 the past seven years as a thought leader in healthcare as the Managing
18 Director of Google Healthcare. He leads the teams responsible for
19 developing and managing Google's relationships with the foremost
20 innovators in the food, beverage and restaurant space. Mr. Olohan's
21 teams partner with the largest restaurant advertisers in the world to
22 build their brands though utilizing Google's vast search, display,
23 mobile, online video, and other platforms. As head of the Food
24 Industry team, Mr. Olohan is responsible for driving the teams'
25 strategy, industry and consumer insights, operational excellence, and
26 thought leadership.

27 45. At all times material hereto, Olohan was acting within the scope of his duties as a
28 director of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of loyalty,
good faith, and care.

 46. Defendant Quintero-Johnson served as a director of Tattooed Chef since 2020.
Quintero-Johnson also served as a member of the Audit Committee and the Food Safety
Committee. According to the 2022 Proxy Statement, as of April 4, 2022, Quintero-Johnson
beneficially owned 4,935 shares of Tattooed Chef's common stock. Given that the price per share

1 of Tattooed Chef's common stock at the close of trading on April 4, 2022 was \$12.25, Quintero-
2 Johnson owned approximately \$60,454 worth of Tattooed Chef stock.

3 47. For the 2021 Fiscal Year, Quintero-Johnson received \$100,000 in total
4 compensation from Tattooed Chef made up entirely of cash. For the 2020 Fiscal Year, Quintero-
5 Johnson received \$100,000 in total compensation from Tattooed Chef made up entirely of stock
6 awards.

7 48. The 2022 Proxy Statement stated the following about Quintero- Johnson:
8 Marie Quintero-Johnson has over 30 years of combined food and
9 beverage experience. Currently, she serves as Vice President, M&A,
10 Insights, and Corporate Real Estate for The Coca-Cola Company, a
11 role she has held since 2002. In her current role, Ms. Quintero-
12 Johnson supports the development and implementation of Coca-
13 Cola's global strategy through various growth, efficiency, and scale
14 initiatives. During her tenure, the Coca-Cola Company has
15 completed more than \$40 billion worth of transactions in over 100
16 countries, and has significantly increased the number of brands under
17 its corporate umbrella. Prior to joining the Coca-Cola Company in
18 1992, Ms. Quintero-Johnson began her career at Coopers & Lybrand
(n.k.a PricewaterhouseCoopers). Ms. Quintero-Johnson currently
sits on the Board of Coca-Cola Beverages Africa, Coca-Cola
Bottling of Egypt, Atlanta Downtown Improvement District, and
Cristo Rey Atlanta high School. She received her M.B.A. from the
Darden Graduate School of Business Administration, University of
Virginia, and her B.S. in Accounting and International Business from
Georgetown University. Ms. Quintero-Johnson is a Certified Public
Accountant.

19 49. At all times material hereto, Quintero-Johnson was acting within the scope of her
20 duties as a director of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties
21 of loyalty, good faith, and care.

22 50. Defendant Rosenberg served as a director of Tattooed Chef since 2020. Rosenberg
23 also served as Chairman of the Compensation Committee and as a member of the Food Safety
24 Committee. According to the 2022 Proxy Statement, as of April 4, 2022, Rosenberg beneficially
25 owned 7,471 shares of Tattooed Chef's common stock. Given that the price per share of Tattooed
26 Chef's common stock at the close of trading on April 4, 2022 was \$12.25, Rosenberg owned
27 approximately \$91,520 worth of Tattooed Chef stock.

28 51. For the 2021 Fiscal Year, Rosenberg received \$125,000 in total compensation from

1 Tattooed Chef, which included \$48,000 in stock awards and \$77,000 in cash. For the 2020 Fiscal
2 Year, Rosenberg received \$100,000 in total compensation from Tattooed Chef which was made up
3 entirely of stock awards.

4 52. The 2022 Proxy Statement stated the following about Rosenberg:
5 Bryan Rosenberg has held executive management positions within
6 food and beverage companies for over 30 years. Mr. Rosenberg is
7 the President and CEO of Thai Union North America. He is
8 responsible for its two operating companies, Chicken of the Sea
9 International (COSI) and Chicken of the Sea Frozen Foods (COSFF).
10 The two subsidiaries have annual revenue of approximately \$1.4
11 billion and provide the greatest portion of revenue globally for Thai
12 Union, the world's largest producer of shelf-stable tuna products
13 with annual sales exceeding \$4.3 billion and a global workforce of
14 over 47,000 people. Prior to his current role, Mr. Rosenberg served
15 as President and CEO of COSFF since he established the Company
16 in 2006 in partnership with Thai Union. Under Mr. Rosenberg's
17 leadership, COSFF has become the largest importer of shrimp,
18 lobster, and crab meat in the US, selling into all channels of trade
19 with annual revenue approaching \$1.1 billion. Mr. Rosenberg also
20 serves on the Board of Advisors for the Department of Economics at
21 University of California, Santa Barbara, where he is a Magna Cum
22 Laude graduate with a B.A. in Business Economics.

23 53. At all times material hereto, Rosenberg was acting within the scope of his duties as
24 a director of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of
25 loyalty, good faith, and care.

26 54. Defendant Williamson served as a director of Tattooed Chef since 2020.
27 Williamson also served as Chairman of the Nominating and Corporate Governance Committee.
28 According to the 2022 Proxy Statement, as of April 4, 2022, Williamson owned 259,930 shares of
Tattooed Chef's common stock. Given that the price per share of Tattooed Chef's common stock
at the close of trading on April 4, 2022 was \$12.25, Williamson owned approximately \$3.2 million
worth of Tattooed Chef stock.

55. For the 2021 Fiscal Year, Williamson received \$100,000 in total compensation from
Tattooed Chef, which included \$99,983 in stock awards and \$17 in cash. For the 2020 Fiscal Year,
Williamson received \$100,000 in total compensation from Tattooed Chef which consisted entirely
of stock awards.

1 56. The 2022 Proxy Statement stated the following about Williamson:
2 Daniel Williamson is currently a consultant and private investor. Mr.
3 Williamson was the founder and past President and CEO of Aspen
4 Medical Products from October 1993 until November 2020. He was
5 responsible for their global operations with offices in United States,
6 Mexico, Germany and Scotland. He was the majority owner of the
7 business until it was sold to the Cortec Group in 2019. Under his
8 leadership, Aspen Medical Products became the premier leader in
9 Spinal Bracing. Prior to founding Aspen Medical Products, Mr.
10 Williamson was the COO and CFO for California Medical Products
11 from 1988 to 1991, and the General Manager for Ladera Medical
12 California from 1991 to 1995, to whom California Medical Products
13 was sold in 1991. Mr. Williamson began his career in 1978 at
14 American Hospital Supply Corporation, which subsequently merged
15 with Baxter International. He has held positions in operations,
16 finance and accounting for multiple divisions of both companies. Mr.
17 Williamson won the EY Entrepreneur Award for Orange County CA
18 in 2017 for his innovative leadership at Aspen. Mr. Williamson also
19 serves as the Chairman of Alger Precision Manufacturing,
20 Reflections Holdings and Deep Roots Bible Curriculum. He is also
21 on the Board of Focal Point Ministries and The Premier Christian
22 Education Group. Mr. Williamson has a Bachelor of Science degree
23 in Accounting from Miami University in Ohio and holds a CPA.

24 57. At all times material hereto, Williamson was acting within the scope of his duties as
25 a director of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of
26 loyalty, good faith, and care.

27 58. Defendant Williams served as Chief Growth Officer of Tattooed Chef from 2020 to
28 2023. At all times material hereto, Williams was acting within the scope of his duties as an officer
of Tattooed Chef, and in such position, owed Tattooed Chef the fiduciary duties of loyalty, good
faith, and care.

 59. Defendant Cargile served as CFO of Tattooed Chef from 2020 to 2021. At all times
material hereto, Cargile was acting within the scope of his duties as an officer of Tattooed Chef,
and in such position, owed Tattooed Chef the fiduciary duties of loyalty, good faith, and care.

JURISDICTION AND VENUE

 60. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C.
§§ 157(a) and 1334(b). Pursuant to the Confirmation Order approving the Chapter 11 Plan, the
Court retained exclusive jurisdiction over any matter arising under the Bankruptcy Code and arising

1 in or related to the Debtors' Chapter 11 Cases or the Chapter 11 Plan, to the fullest extent
2 permissible, including but not limited to any actions or matters related to Estate Causes of Action.
3 This action also holds a close nexus to the Chapter 11 Plan, in that it affects the interpretation,
4 implementation, execution, or enforcement thereof.

5 61. This is a non-core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A) and (O).
6 Plaintiff consents to the entry of final orders and judgment by the Bankruptcy Court, subject to
7 Plaintiff's demand for and right to a trial by jury before the District Court.

8 62. Venue is proper in this district pursuant to 28 U.S.C. § 1409.

9 63. All conditions precedent to the filing of this action have been performed, waived,
10 satisfied, or have otherwise occurred.

11 GENERAL ALLEGATIONS

12 I. COMPANY OVERVIEW

13 64. Originally founded in 2009 as Ittella, the Ittella Companies were a plant-based food
14 company that primarily offered a broad portfolio of innovative frozen foods to customers. The
15 Ittella Companies' brand strategy involved introducing the attributes of a plant-based lifestyle to
16 build a connection with customers seeking sustainably sourced, plant-based foods. The Ittella
17 Companies' food offerings accommodated preferences for flexitarian, vegetarian, vegan, organic,
18 and gluten-free lifestyles. Its products were available in the frozen food sections of national retail
19 food stores across the United States, as well as on e-commerce sites.

20 65. Forum was originally incorporated in Delaware on May 4, 2018 as a special purpose
21 acquisition company ("SPAC") for the purpose of effecting a merger, capital stock exchange, asset
22 acquisitions, stock purchase, reorganization or similar business combination with one or more
23 business.

24 66. On October 15, 2020 (the "**Closing Date**"), Forum consummated the transactions
25 contemplated within the Agreement and Plan of Merger dated June 11, 2020 as amended on August
26 10, 2020, (the "**Merger Agreement**"), by and among Forum, Myjojo, a Delaware corporation,
27 Sprout Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Forum
28 ("**Merger Sub**") and Galletti, in capacity as the holder representative (the "**Holder**

1 **Representative**”). The transactions contemplated by the Merger Agreement are referred to herein
2 as the “**Transaction**” or “**Merger**”.

3 67. Upon completion of the Merger, Merger Sub merged with and into Myjojo with
4 Myjojo surviving the Merger in accordance with Delaware General Corporate Law. Immediately
5 upon the completion of the Merger, Myjojo became a direct wholly owned subsidiary of Forum.

6 68. In connection with the Closing of the Merger, Forum changed its name to Tattooed
7 Chef and began trading on the NASDAQ under the ticker symbol “TTCF” (the “**De-SPAC**”) on
8 October 16, 2020.

9 69. As part of the De-SPAC, Tattooed Chef raised \$480 million, however, as part of the
10 De-SPAC, Galletti, his family and entities that he controlled, as well as Dieckmann and other
11 insiders enriched themselves to the tune of \$75 million. However, less than three years later, the
12 Ittella Companies had burned through all of the funds raised through the De-SPAC and, in July
13 2023, the Ittella Companies’ entered bankruptcy with minimal cash and assets, and with their
14 creditors owed more than \$100 million.

15 70. On the Petition Date, the Ittella Companies filed the *Omnibus Declaration of*
16 *Edward Bidanset in Support of Emergency First Day Motion* (Dkt. 15 – the “**First Day**
17 **Declaration**”). The First Day Declaration contains a section entitled “General Background” and
18 states in pertinent part as follows:

19 The Debtors are led by their President and CEO, Salvatore “Sam”
20 Galletti, who has over 35 years of experience in the food industry as
21 both a manager and an investor, and Sarah Galletti, the Chief
22 Creative Officer and the creator of the Tattooed Chef brand.

23 In April 2021, the Debtors spent approximately **\$4.9 million** to
24 acquire [a 100,000 square foot processing facility in Prossedi, Italy]
25 and its machinery to secure and upgrade the frozen food manufacture
26 capabilities.

27 In May 2021, Tattooed Chef acquired NMFD and Karsten for a total
28 purchase price of approximately **\$34.1 million**, and, on December
21, 2021, through BCI, acquired substantially all of the assets and
assumed certain liabilities from Belmont Confections, Inc. (located
in Ohio) for a total purchase price of **\$16.7 million**. In August of
2022, Tattooed Chef, through TTCF, entered into an equipment
purchase agreement with Desert Premium Group, LLC pursuant to
which the Debtors acquired certain manufacturing, production, and
storage assets, organized workforce, as well assumed a lease for an
80,000 square foot manufacturing facility located in Albuquerque,

1 New Mexico, for a purchase price of approximately **\$10.4 million**.

2 Tattooed Chef acquired all of the equity of Myjojo pursuant to an
3 Agreement and Plan of Merger, dated June 11, 2020, as amended on
4 August 10, 2020. Myjojo has no operations, and its only asset [was]
5 the membership interest in Ittella. In turn Ittella owns the
6 membership interests in ITLLC, a California limited liability
7 company, which owns equity interests in Ittella Italy.

8 **The Debtors invested over \$100 million on marketing and in-**
9 **store promotions.**

10 After the corporate acquisitions described above and the substantial
11 outlay of funds to develop the market for the Debtors' products, the
12 Debtors found themselves short on cash. **In October [2022], the**
13 **Debtors' auditors advised the Debtors that certain adjustments**
14 **and restatements to their financial statements were required,**
15 **which affected the Debtors' financial statements for the**
16 **preceding six financial quarters.**

17 Although the Debtors experienced revenue growth from \$147
18 million in 2020 to \$230 million in 2022, **Tattooed Chef's share**
19 **price declined dramatically, particularly over the first quarter of**
20 **2023. During this time period, the Debtors' liquidity became**
21 **constrained and the Debtors fell behind on payments to suppliers**
22 **and other parties necessary to the continued operation and**
23 **profitability of their business.**

24 (Emphasis added).

25 71. The Ittella Companies, including Tattooed Chef, were primarily operated by
26 Galletti, Sarah, and Dieckmann. Although neither Galletti, Sarah nor Dieckmann had any
27 experience working at or managing public companies, the Defendants allowed these three insiders
28 to operate the Ittella Companies virtually unchecked. The Board of Directors' meeting minutes do
not reflect a single instance where a proposal made by Galletti or Dieckmann was rejected or
delayed. Indeed, the Defendants did not so much as ask for an analysis or for more information or
for an outside professional to review and opine on the proposals, instead virtually every single
proposal was approved.

72. In 2021 and 2022, multiple officers of the Ittella Companies resigned. Even in the
face of these resignations, the Defendants did not alter their longstanding practice of "rubber
stamping" and abdicating responsibility for corporate decision making entirely to Galletti and
Dieckmann.

73. In their commanding roles with the Ittella Companies, including Tattooed Chef,

1 Galletti, Sarah, and Dieckmann did not create an actual business plan for the companies. No such
2 plan was ever presented to the Board of Directors. The Defendants did not inquire as to such
3 business plan, request that such a plan be prepared or retain any professionals or advisors to assist
4 in preparing or evaluating any such plan.

5 74. Instead of having an actual business plan, the Defendants relied on the hope that
6 positive results would be obtained by spending enormous amounts of money on costly acquisitions
7 and marketing while simultaneously ignoring strategic planning, integration of acquisitions,
8 consolidation of operations, reducing expenses or ensuring proper management and controls were
9 in place. The numerous strategic errors include, but are not limited to confusing pricing strategy,
10 expanding categories too fast, and using misleading labeling. The Defendants' gross
11 mismanagement caused the Ittella Companies to waste hundreds of millions of dollars and incur
12 tens of millions of dollars of secured and unsecured debt that the Ittella Companies could not afford
13 to repay.

14 75. From March 2021 through October 2022 (the "**Restatement Period**"), the
15 Defendants frequently emphasized to the investing public that Tattooed Chef was committed to the
16 continuous improvement of its internal control over financial reporting and that this was subject to
17 diligent review. In addition, Tattooed Chef filed numerous quarterly reports on Forms 10-Q with
18 the SEC throughout the Restatement Period stating that its consolidated financial statements fairly
19 presented Tattooed Chef's financial position and were drafted in conformity with GAAP.

20 76. In reality, not only was Tattooed Chef failing to adequately review its internal
21 control over financial reporting, but Tattooed Chef also improperly reported financial statements
22 that violated GAAP and ultimately caused Tattooed Chef to restate over six quarters worth of its
23 financial statements, which resulted in significant losses for the Company.

24 77. On March 11, 2022, the truth began to surface when Tattooed Chef issued a press
25 release revealing that on March 7, 2022, the Board of Directors concluded that Tattooed Chef's
26 unaudited interim condensed consolidated financial statements for the quarters ended March 31,
27 2021, June 30, 2021, and September 30, 2021 should no longer be relied upon. The press release
28 revealed that these financial statements were no longer reliable because Tattooed Chef did not

1 properly record the tax effects associated with Tattooed Chef's issuance of 825,000 shares of its
2 common stock to investment bank, Harrison Co., in June 2021.

3 78. As a result, Tattooed Chef ultimately disclosed that it would "restate the unaudited
4 consolidated financial statements" at issue.

5 79. On this news, Tattooed Chef's share price fell to \$1.03 per share, or 9.07% from the
6 closing at \$11.36 per share on March 11, 2022, to close at \$10.33 per share on March 14, 2022.

7 80. Despite these revelations, the Defendants continued to make false and misleading
8 statements and omissions about Tattooed Chef's internal control over financial reporting to the
9 investing public in SEC filings, including in the annual report Tattooed Chef filed with the SEC on
10 Form 10-K on March 16, 2022 (the "**2021 10-K**").

11 81. The truth did not fully emerge until after the market closed on October 12, 2022.
12 That day, Tattooed Chef filed a Form 8-K with the SEC which revealed that various of its financial
13 statements issued throughout the Restatement Period were "materially misstated and should no
14 longer be relied upon and should be restated" because Tattooed Chef had incorrectly recorded its
15 expenses on several occasions. Specifically, Tattooed Chef revealed that it had overstated revenue
16 and understated losses for its "unaudited interim condensed consolidated financial statements for
17 the quarters ended March 31, 2021, June 30, 2021, and September 30, 2021, and its audited annual
18 consolidated financial statements for the year ended December 31, 2021." In addition, the Board
19 of Directors, after consulting with the Audit Committee, determined that Tattooed Chef's unaudited
20 interim condensed consolidated financial statements for the quarters ending on March 31, 2022 and
21 June 30, 2022 should no longer be relied upon and would also need to be restated.

22 82. On this news, Tattooed Chef's share price fell by \$0.44 per share, or 9.8%, from
23 closing at \$4.49 per share on October 12, 2022, to opening at \$4.05 per share on October 13, 2022.

24 83. During the Restatement Period, the Defendants breached their fiduciary duties to
25 Tattooed Chef by making and/or causing Tattooed Chef to make a series of materially false and
26 misleading statements to the investing public regarding Tattooed Chef's business, operations, and
27 prospects. Specifically, the Defendants willfully or recklessly made and/or caused Tattooed Chef
28 to make false and misleading statements to the investing public that failed to disclose, *inter alia*,

1 that: (1) Tattooed Chef continuously downplayed its serious problems with internal controls; (2)
2 Tattooed Chef's financial statements filed during the Restatement Period contained "certain errors"
3 such as overstating revenue and understating losses; (3) due to this, Tattooed Chef would need to
4 restate its previously filed financial statements for certain periods; and (4) as a result of the
5 foregoing, Tattooed Chef's public statements were materially false and misleading and/or lacked a
6 reasonable basis at all relevant times.

7 84. The Defendants also breached their fiduciary duties by failing to correct and/or
8 causing Tattooed Chef to fail to correct these false and misleading statements and omissions of
9 material fact, while, during the Restatement Period, Galletti sold Tattooed Chef shares at inflated
10 prices for combined total proceeds of over \$8,000,000.

11 85. Additionally, in breach of their fiduciary duties, the Defendants, during the relevant
12 period, caused Tattooed Chef to fail to maintain adequate internal controls.

13 86. In light of the Defendants' misconduct—which has subjected Tattooed Chef, its
14 CEO - Galletti, its CFO - Dieckmann, its CMO - Sarah and certain other Defendants, to a federal
15 securities fraud class action lawsuit pending in the United States District Court for the Central
16 District of California (the "**Securities Class Action**"), the need to undertake internal investigations,
17 the need to implement adequate internal controls, the losses from the waste of corporate assets, and
18 the losses due to the unjust enrichment of the Defendants who were improperly overcompensated
19 by Tattooed Chef and/or who benefitted from the wrongdoing alleged herein— Tattooed Chef
20 would have to expend many millions of dollars.

21 87. The Ittella Companies have been substantially damaged as a result of the
22 Defendants' knowing or highly reckless breaches of fiduciary duty and other misconduct.

23 **A. Tattooed Chef's Code of Ethics**

24 88. Tattooed Chef's Code of Ethics was adopted by the Board of Directors to, among
25 other things, promote "honest and ethical conduct" and "compliance with applicable governmental
26 laws, rules and regulations." The Code of Ethics states that it is "applicable to all of the Company's
27 directors, officers, and employees."

28 89. In a section titled, "Honest, Ethical and Fair Conduct," the Code of Ethics states the

1 following, in relevant part:

2 Each person must:

- 3 • Avoid conflicts of interest, wherever possible, except as
4 may be allowed under guidelines or resolutions approved by
5 the Board (or the appropriate committee of the Board) or as
6 disclosed in the Company's public filings with the SEC.
Anything that would be a conflict for a person subject to this
Code also will be a conflict for a member of his or her
immediate family or any other close relative.

7 90. In a section titled, "Financial Statements and Other Records," the Code of Ethics
8 states the following:

9 All of the Company's books, records, accounts and financial
10 statements must be maintained in reasonable detail, must
11 appropriately reflect the Company's transactions and must both
12 conform to applicable legal requirements and to the Company's
system of internal controls. Unrecorded or "off the books" funds or
assets should not be maintained unless permitted by applicable law
or regulation.

13 Records should always be retained or destroyed according to the
14 Company's record retention policies. In accordance with those
15 policies, in the event of litigation or governmental investigation,
16 please consult the Board or the Company's internal or external legal
counsel.

17 91. In a section titled, "Disclosure," the Code of Ethics states the following, in relevant
18 part:

19 The Company strives to ensure that the contents of and the
20 disclosures in the reports and documents that the Company files with
21 the SEC and other public communications shall be full, fair, accurate,
timely and understandable in accordance with applicable disclosure
standards, including standards of materiality, where appropriate.
Each person must:

- 22 • not knowingly misrepresent, or cause others to
23 misrepresent, facts about the Company to others, whether
24 within or outside the Company, including to the Company's
25 independent registered public accountants, governmental
regulators, self-regulating organizations and other
governmental officials, as appropriate; and
26 • in relation to his or her area of responsibility, properly
27 review and critically analyze proposed disclosure for
28 accuracy and completeness. In addition to the foregoing, the
Chief Executive Officer ("CEO") and the Chief Financial
Officer ("CFO") of the Company and each subsidiary of the

1 Company (or persons performing similar functions), and each
2 other person that typically is involved in the financial
3 reporting of the Company, must familiarize himself or herself
4 with the disclosure requirements applicable to the Company
as well as the business and financial operations of the
Company.

5 92. In a section titled, "Compliance," the Code of Ethics states the following, in relevant
6 part:

7 It is the Company's obligation and policy to comply with all
8 applicable governmental laws, rules and regulations. All directors,
9 officers and employees of the Company are expected to understand,
10 respect and comply with all of the laws, regulations, policies and
11 procedures that apply to them in their positions with the Company.
12 Employees are responsible for talking to their supervisors to
determine which laws, regulations and Company policies apply to
their position and what training is necessary to understand and
comply with them.

13 93. In a section titled, "Reporting and Accountability," the Code of Ethics states the
14 following, in relevant part:

15 The Board, or a committee designated by the Board for such purpose,
16 is responsible for applying this Code to specific situations in which
17 questions are presented to it and has the authority to interpret this
18 Code in any particular situation. Any person who becomes aware of
any existing or potential breach of this Code is required to notify the
Chairperson of the Board promptly. Failure to do so is, in and of
itself, a breach of this Code.

19 94. In a section titled, "Insider Information and Securities Trading," the Code of Ethics
20 states the following, in relevant part:

21 No person who is aware of material, non-public information about
22 the Company may, directly or indirectly, buy or sell the Company's
23 securities or engage in another action to take advantage of such
24 information. It is also against the law to trade or to "tip" others who
25 might make an investment decision based on material, non-public
26 information about the Company. For example, using material, non-
27 public information to buy or sell the Company's securities, options
28 in the Company's securities or the securities of any Company
supplier, customer or competitor is prohibited. The consequences of
insider trading violations can be severe. These rules also apply to the
use of material, nonpublic information about other companies
(including, for example, our customers, competitors and potential
business partners).

1 95. In violation of the Code of Ethics, the Defendants conducted little, if any, oversight
2 of Tattooed Chef's engagement in the Defendants' scheme to issue materially false and misleading
3 statements to the public and to facilitate and disguise the Defendants' violations of law, including
4 breaches of fiduciary duty, care, and loyalty and gross mismanagement, abuse of control, waste of
5 corporate assets, unjust enrichment, violations of the Exchange Act, and aiding and abetting
6 thereof. Moreover, Galletti violated the Code of Ethics by engaging in insider trading. Also, in
7 violation of the Code of Ethics, Defendants failed to maintain the accuracy of company records and
8 reports, comply with laws and regulations, conduct business in an honest and ethical manner, and
9 properly report violations of the Code of Ethics.

10 **B. Tattooed Chef's Audit Committee Charter**

11 96. Tattooed Chef also maintained an Audit Committee Charter (the "**Charter**").
12 Regarding Tattooed Chef's annual Forms 10-K, the Charter states that the Audit Committee will
13 "[r]eview and discuss the annual audited financial statements and the Company's disclosures under
14 'Management's Discussion and Analysis of Financial Condition and Results of Operations' with
15 management and the independent registered public accounting firm."

16 97. Likewise, with respect to Tattooed Chef's quarterly Forms 10-Q, the Charter
17 provides that the Audit Committee will "[r]eview and discuss the quarterly financial statements and
18 the Company's disclosures provided in periodic quarterly reports including 'Management's
19 Discussion and Analysis of Financial Condition and Results of Operations' with management, the
20 senior internal auditing executive (or outside internal auditing principal, if applicable) and the
21 independent registered public accounting firm."

22 98. Moreover, with respect to Tattooed Chef's earnings press releases, the Charter
23 explains that the Audit Committee will "[d]iscuss policies and procedures concerning earnings
24 press releases and review the type and presentation of information to be included in earnings press
25 releases (paying particular attention to any use of 'pro forma' or 'adjusted' non-GAAP
26 information), as well as financial information and earnings guidance provided to analysts and rating
27 agencies."

28 99. With respect to risk assessment and management, the Charter states that the Audit

1 Committee will “[d]iscuss policies and guidelines to govern the process by which risk assessment
2 and risk management is undertaken” and “[m]eet periodically (not less than annually) with
3 management to review and assess the Company’s major financial risk exposures and the manner in
4 which such risks are being monitored and controlled.”

5 100. Finally, with respect to Tattooed Chef’s internal control over financial reporting, the
6 Charter provides that the Audit Committee will:

7 Review with the chief executive officer, chief financial officer, and
8 independent registered public accounting firm, periodically, the
9 following:

- 10 • all significant deficiencies and material weaknesses in the
11 design or operation of internal control over financial
12 reporting which are reasonably likely to adversely affect the
13 Company’s ability to record, process, summarize and report
14 financial information; and
- 15 • any fraud, whether or not material, that involves
16 management or other employees who have a significant role
17 in the Company’s internal control over financial reporting.

18 101. Although each committee was responsible for evaluating certain risks and
19 overseeing the management of such risks, the entire Board of Directors was required to keep
20 regularly informed through committee reports about such risks.

21 102. As provided in the Audit Committee Charter, the Audit Committee was responsible
22 for discussing Tattooed Chef’s policies with respect to risk assessment and risk management,
23 including guidelines and policies to govern the process by which Tattooed Chef’s exposure to risk
24 was handled. In accordance with those policies, Tattooed Chef’s Board of Directors and the
25 committees of Tattooed Chef were required to have an active role in overseeing management of
26 Tattooed Chef’s risks. Tattooed Chef’s Board of Directors was required to regularly review
27 information regarding Tattooed Chef’s credit, liquidity and operations, as well as the risks
28 associated with each. Tattooed Chef’s Compensation Committee was responsible for overseeing
the management of risks relating to Tattooed Chef’s executive compensation plans and
arrangements. Tattooed Chef’s Audit Committee was required to oversee management of financial
reporting and related risks. Tattooed Chef’s Nominating and Corporate Governance Committee

1 was required to manage risks associated with the independence of its Board of Directors and
2 potential conflicts of interest. Although each committee was responsible for evaluating certain
3 risks and overseeing the management of such risks, the entire Board of Directors was required to
4 keep regularly informed through committee reports about such risks.

5 **II. WRONGFUL ACTS**

6 103. Prior to the De-SPAC, Forum was formed as a blank check corporation with the
7 intention of acquiring an operating company. Galletti, Dieckmann and other Defendants created
8 an investor presentation and persuaded Forum to consummate the De-SPAC, pursuant to which the
9 Ittella Companies' operations were merged with Forum. The new public company assumed the
10 name Tattooed Chef.

11 104. According to Tattooed Chef's November 19, 2022 Prospectus:
12 [Tattooed Chef is] a rapidly-growing plant-based food company with
13 operations in the United States and Italy, offering a broad portfolio
14 of frozen, plant-based food products in private label and under the
15 'Tattooed Chef' brand. We provide plant-based meals and snacks
including, but not limited to, acai and smoothie bowls, zucchini
spirals, riced cauliflower, vegetable bowls and cauliflower crust
pizza to leading club store and food retailers in the United States.

16 105. Prior to the De-SPAC in 2020, Tattooed Chef was a very small company, and it
17 represented that Galletti was its chief decision-maker and the one person who made all major
18 decisions affecting the company: "We have one operating segment and one reportable segment, as
19 our chief decision maker, our Chief Executive Officer, reviews financial information on an
20 aggregate basis for purposes of allocating resources and evaluating financial performance." Until
21 July 2020, the only other executive officer of Tattooed Chef was Dieckmann. Tattooed Chef later
22 added a Chief Growth Officer (Williams) in July 2020 and a CFO (Cargile) in August 2020.

23 106. Moreover, Galletti's daughter, Sarah, handled all of Tattooed Chef's marketing
24 efforts: "**Ms. Galletti [] currently oversees all 'Tattooed Chef' marketing efforts.**" The
25 father/daughter duo, who founded Tattooed Chef, also own 50% of the Tattooed Chef's stock, and
26 thus influenced and controlled most aspects of the Company.

27 107. Tattooed Chef was experiencing growth but constrained by the fact that it only had
28 one line of business, a limited number of products, and a concentration of most of its sales in just

1 five customers:

2 Our revenue in the twelve month period ended December 31, 2019
3 (“**Fiscal 2019**”) was approximately \$84.9 million, which represents
4 a 79.5% increase from the twelve month period ended December 31,
5 2018 (“**Fiscal 2018**”) revenue of \$47.3 million and for the nine
6 months ended September 30, 2020 was approximately \$108.9
7 million, which represents a 87.4% increase from revenue for the nine
8 months ended September 30, 2019 of \$58.1 million. As of September
30, 2020, our products were sold in approximately 7,200 club and
grocery outlets in the United States. Our innovative plant-based
products offer consumers a diverse portfolio of wholesome, clean
label items that are convenient, without sacrificing on quality,
nutritional value or freshness and that are great tasting.

9 **During Fiscal 2019, we sold a substantial portion of our products**
10 **to five customers, which accounted for approximately 95% of**
11 **Fiscal 2019 revenue. Three of those customers accounted for**
12 **approximately 87% of revenue for the nine months ended**
13 **September 30, 2020.** Management believes our relationships with
14 these customers are strong, and none have indicated any intent to
15 cease or reduce the volume of business they do with us. As we grow
16 “Tattooed Chef,” we expect to expand our sales and marketing team
by adding more dedicated personnel to service additional retail
customers. We are also contemplating adding outside sales
representatives and/or brokers to extend our sales efforts. These
efforts to add retail customers could partially mitigate customer
concentration risk.

17 108. After the De-SPAC, Tattooed Chef’s stock price and prospects were dependent on
18 increasing sales and revenues. Because Tattooed Chef was not profitable, its revenue growth rate
19 was the main metric emphasized by Tattooed Chef to analysts and the stock market. Further, its
20 main strategy for growing revenues was to try to increase distribution of its products to more
21 retailers and to grocery stores, to increase the number of its products sold through its club channel
22 (Walmart and Sam’s Club), and to increase sales of its branded products instead of its private label
23 products, which historically accounted for most of its sales. With respect to its goal of increasing
24 sales of its branded products, Tattooed Chef stated:

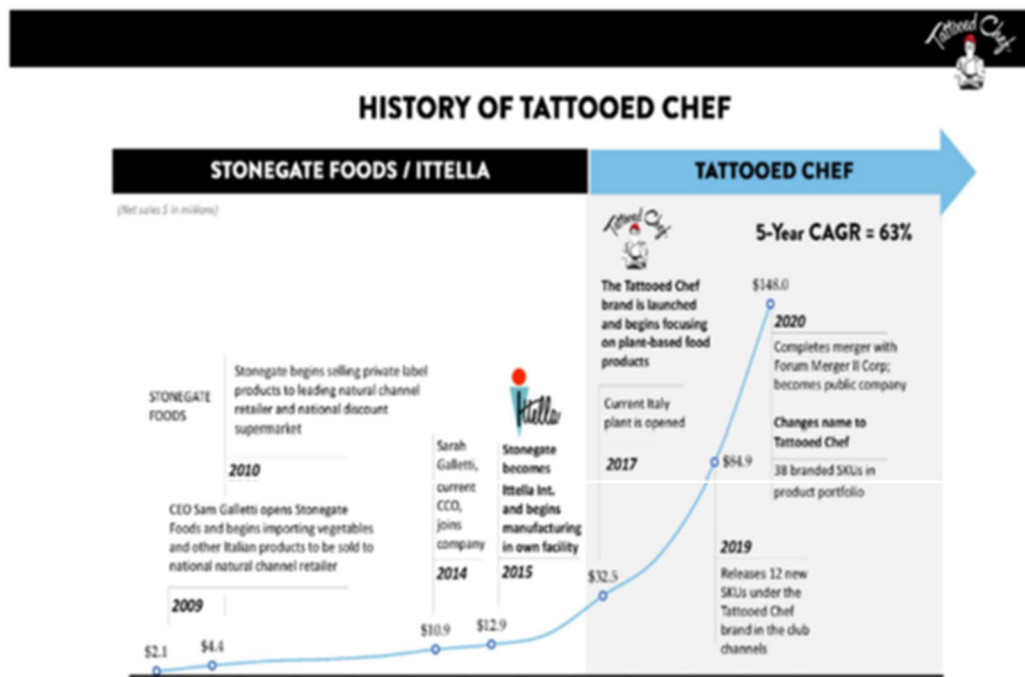
25 Revenue Strategy — Historical growth has been predominately
26 driven by sales of private label products. However, **our current**
27 **strategy is to grow sales of “Tattooed Chef” branded products,**
28 **which have increased from approximately 4% of revenue in**
Fiscal 2018 to approximately 22% of revenue in Fiscal 2019 to
approximately 55% of revenue in the nine months ended
September 30, 2020. We expect growth of “Tattooed Chef” sales to

continue to outpace that of private label, **which will require us to plan, develop and execute a detailed marketing strategy.**

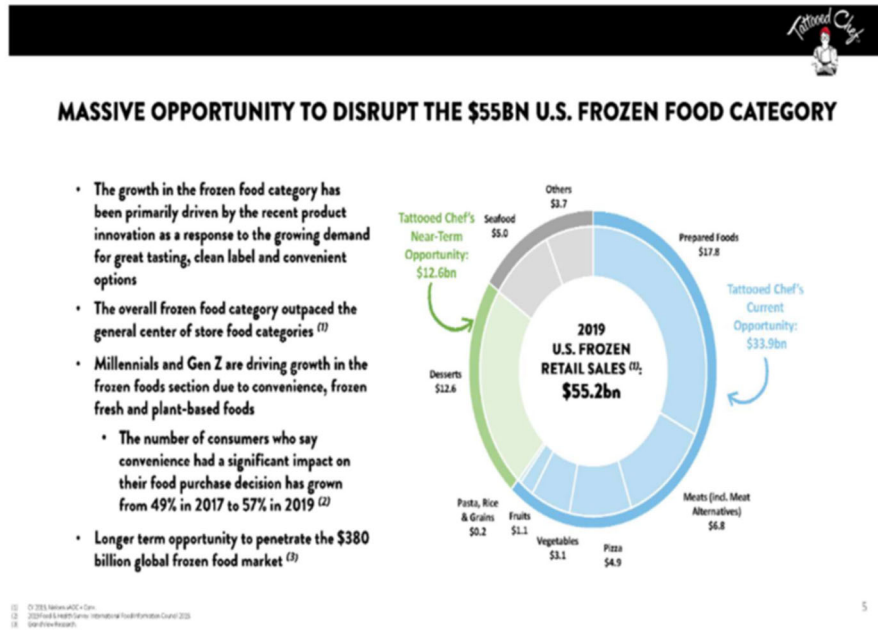
109. In order to increase sales of its branded products, however, Tattooed Chef needed to hire more people and also pay higher “slotting fees” and incur promotional expenses. Tattooed Chef’s products were frozen products that were sold in stores’ highly competitive freezer department. These products were subject to much higher competition because retailers and grocery stores have a much more limited space available for frozen products.

A. Investor Presentation

110. On December 15, 2020, Tattooed Chef filed a Form 8-K signed by Cargile. The filing attached slides from an “Investor Day” presentation that Galletti, Dieckmann, Sarah, and Cargile had presented to stock analysts. The presentation contained the following graph depicting the history of Tattooed Chef:



111. The Investor Day presentation also told analysts that Tattooed Chef was growing rapidly and had a “massive opportunity to disrupt the \$55bn U.S. frozen food category” and that “Tattooed Chef’s near-term opportunity [was] \$12.6 bn”:

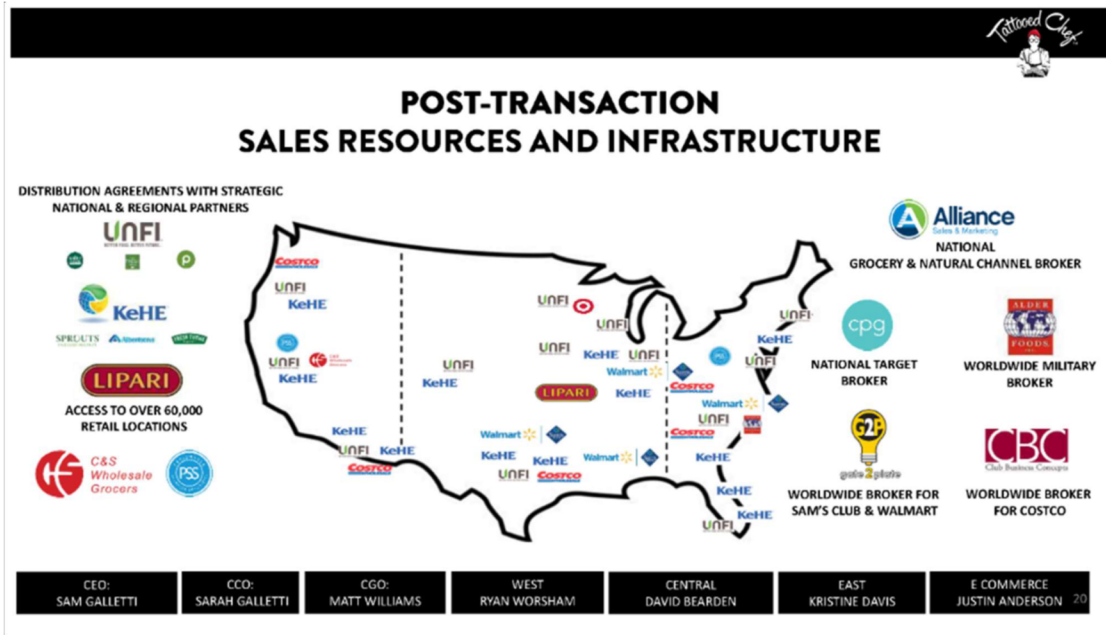


112. On or around December 2020, most of Tattooed Chef's products were sold through big box retailers such as Wal-Mart, Sam's Club, and Costco.

113. However, in an effort to expand its growth, Tattooed Chef embarked on a plan to try to sell its products in grocery stores:

Tattooed Chef products are sold in the frozen food section of retail stores and club stores. We initially approached club stores to carry Tattooed Chef products recognizing the demanding volume requirements associated with these customers. **We believe our success with club stores across an array of Tattooed Chef branded products indicates that the Tattooed Chef brand resonates with our target consumer and would be attractive to conventional retail grocery customers.**

114. Tattooed Chef represented that the Merger with Forum in the Fall of 2020 would allow the Company to achieve this goal of expanding beyond Walmart, Costco and Sam's Club. Tattooed Chef's December 15, 2020 Investor Day presentation supplied the following graphic depicting additional distribution partners and brokers that it gained access to as a result of the Merger:



115. Tattooed Chef’s December 15, 2020 Investor Day presentation stated that it had gained access to the following grocery stores and other national retailers for the purpose of selling its products, including, but not limited to Seven Eleven, Whole Foods, Target, Meijers, Kroger, Publix, Shop Rite, Stop & Shop, and The Fresh Market.

116. Two key factors made it more difficult for upstarts like Tattooed Chef to convince retailers to give them space in the frozen section: (1) there is a much more limited amount of space available for frozen products in grocery stores compared to big box retailers such as Costco and Sam’s Club; and (2) the limited amount of space available, as well as the increased costs to retailers and grocery stores of maintaining frozen sections, including the cost of the freezers and higher electricity costs, causes retailers and grocery stores to successfully demand higher “slotting fees” and other payments and/or discounts from manufacturers for the frozen shelf space. These factors made it difficult for smaller companies like Tattooed Chef to maintain desired margins after paying the increased promotional costs and slotting fees. Nonetheless, Tattooed Chef represented to the market that it was well-positioned to supercharge its growth through increased sales of its branded frozen products.

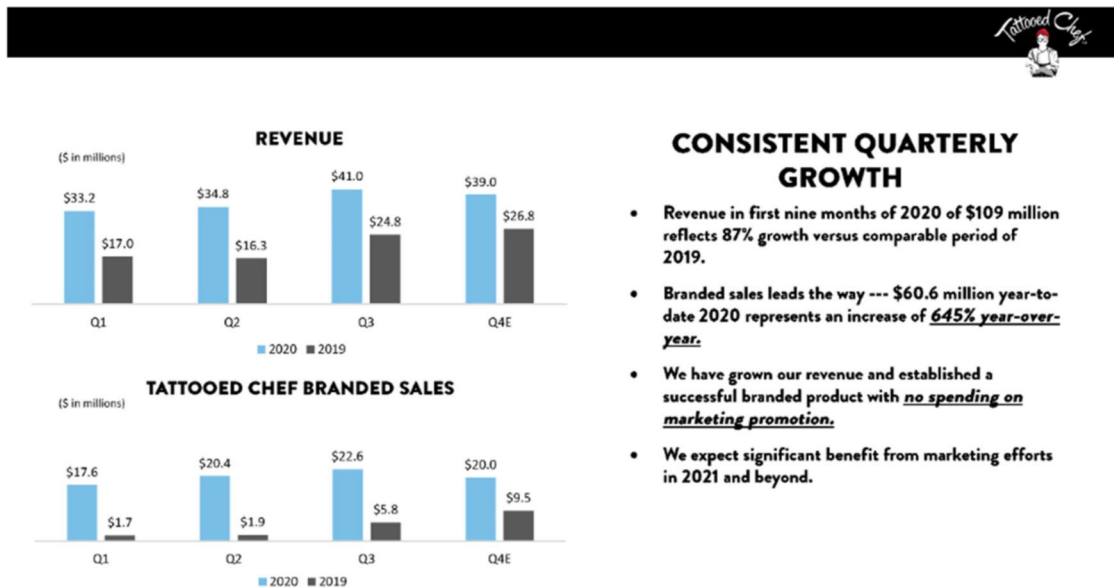
117. Despite these problems, Galletti, Sarah, Cargile, and Dieckmann provided the following earnings guidance in the December 15, 2020 Investor Day presentation, telling investors

that Tattooed Chef expected to realize revenue of \$222 million the following year and then more than double revenue to \$500 million by 2023:³



2021 GUIDANCE AND BEYOND			
Year	Revenue	Gross Margin	Adjusted EBITDA
2021	\$222 million	20% - 25%	\$8-10 million
2022	\$300 million	25% - 30%	mid-teens as % of sales
2023	\$500 million	30% - 35%	high-teens as % of sales
2026	\$1 billion	35%+	20%+ as % of sales

118. Defendants also highlighted the 645% growth of Tattooed Chef’s branded products, which growth they represented had been achieved “with no spending on marketing promotion”:



³ The revenue, gross margin, and EBITDA guidance was not accompanied by any meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the guidance. Moreover, the guidance was false and misleading and was made by Galletti, Sarah, Dieckmann, and Cargile with actual knowledge by them that the statements were false or misleading. Among other things, as alleged herein, the Defendants knew at the time that Tattooed Chef’s growth plan and projected revenues and gross profits/margins were predicated on an improper accounting scheme pursuant by which Tattooed Chef was improperly classifying the slotting fees and in-store promotion costs that were essential to the growth plan as “operational expenses” instead of reductions to revenue.

119. The statements made at the December 15, 2020 Investor Day presentation and incorporated in the Form 8-K, were false and misleading as they failed to disclose the fact that, far from being premised on “no spending on marketing promotion,” Tattooed Chef’s aggressive growth strategy was premised on paying significant slotting fees and in-store promotion fees to get its products into the frozen food section of grocery stores, and that Galletti, Sarah, Cargile, and Dieckmann intended to mischaracterize those expenses as “operating expenses” instead of reductions to revenue, as required by GAAP. As a result, the statements about revenue growth were materially inflated; had the slotting fees and in-store promotion fees been deducted from the revenue figures, the revenue growth would have been materially lower.

120. This is because Tattooed Chef was required to prepare and present its financial statements in accordance with GAAP, which is a set of accounting principles, standards, and procedures that companies are required to follow when preparing and presenting their financial statements. GAAP provides a standardized framework for financial reporting to ensure consistency, comparability, and transparency in financial statements.

121. Defendants Sam Galletti, Sarah, Dieckmann, and Cargile told the analysts that Tattooed Chef would launch its first advertising and marketing campaign in 2021, which would drive significant continued growth:



122. Sam Galletti, Sarah, and Dieckmann, who collectively owned 51% of Tattooed

Chef's stock, also told investors that the company planned to raise capital needed to fund its growth through investors' exercise of warrants, whereby the investors would receive stock and Tattooed Chef would receive cash. However, for Tattooed Chef to be able to raise this cash, which would be up to \$230 million, its stock needed to trade above \$18 per share for 20 out of 30 trading days, as reflected by the following graph that Galletti, Sarah, and Dieckmann provided to analysts:

		
Capital Structure		
Name	Shares O/S	%
Sam Galletti (and Family)	32,786,538	50%
Public Shareholders	20,093,584	31%
Fourm II Management	5,555,000	9%
UMB Capital Corporation	4,683,791	7%
Pizzo Food, SRL	1,500,000	2%
Stephanie Dieckmann	500,000	1%
	<u>65,118,913</u>	<u>100%</u>
Warrants (TTCFW)	20,000,000	
Exercisable @ \$11.50		
Callable by the company if share price trades > \$18 for 20 of 30 trading days.		
Could generate \$230 million cash --- or Company can choose a cashless exercise.		

123. Prior to the Investor Day presentation, Tattooed Chef's stock was well below the price necessary to allow Tattooed Chef to raise the needed cash through exercise of the warrants. On December 2, 2020, the stock closed at \$15.42. After the Investor Day presentation was filed with the SEC on Form 8-K, however, the stock's price rose dramatically, increasing to \$19.35 on December 15, 2020 on an unusually heavy trading volume of 6.8 million shares, approximately ten times the normal volume. The stock continued to increase in the ensuing days, reaching \$24.69 by December 23, 2020 with continued unusually heavy trading volume.

B. Press Releases

124. On February 22, 2021, Tattooed Chef issued a press release which disclosed that the company had been able to raise cash from the exercise of the warrants due to its stock having exceeded the necessary price:

PARAMOUNT, Calif., Feb. 22, 2021 (GLOBE NEWSWIRE) -- Tattooed Chef, Inc. (Nasdaq: TTCF) ("Tattooed Chef" or the "Company"), a leader in plant-based foods, today announced that

1 9,108,935 publicly held warrants (the “Public Warrants”) were
2 exercised on a cashless basis as of 5:00 p.m. Eastern Time on
3 February 16, 2021, the date for redemption fixed by the Company.
4 As a result of the cashless exercise mechanism, 4,447,892 of the
5 9,108,935 shares underlying the Public Warrants were surrendered
6 in payment of the warrant exercise price, and 4,661,043 shares were
7 issued. The warrants have ceased to trade on Nasdaq and the
8 Company now has a total of 81,448,726 shares of common stock
9 issued and outstanding.

10 **As announced on January 14, 2021, 10,758,215 Public Warrants**
11 **were previously exercised for cash, resulting in the Company**
12 **receiving cash exercise price proceeds of \$123,719,473, in the**
13 **aggregate. The Company’s total cash balance is now**
14 **approximately \$200 million.**

15 **Sam Galletti, Tattooed Chef’s Chief Executive Officer said, “We**
16 **are pleased to have further strengthened our balance sheet while**
17 **simplifying our capital structure and limiting dilution by invoking**
18 **the cashless exercise provision for a portion of the Public Warrants.**
19 **With \$200 million of cash on-hand, we have the ability to invest in**
20 **strategic growth initiatives to accelerate our growth and enhance**
21 **long-term stockholder value.”**

22 **Preliminary Revenue Results**

23 **Tattooed Chef today announced preliminary revenue of**
24 **approximately \$39.5 million for the fourth quarter of 2020 and**
25 **\$149 million for fiscal year 2020, representing 47% growth and**
26 **76% growth compared to the respective prior year periods. In**
27 **addition, revenue of Tattooed Chef branded product was**
28 **approximately \$24 million for the fourth quarter of 2020**
representing the highest quarterly branded revenue in Company
history and reflects an increase of 253% compared to \$9.5
million in the prior year period. For fiscal year 2020, revenue of
Tattooed Chef branded product was approximately \$85 million,
an increase of 448% compared to \$18.9 million in fiscal year
2019.

The Company expects to report fourth quarter and fiscal 2020
financial results after market close on Wednesday, March 10, 2021.

(Emphasis added).

125. On March 10, 2021, Tattooed Chef issued a press release pre-announcing its Q4
2020 and full year 2020 financial results. Approved by Galletti and Sarah, the press release stated:
Paramount, California—March 10, 2021 (GLOBE NEWSWIRE) –
Tattooed Chef, Inc. (Nasdaq: TTCF) (“Tattooed Chef” or the

1 “Company”), a leader in plant-based foods, today announced
2 financial results for the three and twelve months ended December 31,
2020.

3 “We are pleased with our solid financial results for the fourth quarter
4 and full year 2020 driven by record sales of our Tattooed Chef
5 branded products,” said Sam Galletti, President and CEO of Tattooed
6 Chef. “We are successfully executing on our growth strategy and
7 have kept the momentum going with a strong start to 2021. Based on
8 current retailer commitments, we will increase store count by 41%
9 and points of distribution of Tattooed Chef branded products by 35%
by the end of the first quarter. We have a long runway for growth,
particularly in conventional food retailers and are thrilled with our
early success.”

10 Sarah Galletti, Chief Creative Officer and “The Tattooed Chef”,
11 added, “The success of our brand is attributable to our ability to
12 connect with consumers through our food. We are revolutionizing
13 the way people think about plant-based food and disrupting the
frozen aisle with a differentiated offering. We ended 2020 with 38
branded SKUs and have a pipeline of 150 more plant-based ideas we
can’t wait to share with the world.”

14 Financial Highlights for the Fourth Quarter of 2020 Compared to the
15 Fourth Quarter of 2019

16 Revenue was \$39.6 million, a 48% increase compared to \$26.8
17 million in the prior year period; Tattooed Chef branded product
18 revenue was a record \$23.9 million, an increase of 172% compared
to \$8.8 million in the prior year period.

19 Net income was \$41.5 million compared to net income of \$2.2
20 million in the prior year period. The current period net income
21 included a one-time tax benefit resulting from the Company’s change
22 from an S-corporation to a C-corporation at the time of the reverse
merger in October 2020. The restructuring in anticipation of the
merger caused a step-up in the tax basis of intangible assets creating
a deferred tax asset and a tax benefit of \$39.3 million.

23 Adjusted EBITDA was \$3.7 million, or 9% of revenue, compared to
24 \$2.2 million, or 8% of revenue, in the prior year period.

25 126. The March 10, 2021 press release also reported the following financial results for
26 the full year 2020 period:

27 **Full Year 2020 Results**

28 Revenue increased by \$63.6 million, or 75%, to \$148.5 million for
the year ended December 31, 2020 compared to \$84.9 million in the

1 year ended December 31, 2019. The revenue increase was primarily
2 driven by a \$66.3 million increase in sales of Tattooed Chef branded
3 products, partially offset by a \$0.9 million decrease in sales of private
4 label products and a \$1.8 million decrease in sales of legacy products
5 for select private label retailers resulting from our shift in focus to
6 branded product sales. The increase in Tattooed Chef branded
7 products resulted from expansion in the number of U.S. distribution
8 points, as well as increased volume at existing club channel
9 customers of our current portfolio of products and new product
10 introductions including smoothie bowls, vegetable blends, buffalo
11 cauliflower, and other value-added riced cauliflower meals.

8 Gross profit increased \$10.0 million to \$23.7 million in the year
9 ended December 31, 2020 compared to \$13.7 million in the year
10 ended December 31, 2019. Gross margin in the year ended December
11 31, 2020 was 15.9%, slightly lower than 16.1% in the year ended
12 December 31, 2019. The gross profit increase was primarily due to
13 the higher revenue levels for the year ended December 31, 2020
14 compared to the prior year. Gross margin declined slightly due to
15 higher costs for raw materials and other variable manufacturing costs
16 in the year ended December 31, 2020 as compared to the prior year.

14 Operating expenses increased \$12.0 million to \$19.5 million in the
15 year ended December 31, 2020 compared to \$7.5 million in the year
16 ended December 31, 2019.

16 127. The statements in the March 10, 2021 press release by Galletti, Sarah, and
17 Dieckmann were false and misleading because they misrepresented Tattooed Chef's financial
18 results. In reality, Tattooed Chef's gross profits for 2020 were only \$22.358 million, not \$23.7
19 million, and gross margins for 2020 were only 15.1%, not 15.9%. The statement that Tattooed
20 Chef's operating expenses were only \$19.5 million in 2020 was also false. When Tattooed Chef
21 subsequently filed its 2020 Annual Report nine days later, it listed operating expenses of \$32.541
22 million for 2020. The statements also touted Tattooed Chef's strong growth but omitted to disclose
23 the fact that a significant increase in spending on sales and marketing expenses to support the
24 growth in revenue and brand recognition for Tattooed Chef was occurring, thereby providing a
25 materially misleading picture of the company's financial condition and growth. Indeed, when the
26 Defendants finally came clean with Tattooed Chef's actual, restated financial results in the Fall of
27 2022, they were forced to admit the true adverse extent of these significant additional expenses:
28 Adjusted EBITDA decreased by \$35.8 million to a loss of \$26.1 million for Fiscal 2021 as

1 compared to positive \$9.7 million for Fiscal 2020.

2 128. The March 10, 2021 false statements had their desired effect, as Tattooed Chef's
3 stock price rose substantially. On March 5, 2021, the stock closed at \$19.12 per share. After the
4 disclosure of the false financial results, the stock increased from \$20.46 on March 9, 2021 to \$22.34
5 on March 15, 2021, with heavy trading volume of almost 3 million shares on March 11, 2021.

6 **C. 2020 Annual Report**

7 129. On March 19, 2021, after market hours, Tattooed Chef filed with the SEC its 2020
8 Annual report on Form 10K for the year ended December 31, 2020 (the "**2020 Annual Report**").
9 The 2020 Annual Report was signed by Galletti, Cargile, Gelfand, Ciaramitaro, and Quintero-
10 Johnson. In addition, attached to the 2020 Annual Report were certifications pursuant to the
11 Sarbanes-Oxley Act of 2002 ("**SOX**") signed by Galletti and Cargile attesting to the accuracy of
12 financial reporting, the disclosure of any material changes to Tattooed Chef's internal control over
13 financial reporting, and the disclosure of any fraud. Cargile was identified as Tattooed Chef's CFO
14 and Principal Financial and Accounting Officer.

15 130. The 2020 Annual Report stated that Galletti and Sarah, along with Dieckmann, were
16 key executives at Tattooed Chef responsible for all the key decisions regarding sales and marketing,
17 as well as Tattooed Chef's growth strategy:

18 Our success is substantially dependent on the continued service of
19 certain members of senior management, including Salvatore "Sam"
20 Galletti, our founder, President and Chief Executive Officer, Stephanie Dieckmann, our Chief Operating Officer, Sarah Galletti,
21 the "Tattooed Chef" and our Creative Director, and Giuseppe
22 Bardari, President of Ittella Italy. These executives have been
23 primarily responsible for determining the strategic direction of our
24 business and for executing our growth strategy and are integral to our
25 brand, culture, product development and the reputation we enjoy
26 with suppliers, co-manufacturers, distributors, customers and
27 consumers. In particular, Ms. Galletti is responsible for leading our
28 branding initiatives, creative strategy, and product development, and
there is no other current employee who can lead these functions if
Ms. Galletti is unable to provide these services to us. In addition, Mr.
Galletti and Ms. Galletti have historically been the primary sales and
marketing contacts for our customers. The loss of the services of any
of these executives could adversely affect our business, relationship
with key customers and suppliers, branding, creative strategies, and
prospects, as we may not be able to find suitable individuals to

1 replace them on a timely basis, if at all. In addition, any such
2 departure could be viewed in a negative light by investors and
3 analysts, which may cause the price of any of our publicly traded
4 securities to decline. We do not currently carry key-person life
5 insurance for any of our management team.

6 131. The 2020 Annual Report downplayed the serious issues with Tattooed Chef's
7 internal controls by stating the following, in pertinent part, regarding Tattooed Chef's internal
8 controls and remediation efforts:

9 **Controls and Procedures**

10 We have begun the process of, and we are focused on, designing and
11 implementing effective internal controls measures to improve our
12 internal control over financial reporting and remediate the material
13 weaknesses. Our efforts include a number of actions:

- 14 • We hired qualified staff and outside resources to segregate
15 key functions within our financial and information
16 technology processes supporting our internal controls over
17 financial reporting; and
- 18 • We developed internal controls documentation, including
19 comprehensive accounting policies and procedures and
20 designed, implemented, and tested new controls over key
21 financial processes.

22 While these actions and planned actions are subject to ongoing
23 management evaluation and will require validation and testing of the
24 design and operating effectiveness of internal controls over a
25 sustained period of financial reporting cycles, we are committed to
26 the continuous improvement of our internal control over financial
27 reporting and will continue to diligently review our internal control
28 over financial reporting.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive
officer and chief financial officer, has evaluated the effectiveness of
our disclosure controls and procedures (as defined in Rules 13a-
15(e) and 15d-15(e) under the Exchange Act) as of the end of the
period covered by this Quarterly Report. Based on this evaluation,
our chief executive officer and chief financial officer concluded that,
as of March 31, 2021, our disclosure controls and procedures were
not effective due to the material weaknesses in our internal control
over financial reporting described above.

However, after giving full consideration to these material

1 weaknesses, and the additional analyses and other procedures that we
2 performed to ensure that our consolidated financial statements
3 included in this Quarterly Report were prepared in accordance with
4 U.S. GAAP, our management has concluded that our consolidated
5 financial statements present fairly, in all material respects, our
6 financial position, results of operations and cash flows for the periods
7 disclosed in conformity with U.S. GAAP.

8 **Changes in Internal Control Over Financial Reporting**

9 Other than described above in this Item 4, there has been no change
10 in our internal control over financial reporting during the fiscal
11 quarter ended March 31, 2021 that has materially affected, or is
12 reasonably likely to materially affect, our internal control over
13 financial reporting.

14 132. The statements in paragraph 131 were false and misleading because the 2020 Annual
15 Report misrepresented that Tattooed Chef's financial statements complied with GAAP,
16 misrepresented the extent of the material deficiencies in Tattooed Chef's internal controls, and
17 falsely stated that there had been no change in internal controls over financing reporting during the
18 quarter ended March 31, 2021 that were reasonably likely to have any additional material effect on
19 the controls over financial reporting.

20 133. The 2020 Annual Report was also false and misleading because it misrepresented
21 Tattooed Chef's financial results. In reality, Tattooed Chef's gross profits for 2020 were only
22 \$22.358 million, not \$23.7 million, and gross margins for 2020 were only 15.1%, not 15.9%.

23 134. The 2020 Annual Report also stated:

24 **Indebtedness**

25 We have a line of credit that provides for borrowings up to (a) 90%
26 of the net amount of eligible accounts receivables; plus, (b) the least
27 of (i) the sum of: (A) 50% of the net amount of eligible inventory;
28 plus (B) 45% of the net amount of eligible in-transit inventory; (ii)
\$10.0 million; or (iii) 50% of the aggregate amount of revolving
loans outstanding, minus (C) the sum of all reserves.

135. The 2020 Annual Report also represented that Tattooed Chef had been successful in
increasing sales of its branded products compared to sales of its private label products, which
traditionally had constituted most of its sales. While that continued to remain true, Tattooed Chef
reported that the sales of its branded products had significantly increased, growing from

1 approximately 22% of total revenue in Fiscal 2019 (\$18.3 million) to approximately 57% of total
2 revenue in Fiscal 2020 (\$84.6 million). In addition, the 2020 Annual Report touted Tattooed Chef's
3 ability to increase sales and revenue in retail stores:

4 **Proven and Experienced Management Team**

5 Our executive management team, led by Salvatore "Sam" Galletti,
6 includes individuals who possess substantial industry experience.
7 Cumulatively, our management team has over 160 years of industry
8 experience, with an average of 25 years' experience in the food
9 industry, and an average tenure with us of seven years. We believe
10 that the depth of experience of our management team demonstrates
11 our capability to continue growing our business.

12 ...

13 **Continue to Grow the Tattooed Chef Brand**

14 ...

15 Tattooed Chef products are sold in the frozen food section of retail
16 stores and club stores. We initially approached club stores to carry
17 Tattooed Chef products recognizing the demanding volume
18 requirements associated with these customers. We believe our
19 success with club stores across an array of Tattooed Chef branded
20 products indicates that the Tattooed Chef brand resonates with our
21 target consumer and would be attractive to conventional retail
22 grocery customers.

23 ...

24 **Expand Product Offerings**

25 We believe that there is significant consumer demand for plant-based
26 products as evidenced by the successful launch of a variety of our
27 products. In addition, we believe that we have been successful in
28 identifying meaningful consumer trends and translating these
preferences into products that meet our customers' requirements. We
intend to leverage this knowledge and experience to continue to build
our new concept library and expand our existing portfolio of products
by creating new products and line extensions.

136. The foregoing statements in paragraph 135 about the increased sales of Tattooed
Chef's branded products were false and misleading because they failed to disclose the extent of the
slotting and promotional fees/discounts that Tattooed Chef was paying to get retailers to carry their
branded products, and that such expenses were being misclassified as operational expenses instead

1 of reductions to revenue. They also misrepresented Tattooed Chef's ability to increase sales and
2 revenue in retail stores.

3 137. On April 16, 2021, Tattooed Chef filed a Form 8-K announcing that its CFO, Mr.
4 Cargile, had resigned "effective immediately." Tattooed Chef appointed Dieckmann to replace
5 Cargile. The Form 8-K represented that "Mr. Cargile's resignation is not the result of any
6 disagreement with the Company on any matter relating to the Company's operations, policies, or
7 procedures."

8 138. Just one month later, on May 18, 2021, Tattooed Chef filed a "Notification of Late
9 Filing" on Form 12b-25 in which it stated that "Tattooed Chef, Inc. (the "Company") has
10 determined that it is unable, without unreasonable effort or expense, to file its Quarterly Report on
11 Form 10-Q for the fiscal quarter ended March 31, 2021." The form was signed by Dieckmann.

12 139. The May 18, 2021 Form 12b-25 stated:

13 On April 12, 2021, the Acting Director of the Division of
14 Corporation Finance and Acting Chief Accountant of the Securities
15 and Exchange Commission together issued a public statement (the
16 "SEC Warrant Accounting Statement") on accounting and reporting
17 considerations for warrants issued by special purpose acquisition
18 companies ("SPACs"). The SEC Warrant Accounting Statement
19 discussed "certain features of warrants issued in SPAC transactions"
20 that "may be common across many entities." The SEC Warrant
21 Accounting Statement indicated that when one or more of such
22 features is included in a warrant, the warrant "should be classified as
23 a liability measured at fair value, with changes in fair value each
24 period reported in earnings." The Company classified its private
placement warrants issued concurrently with the Company's initial
public offering (the "Warrants") as equity instruments. As a result of
the SEC Warrant Accounting Statement, the Company's
management spent considerable time and effort evaluating
accounting treatment of the Warrants, taking time and resources that
would otherwise have been devoted to other Form 10-Q matters
requiring attention and rendering the Company unable to complete
its accounting procedures by the filing deadline.

25 140. The Form 12b-25 was false and misleading because it represented that the entire
26 basis for the delay in filing Tattooed Chef's Form 10-Q was the additional work it had been required
27 to do in order to reclassify its SPAC-related warrants from equity to debt. In reality, a significant
28 reason for the delay in filing the Form 10-Q was a result of the issues surrounding revenue

1 recognition and the classification and timing of expenses.

2 141. On May 18, 2021, Tattooed Chef filed its Form 10-Q for the quarter ending March
3 31, 2021. The Quarterly Report was signed by Galletti and Dieckmann.

4 142. The Q1 2021 Form 10-Q was false and misleading because it overstated revenue by
5 approximately \$2.054 million, overstated gross profit by approximately \$2.173 million, and
6 overstated operating expenses by approximately \$3.025 million.

7 143. In response to Tattooed Chef's filing of these financial results, Tattooed Chef's
8 stock price rose substantially. The stock closed at \$16.85 on May 13, 2021. In response to the
9 filing of the Q1 2021, though, the stock increased substantially, rising from a close of \$18.01 on
10 May 17, 2021 to close at \$19.84 on May 18, 2021, on heavy volume of over two million shares.
11 Tattooed Chef's stock price continued to increase in the ensuing days based on the improved
12 reported results and increased revenues, rising to \$23.29 per share by June 2, 2021.

13 144. Tattooed Chef later admitted that the Q1 2021 Form 10-Q was false and misleading
14 and did not comply with GAAP. On November 17, 2022, Tattooed Chef filed an Amended Form
15 10-Q/A for its March 31, 2022 quarter in which it provided the true facts regarding its prior Q1
16 2021 financial results. That filing noted the following:

17 Subsequent to the issuance of the condensed consolidated financial
18 statements as of and for the quarter ended March 31, 2021 included
19 in the Form 10-Q/A filed with the SEC on May 2, 2022, the following
20 errors were identified:

- 21 – The Company incorrectly recorded expenses for
22 advertising placement by a marketing services firm on a
23 straight-line basis over the life of the contract rather than
24 when the services were actually rendered. As a result,
25 marketing expenses were overstated by \$1.0 million for
26 the three months ended March 31, 2021.
- 27 – The Company incorrectly recorded expenses related to a
28 multi-vendor mailer program with a customer as
operating expenses rather than as a reduction of revenue.
As a result, both operating expenses and revenue were
overstated by \$1.9 million for the three months ended
March 31, 2021.
- The Company incorrectly recorded certain payments to
customers as promotional and bad debt expenses within
operating expenses rather than a reduction of revenue. As

a result, both revenue and operating expenses were overstated by \$0.1 million for the three months ended March 31, 2021.

- The Company identified errors related to the underlying data used in the inventory capitalization and inventory net realizable value assessment. As a result, cost of goods sold was understated by \$0.1 million from net realizable value write-downs for the three months ended March 31, 2021.
- The income tax impact of the errors identified above resulted in an increase of income tax expense of \$0.2 million for the three months ended March 31, 2021.
- The Company identified 15,216 shares of RSAs granted to non-employee directors was incorrectly included in the number of shares from warrants exercised on the condensed consolidated statements of changes in stockholders' equity for the three months ended March 31, 2021. This presentation error has no impact on other condensed consolidated financial statements as of and for the three months ended March 31, 2021.

145. The 2020 Annual Report and the Q1 2021 Form 10-Q were also false and misleading because they failed to disclose the risk to Tattooed Chef's liquidity from higher-than-disclosed promotional fees and discounts, slotting fees, and other marketing costs for Tattooed Chef's products. Because Tattooed Chef's line of credit was tied to the net amount of its accounts receivables, slotting and promotional fees and/or discounting of its products reduced the amount of liquidity available under Tattooed Chef's line of credit. Defendants knew that Tattooed Chef would need additional liquidity due to ongoing problems with Tattooed Chef's business. Among other things, Tattooed Chef was paying high promotional and slotting fees for its products, which was causing it to receive less net revenue/accounts receivable for the sale of its products, since such fees were required to be deducted from both revenues and accounts receivable under GAAP. As a result, Defendants knew Tattooed Chef would need to raise additional capital to fund its growth.

146. At the time the 2020 Annual Report and the Q1 2021 Form 10-Q were filed, Defendants also knew but failed to disclose that lenders would be unwilling to lend Tattooed Chef more money without remediation of its deficient controls. But due to reduced revenues and cash flows as a result of the higher slotting and in-store promotional fees and/or discounting of the

1 company's products, Tattooed Chef did not have enough money to hire additional personnel that
2 were needed to remediate the internal controls. Most of the defects in Tattooed Chef's deficient
3 internal controls identified by its auditor at the time — BDO USA, LLP ("**BDO**") — were the result
4 of a lack of personnel necessary to carry out the internal controls. Defendants intentionally failed
5 to hire the full extent of the additional personnel recommended by BDO because of the cost of
6 doing so, and since the additional payroll costs would further reduce Tattooed Chef's dwindling
7 cash. As a result, the Defendants knew about and approved a cycle which inevitably would lead to
8 continuing deficiencies in internal controls due to the lack of enough personnel, which then would
9 cause lenders to refuse to loan additional money to Tattooed Chef. These problems were later
10 manifested when Tattooed Chef was unable to procure additional liquidity from lenders in the fall
11 of 2022, resulting in Galletti having to make a \$5 million loan to Tattooed Chef to fund its ongoing
12 operations.

13 147. Defendants repeatedly touted Tattooed Chef's "compelling current revenues" in
14 SEC filings, investor materials, press releases, earnings calls, and at industry conferences in order
15 to artificially inflate the value of the Ittella Companies (including their own stock holdings).

16 148. The other Defendants also benefitted financially from their wrongful acts and, upon
17 information and belief, received bonuses, stock options, or other forms of compensation tied to
18 Tattooed Chef's performance or artificially inflated valuation, or received compensation that was
19 unjust in light of their breaches of fiduciary duties.

20 **D. False and Misleading Statements**

21 **i. March 19, 2021 Form 10-K**

22 149. On March 19, 2021, after markets closed, Tattooed Chef filed its annual report on
23 Form 10-K with the SEC for the period ended December 31, 2020 (the "**2020 10-K**"), which was
24 signed by Galletti, Rosenberg, Ciaramitaro, Gelfand, Williamson, Fellner, Olohan, Boris, and
25 Quintero-Johnson. Attached to the 2020 10-K were certifications pursuant to Rules 13a-14(a) and
26 15(d)-14(a) under the Exchange Act and SOX signed by Galletti and Cargile attesting to the
27 accuracy of the 2020 10-K.

28 150. The 2020 10-K downplayed the serious problems Tattooed Chef faced with its

1 internal controls. It stated the following about Tattooed Chef’s “Controls and Procedures,” in
2 relevant part:

3 We have begun the process of, and we are focused on, designing and
4 implementing effective internal controls measures to improve our
5 internal control over financial reporting and remediate the material
6 weaknesses. Our efforts include a number of actions:

7 ● We hired qualified staff and outside resources to segregate
8 key functions within our financial and information
9 technology processes supporting our internal controls over
10 financial reporting.

11 ● We developed internal controls documentation, including
12 comprehensive accounting policies and procedures and
13 designed, implemented, and tested new controls over key
14 financial processes.

15 While these actions and planned actions are subject to ongoing
16 management evaluation and will require validation and testing of the
17 design and operating effectiveness of internal controls over a
18 sustained period of financial reporting cycles, **we are committed to
19 the continuous improvement of our internal control over
20 financial reporting and will continue to diligently review our
21 internal control over financial reporting.**

22 (Emphasis added).

23 151. The statements in paragraph 150 above were materially false and/or misleading and
24 failed to disclose material adverse facts about Tattooed Chef’s business, operations, and prospects.
25 Specifically, the identified statements failed to disclose that: (1) Tattooed Chef continuously
26 downplayed its serious problems with internal controls; (2) Tattooed Chef’s financial statements
27 filed during the Restatement Period contained “certain errors” such as overstating revenue and
28 understating losses; and (3) due to this, Tattooed Chef would need to restate its previously filed
financial statements for certain periods. As a result of the foregoing, Tattooed Chef’s public
statements were materially false and misleading and/or lacked a reasonable basis at all relevant
times.

29 ii. April 16, 2021 Proxy Statement

30 152. On April 16, 2021, Tattooed Chef filed a Schedule 14A with the SEC (the “**2021
31 Proxy Statement**”). Galletti, Boris, Ciaramitaro, Fellner, Gelfand, Olohan, Quintero-Johnson,

1 Rosenberg, and Williamson solicited the 2021 Proxy Statement which contained material
2 misstatements and omissions.

3 153. The 2021 Proxy Statement called for Tattooed Chef shareholders to vote to, *inter*
4 *alia*, (1) elect Boris, Olohan, and Quintero-Johnson to the Board of Directors; (2) ratify the
5 appointment of BDO as Tattooed Chef's independent registered public accounting firm for the 2021
6 Fiscal Year; and (3) approve an amendment to Tattooed Chef's 2020 Equity Incentive Plan (the
7 "**Plan**") to increase the maximum annual amount of shares that may be granted under the Plan to
8 any non-employee director who serves as chairperson of a duly formed and authorized committee
9 of the Board of Directors, when taken together with any cash fees paid to that director, by \$25,000
10 to \$125,000 (the "**Incentive Amendment Proposal**").

11 154. With respect to Tattooed Chef's Code of Ethics, the 2021 Proxy Statement stated
12 the following:

13 We have adopted a code of ethics that applies to all of our employees,
14 officers and directors, including those officers responsible for
15 financial reporting. The code of ethics is available on our website at
16 www.tattooedchef.com. To the extent required by law, we expect to
disclose any amendments to the code, or any waivers of its
requirements, on our website.

17 155. Regarding the "Board's Role in Risk Oversight," the 2021 Proxy Statement stated
18 the following:

19 The Board has ultimate responsibility for oversight of our risk
20 management processes. The Board discharges this oversight
21 responsibility through regular reports received from and discussions
22 with senior management on areas of material risk exposure to us. The
23 Board of Directors has overall responsibility for risk oversight,
24 including, as part of regular Board and committee meetings, general
25 oversight of executives' management of risks relevant to the
26 Company. While the full Board has overall responsibility for risk
oversight and is currently overseeing our business continuity risks,
such as risks relating to the COVID-19 pandemic, it is supported in
this function by its audit committee, compensation committee,
nominating and corporate governance committee, and food safety
committee. Each of the committees regularly reports to the Board.

27 156. The 2021 Proxy Statement was materially misleading because it failed to disclose
28 that: (1) though Tattooed Chef claimed its employees, officers and directors adhered to the Code

1 of Ethics and that it would disclose waivers of the policy, the Defendants violated the Code of
2 Ethics either without waivers or without such waivers being disclosed; and (2) contrary to the 2021
3 Proxy Statement's descriptions of the Board of Directors' and its committees' risk oversight
4 functions, the Board of Directors and its committees were not adequately exercising these functions
5 and were causing or permitting Tattooed Chef to issue false and misleading statements about it.

6 157. The 2021 Proxy Statement was also materially misleading because it failed to
7 disclose, *inter alia*, that: (1) Tattooed Chef continuously downplayed its serious problems with
8 internal controls; (2) Tattooed Chef's financial statements filed during the Restatement Period
9 contained "certain errors" such as overstating revenue and understating losses; and (3) due to this,
10 Tattooed Chef would need to restate its previously filed financial statements for certain periods.
11 As a result of the foregoing, Tattooed Chef's public statements were materially false and misleading
12 and/or lacked a reasonable basis at all relevant times.

13 158. As a result of Galletti, Boris, Ciaramitaro, Fellner, Gelfand, Olohan, Quintero-
14 Johnson, Rosenberg, and Williamson causing the 2021 Proxy Statement to be false and misleading,
15 Tattooed Chef shareholders voted, *inter alia*, to: (1) elect Boris, Olohan, and Quintero-Johnson to
16 the Board of Directors, allowing them to continue to breach their fiduciary duties to Tattooed Chef;
17 and (2) approve the Incentive Amendment Proposal, providing various of the Defendants with
18 material benefits.

19 **iii. May 18, 2021 Form 10-Q**

20 159. On May 18, 2021, Tattooed Chef filed its quarterly report on Form 10-Q with the
21 SEC for the period ended March 31, 2021 (the "**1Q 2021 10-Q**"), which was signed by Galletti and
22 Dieckmann. Attached to the 1Q 2021 10-Q were certifications pursuant to Rule 13a-14(a) and
23 15(d)-14(a) under the Exchange Act and SOX signed by Defendants Galletti and Dieckmann
24 attesting to the accuracy of the 1Q 2021 10-Q.

25 160. The 1Q 2021 10-Q revealed that, for the three months ended March 31, 2021,
26 Tattooed Chef reported a net revenue of \$52,682,000 and a net loss of \$8,152,000.

27 161. The 1Q 2021 10-Q also downplayed the serious problems Tattooed Chef was facing
28 with its internal controls. It stated the following about Tattooed Chef's "Controls and Procedures,"

1 in relevant part:

2 We have begun the process of, and we are focused on, designing and
3 implementing effective internal controls measures to improve our
4 internal.

5 Control over financial reporting and remediate the material
6 weaknesses. Our efforts include a number of actions:

- 7 ● We hired qualified staff and outside resources to segregate
8 key functions within our financial and information
9 technology processes supporting our internal controls over
10 financial reporting.
- 11 ● We developed internal controls documentation, including
12 comprehensive accounting policies and procedures and
13 designed, implemented, and tested new controls over key
14 financial processes.

15 While these actions and planned actions are subject to ongoing
16 management evaluation and will require validation and testing of the
17 design and operating effectiveness of internal controls over a
18 sustained period of financial reporting cycles, we are committed to
19 the continuous improvement of our internal control over financial
20 reporting and will continue to diligently review our internal control
21 over financial reporting.

22 162. Additionally, the subsection of “Controls and Procedures” titled “Evaluation of
23 Disclosure Controls and Procedures” stated the following:

24 Our management, with the participation of our chief executive
25 officer and chief financial officer, has evaluated the effectiveness of
26 our disclosure controls and procedures (as defined in Rules 13a-15(e)
27 and 15d-15(e) under the Exchange Act) as of the end of the period
28 covered by this Quarterly Report. Based on this evaluation, our chief
executive officer and chief financial officer concluded that, as of
March 31, 2021, our disclosure controls and procedures were not
effective due to the material weaknesses in our internal control over
financial reporting described above.

However, after giving full consideration to these material
weaknesses, and the additional analyses and other procedures that we
performed to ensure that our consolidated financial statements
included in this Quarterly Report were prepared in accordance with
U.S. GAAP, **our management has concluded that our
consolidated financial statements present fairly, in all material
respects, our financial position, results of operations and cash
flows for the periods disclosed in conformity with U.S. GAAP.**

1 (Emphasis added).

2 163. Further, the subsection of “Controls and Procedures” titled “Changes in Internal
3 Control Over Financial Reporting” stated the following:

4 Other than described above in this Item 4, **there has been no change**
5 **in our internal control over financial reporting during the fiscal**
6 **quarter ended March 31, 2021 that has materially affected, or is**
7 **reasonably likely to materially affect, our internal control over**
8 **financial reporting.**

9 (Emphasis added).

10 164. The statements in the 1Q 2021 10-Q, as referenced in paragraphs 161-163 above,
11 were materially false and/or misleading and failed to disclose material adverse facts about Tattooed
12 Chef’s business, operations, and prospects. Specifically, the identified statements failed to disclose
13 that: (1) Tattooed Chef continuously downplayed its serious problems with internal controls; (2)
14 Tattooed Chef’s financial statements filed during the Restatement Period contained “certain errors”
15 such as overstating revenue and understating losses; and (3) due to this, Tattooed Chef would need
16 to restate its previously filed financial statements for certain periods. As a result of the foregoing,
17 Tattooed Chef’s public statements were materially false and misleading and/or lacked a reasonable
18 basis at all relevant times.

19 **iv. August 16, 2021 Form 10-Q**

20 165. On August 16, 2021, Tattooed Chef filed its quarterly report on Form 10-Q with the
21 SEC for the period ended June 30, 2021 (the “**2Q 2021 10-Q**”), which was signed by Galletti and
22 Dieckmann. Attached to the 2Q 2021 10-Q were certifications pursuant to Rule 13a-14(a) and
23 15(d)-14(a) under the Exchange Act and SOX signed by Galletti and Dieckmann attesting to the
24 accuracy of the 2Q 2021 10-Q.

25 166. The 2Q 2021 10-Q revealed that, for the three months ended June 30, 2021, Tattooed
26 Chef reported a net revenue of \$50,716,000 and a net loss of \$53,196,000. It further revealed that,
27 for the six months ending on June 30, 2021, Tattooed Chef reported a net revenue of \$103,398,000
28 and a net loss of \$61,348,000.

167. The 2Q 2021 10-Q also downplayed the serious problems Tattooed Chef faced with
its internal controls. The subsection of “Controls and Procedures” titled “Evaluation of Disclosure

1 Controls and Procedures” stated the following, in relevant part:

2 Our management, with the participation of our chief executive
3 officer and chief financial officer, has evaluated the effectiveness of
4 our disclosure controls and procedures (as defined in Rules 13a-15(e)
5 and 15d-15(e) under the Exchange Act) as of the end of the period
6 covered by this Quarterly Report. Based on this evaluation, our chief
7 executive officer and chief financial officer concluded that, as of
8 June 30, 2021, our disclosure controls and procedures were not
9 effective due to the material weaknesses in our internal control over
10 financial reporting described above.

11 However, after giving full consideration to these material
12 weaknesses, and the additional analyses and other procedures that we
13 performed to ensure that our consolidated financial statements
14 included in this Quarterly Report were prepared in accordance with
15 U.S. GAAP, **our management has concluded that our**
16 **consolidated financial statements present fairly, in all material**
17 **respects, our financial position, results of operations and cash**
18 **flows for the periods disclosed in conformity with U.S. GAAP.**

19 (Emphasis added).

20 168. Further, the subsection of “Controls and Procedures” titled “Changes in Internal
21 Control Over Financial Reporting” stated the following:

22 Other than described above in this Item 4, **there has been no change**
23 **in our internal control over financial reporting during the fiscal**
24 **quarter ended June 30, 2021 that has materially affected, or is**
25 **reasonably likely to materially affect, our internal control over**
26 **financial reporting.**

27 (Emphasis added).

28 169. The statements in the 2Q 2021 10-Q, as referenced in paragraphs 167-168 above
were materially false and/or misleading and failed to disclose material adverse facts about Tattooed
Chef’s business, operations, and prospects. Specifically, the identified statements failed to disclose
that: (1) Tattooed Chef continuously downplayed its serious problems with internal controls; (2)
Tattooed Chef’s financial statements filed during the Restatement Period contained “certain errors”
such as overstating revenue and understating losses; and (3) due to this, Tattooed Chef would need
to restate its previously filed financial statements for certain periods. As a result of the foregoing,
Tattooed Chef’s public statements were materially false and misleading and/or lacked a reasonable
basis at all relevant times.

v. November 22, 2021 Form 10-Q

170. On November 22, 2021, Tattooed Chef filed its quarterly report on Form 10-Q with the SEC for the period ended September 30, 2021 (the “**3Q 2021 10-Q**”), which was signed by Galletti and Dieckmann. Attached to the 3Q 2021 10-Q were certifications pursuant to Rule 13a-14(a) and 15(d)-14(a) under the Exchange Act and SOX signed by Galletti and Dieckmann attesting to the accuracy of the 3Q 2021 10-Q.

171. The 3Q 2021 10-Q revealed that, for the three months ended September 30, 2021, Tattooed Chef reported a net revenue of \$58,780,000 and a net loss of \$8,174,000. It further revealed that, for the nine months ended September 30, 2021, Tattooed Chef reported a net revenue of \$161,972,000 and a net loss of \$70,095,000.

172. The 3Q 2021 10-Q also downplayed the serious problems Tattooed Chef was facing with its internal controls. The subsection of “Controls and Procedures” titled “Evaluation of Disclosure Controls and Procedures” stated the following, in relevant part:

Our management, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report. Based on this evaluation, our chief executive officer and chief financial officer concluded that, as of September 30, 2021, our disclosure controls and procedures were not effective due to the material weaknesses in our internal control over financial reporting described above.

However, after giving full consideration to these material weaknesses, and the additional analyses and other procedures that we performed to ensure that our consolidated financial statements included in this Quarterly Report were prepared in accordance with U.S. GAAP, **our management has concluded that our consolidated financial statements present fairly, in all material respects, our financial position, results of operations and cash flows for the periods disclosed in conformity with U.S. GAAP.**

(Emphasis added).

173. Further, the subsection of “Controls and Procedures” titled “Changes in Internal Control Over Financial Reporting” stated the following:

Other than described above in this Item 4, **there has been no change in our internal control over financial reporting during the fiscal quarter ended September 30, 2021 that has materially affected,**

1 **or is reasonably likely to materially affect, our internal control**
2 **over financial reporting.**

3 (Emphasis added).

4 174. The statements in the 3Q 2021 10-Q, as referenced in paragraphs 172-173 above
5 were materially false and/or misleading and failed to disclose material adverse facts about Tattooed
6 Chef's business, operations, and prospects. Specifically, the identified statements failed to disclose
7 that: (1) Tattooed Chef continuously downplayed its serious problems with internal controls; (2)
8 Tattooed Chef's financial statements filed during the Restatement Period contained "certain errors"
9 such as overstating revenue and understating losses; and (3) due to this, Tattooed Chef would need
10 to restate its previously filed financial statements for certain periods. As a result of the foregoing,
11 Tattooed Chef's public statements were materially false and misleading and/or lacked a reasonable
12 basis at all relevant times.

13 **E. The Truth Begins to Surface as the False and Misleading Statements Continue**

14 **i. March 11, 2022 Press Release**

15 175. On March 11, 2022, Tattooed Chef issued a press release revealing that on March
16 7, 2022, the Board of Directors "concluded that the Company's unaudited interim condensed
17 consolidated financial statements for the quarters ended March 31, 2021, June 30, 2021 and
18 September 30, 2021, each as previously filed with the [SEC], should no longer be relied upon
19 because the Company did not properly record the tax effects associated with the Company's
20 issuance of 825,000 shares of its common stock to Harrison Co. in June 2021 as partial
21 consideration for services rendered in connection with the Company's de-SPAC transaction that
22 occurred in October 2020." The Board of Directors reached this conclusion "based on consultation
23 with Company management and upon the recommendation of the Audit Committee."

24 176. As a result, Tattooed Chef disclosed that it would "restate the unaudited
25 consolidated financial statements" at issue.

26 177. On this news, Tattooed Chef's share price fell \$1.03 per share, or 9.07%, from
27 closing at \$11.36 per share on March 11, 2022 to close at \$10.33 per share on March 14, 2022.

28 **ii. March 16, 2022 Form 10-K**

178. On March 16, 2022, Tattooed Chef filed the 2021 10-K with the SEC for the fourth quarter and full year 2021, ended December 31, 2021, which was signed by Galletti, Dieckmann, Rosenberg, Ciaramitaro, Gelfand, Williamson, Fellner, Boris, and Quintero-Johnson. Attached to the 2021 10-K were certifications pursuant to Rule 13a-14(a) and 15(d)-14(a) under the Exchange Act and SOX signed by Galletti and Dieckmann attesting to the accuracy of the 2021 10-K.

179. The 2021 10-K revealed that, for the 2021 Fiscal Year, Tattooed Chef reported a net revenue of \$213,430,000 and a net loss of \$87,404,000.

180. The 2021 10-K downplayed the serious problems Tattooed Chef was facing with its internal controls. The subsection of “Controls and Procedures” titled “Material Weaknesses in Internal Control Over Financial Reporting” stated the following, in relevant part:

However, after giving full consideration to these material weaknesses, and the additional analyses and other procedures that we performed to ensure that our consolidated financial statements included in this Annual Report on Form 10-K were prepared in accordance with U.S. GAAP, **our management has concluded that our consolidated financial statements present fairly, in all material respects, our financial position, results of operations and cash flows for the periods disclosed in conformity with U.S. GAAP.**

(Emphasis added).

181. Further, the subsection of “Controls and Procedures” titled “Remediation of Material Weaknesses” stated the following:

We have begun the process of, and we are focused on, designing and implementing effective measures to improve our internal controls over financial reporting and remediate the material weaknesses. Our efforts include a number of actions:

- Hired qualified staff and outside resources to segregate key functions within our financial and information technology processes supporting our internal controls over financial reporting;
- Hired several qualified accounting professionals with appropriate level of expense and training to design, maintain and improve our accounting policies, procedures and controls to prevent and detect material misstatements related to the presentation and disclosures of the consolidated financial statements;
- Developed internal controls documentation, including comprehensive accounting policies and procedures over

1 certain key financial processes and related disclosures; and,
2 • Drafted position papers for all complex, non-recurring
3 transactions.

4 While these actions and planned actions are subject to ongoing
5 management evaluation and will require validation and testing of the
6 design and operating effectiveness of internal controls over a
7 sustained period of financial reporting cycles, **we are committed to
the continuous improvement of our internal control over
financial reporting and will continue to diligently review our
internal control over financial reporting.**

8 (Emphasis added).

9 182. Additionally, the subsection of “Controls and Procedures” titled “Changes in
10 Internal Control Over Financial Reporting” stated the following:

11 Other than described above in this Item 9A, **there has been no
change in our internal control over financial reporting during
the fiscal year ended December 31, 2021 that has materially
affected, or is reasonably likely to materially affect, our internal
control over financial reporting.**

14 (Emphasis added).

15 183. The statements contained in the 2021 10-K, as referenced in paragraphs 180-182
16 above, were materially false and/or misleading and failed to disclose material adverse facts about
17 Tattooed Chef’s business, operations, and prospects. Specifically, the identified statements failed
18 to disclose that: (1) Tattooed Chef continuously downplayed its serious problems with internal
19 controls; (2) Tattooed Chef’s financial statements filed during the Restatement Period contained
20 “certain errors” such as overstating revenue and understating losses; and (3) due to this, Tattooed
21 Chef would need to restate its previously filed financial statements for certain periods. As a result
22 of the foregoing, Tattooed Chef’s public statements were materially false and misleading and/or
23 lacked a reasonable basis at all relevant times.

24 **iii. April 21, 2022 Proxy Statement**

25 184. On April 21, 2022, Tattooed Chef filed the 2022 Proxy Statement with the SEC.
26 Fellner, Gelfand, Williamson, Ciaramitaro, Galletti, Rosenberg, Boris, Olohan, and Quintero-
27 Johnson solicited the 2022 Proxy Statement which contained material misstatements and
28 omissions.

1 185. The 2022 Proxy Statement called for Company shareholders to vote to, *inter alia*:
2 (1) elect Fellner, Gelfand, and Williamson to the Board of Directors; and (2) ratify the appointment
3 of Deloitte & Touche, LLP (“**Deloitte**”) as Tattooed Chef’s independent registered public
4 accounting firm for the fiscal year ending December 31, 2022.

5 186. With respect to Tattooed Chef’s Code of Ethics, the 2022 Proxy Statement stated
6 the following:

7 We have adopted a code of ethics that applies to all of our employees,
8 officers and directors, including those officers responsible for
9 financial reporting. The code of ethics is available on our website at
10 www.tattooedchef.com. To the extent required by law, we expect to
disclose any amendments to the code, or any waivers of its
requirements, on our website.

11 187. Regarding the “Board’s Role in Risk Oversight,” the 2022 Proxy Statement stated
12 the following:

13 Our Board has ultimate responsibility for oversight of our risk
14 management processes. Our Board discharges this oversight
15 responsibility through regular reports received from and discussions
16 with senior management on areas of material risk exposure to us. Our
17 Board has overall responsibility for risk oversight, including, as part
18 of regular Board and committee meetings, general oversight of
19 executives’ management of risks relevant to our business. While the
20 full Board has overall responsibility for risk oversight and is
currently overseeing our business continuity risks, such as risks
relating to the COVID-19 pandemic, it is supported in this function
by the audit committee, compensation committee, nominating and
corporate governance committee, and food safety committee. Each
of the committees regularly reports to our Board.

21 188. The 2022 Proxy Statement was materially misleading because it failed to disclose
22 that: (1) though Tattooed Chef claimed its employees, officers and directors adhered to the Code
23 of Ethics and that it would disclose waivers of the policy, the Defendants violated the Code of
24 Ethics either without waivers or without such waivers being disclosed; and (2) contrary to the 2022
25 Proxy Statement’s descriptions of the Board of Directors’ and its committees’ risk oversight
26 functions, the Board of Directors and its committees were not adequately exercising these functions
27 and were causing or permitting Tattooed Chef to issue false and misleading statements about it.

28 189. The 2022 Proxy Statement was also materially misleading because it failed to

1 disclose, *inter alia*, that: (1) Tattooed Chef continuously downplayed its serious problems with
2 internal controls; (2) Tattooed Chef's financial statements filed during the Restatement Period
3 contained "certain errors" such as overstating revenue and understating losses; and (3) due to this,
4 Tattooed Chef would need to restate its previously filed financial statements for certain periods. As
5 a result of the foregoing, Tattooed Chef's public statements were materially false and misleading
6 and/or lacked a reasonable basis at all relevant times.

7 190. As a result of Fellner, Gelfand, Williamson, Ciaramitaro, Galletti, Rosenberg, Boris,
8 Olohan, and Quintero-Johnson causing the 2022 Proxy Statement to be false and misleading,
9 Tattooed Chef shareholders voted, *inter alia*, to elect Fellner, Gelfand, and Williamson to the Board
10 of Directors, allowing them to continue to breach their fiduciary duties to Tattooed Chef.

11 **F. The Truth Is Revealed**

12 191. On October 12, 2022, Tattooed Chef revealed on a Form 8-K filed with the SEC
13 (the "**October 12th 8-K**") that it would be restating its financial statements filed with the SEC
14 between March 31, 2021 and October 12, 2022 because they contained various errors. In particular,
15 the October 12th 8-K stated the following about Tattooed Chef's need for a restatement:

16 On October 6, 2022, Tattooed Chef, Inc. (the "Company") received
17 a written notice pursuant to Item 4.02(b) from the Company's former
18 independent registered public accounting firm, BDO USA, LLP, that
19 **the Company's unaudited interim condensed consolidated**
20 **financial statements for the quarters ended March 31, 2021, June**
21 **30, 2021 and September 30, 2021, and its audited annual**
22 **consolidated financial statements for the year ended December**
23 **31, 2021, and accompanying audit report, each as previously**
24 **filed with the Securities and Exchange Commission ("SEC"),**
25 **were materially misstated and should no longer be relied upon**
26 **and should be restated,** because the Company (a) **incorrectly**
27 **recorded expenses related to a multi-vendor mailer program**
28 **with a large customer as operating expenses rather than as a**
reduction of revenue; and (b) incorrectly recorded expenses for
advertising placement by a marketing services firm on a straight-
line basis over the life of the contract rather than when the
services were actually rendered. For these reasons, pursuant to
Item 4.02(a) the Board, after consultation with the Audit Committee,
has also determined that the Company's unaudited interim
condensed consolidated financial statements for the quarters ended
March 31, 2022 and June 30, 2022 should no longer be relied upon.

(Emphasis added).

192. The October 12th 8-K stated the following regarding the estimated impact of these restatements on Tattooed Chef for the three months ended March 31, 2021:

The estimated impact of these restatements on the Company's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2021 is expected to be a \$2 million decrease in revenue, a \$2 million decrease in gross profit, a \$3 million decrease in operating expenses, and a \$1 million decrease in net loss.

(Emphasis added).

193. The October 12th 8-K stated the following regarding the estimated impact of these restatements on Tattooed Chef for the three months and six months ended June 30, 2021:

The estimated impact of these restatements on the Company's unaudited interim condensed consolidated financial statements for the three months ended June 30, 2021 is expected to be a \$3 million decrease in revenue, a \$3 million decrease in gross profit, a \$1 million increase in operating expenses, and a \$4 million increase in net loss.

The estimated impact of these restatements for the six months ended June 30, 2021 is expected to be a \$5 million decrease in revenue, a \$5 million decrease in gross profit, a \$2 million decrease in operating expenses, and a \$3 million increase in net loss.

(Emphasis added).

194. The October 12th 8-K stated the following regarding the estimated impact of these restatements on Tattooed Chef for the three months and nine months ended September 30, 2021:

The estimated impact of these restatements on the Company's unaudited interim condensed consolidated financial statements for the three months ended September 30, 2021 is expected to be a \$0.6 million decrease in operating expenses and a \$0.5 million decrease in net loss.

The estimated impact of these restatements for the nine months ended September 30, 2021 is expected to be a \$5 million decrease in revenue, a \$5 million decrease in gross profit, a \$3 million decrease in operating expenses, and a \$2 million increase in net loss.

(Emphasis added).

195. The October 12th 8-K stated the following regarding the estimated impact of these restatements on Tattooed Chef for the twelve months ended December 31, 2021:

1 **The estimated impact of the restatements on the Company's**
2 **annual consolidated financial statements for the twelve months**
3 **ended December 31, 2021 is expected to be a \$5 million decrease**
4 **in revenue, a \$5 million decrease in gross profit, a \$4 million**
 decrease in operating expenses, and a \$1 million increase in net
 loss.

5 (Emphasis added).

6 196. The October 12th 8-K stated the following regarding the estimated impact of these
7 restatements on Tattooed Chef for the three months ended March 31, 2022:

8 **The estimated impact of these restatements on the Company's**
9 **unaudited interim condensed consolidated financial statements for**
10 **the three months ended March 31, 2022 is expected to be a \$4**
 million decrease in revenue, a \$4 million decrease in gross profit,
 a \$1 million decrease in operating expenses, and a \$3 million
 increase in net loss.

11 (Emphasis added).

12 197. The October 12th 8-K stated the following regarding the estimated impact of these
13 restatements on Tattooed Chef for the three months and sixth months ended June 30, 2022:

14 **The estimated impact of these restatements on the Company's**
15 **unaudited interim condensed consolidated financial statements for**
16 **the three months ended June 30, 2022 is expected to be less than**
 a \$1 million decrease in revenue, decrease in gross profit,
 increase in operating expenses and increase in net loss.

17 **The estimated impact of these restatements for the six months**
18 **ended June 30, 2022 is expected to be a \$5 million decrease in**
19 **revenue, a \$5 million decrease in gross profit, a \$1 million**
20 **decrease in operating expenses, and a \$4 million increase in net**
 loss.

21 (Emphasis added).

22 198. On this news, Tattooed Chef's share price fell \$0.44 per share, or 9.8%, from closing
23 at \$4.49 per share on October 12, 2022 to opening at \$4.05 per share on October 13, 2022.

24 199. The improper revenue recognition practices caused by the Defendants' failure to
25 conduct any oversight of Tattooed Chef's internal controls over financial reporting and conscious
26 disregarded of their duties to monitor such controls over reporting caused substantial damages to
27 the Debtors including, but not limited to: (a) placing it on the brink of bankruptcy; (b) SEC inquiry
28

1 and investigation; (c) putative securities class action suit; and (d) two (2) derivative actions.⁴

2 **G. Corporate Waste**

3 200. The Defendants breached and/or abdicated their fiduciary duties of loyalty, good
4 faith, and care under Delaware law by causing the Ittella Companies to operate well past the point
5 of insolvency, substantially increasing their liabilities and depletion of assets and enterprise value.

6 201. In April 2021, the Ittella Companies spent \$4.9 million to acquire a facility in Italy,
7 purportedly to upgrade their frozen food manufacturing capabilities. The Ittella Companies
8 previously leased this facility.

9 202. In May 2021, the Ittella Companies acquired NMFD, a distributor and manufacturer
10 of frozen and ready-to-eat Mexican food products for \$28.9 million in cash. Also in May 2021, the
11 Ittella Companies acquired Karsten for \$5.2 million in cash and assumed a \$2.9 million note. The
12 Ittella Companies purportedly purchased NMFD and Karsten to expand their manufacturing
13 capacity to develop other refrigerated products.

14 203. On December 21, 2021, the Ittella Companies acquired the assets of Belmont for
15 \$12.7 million in cash, certain assumed liabilities and \$4 million in stock. The Ittella Companies
16 purportedly purchased Belmont to expand its manufacturing capacity into nutritional bars and other
17 products.

18 204. On August 19, 2022, the Ittella Companies acquired manufacturing, production, and
19 storage assets from Desert Premium Group for \$10.4 million. The Ittella Companies also assumed
20 a lease for the Albuquerque manufacturing facility.

21 205. Incredibly, the Ittella Companies also spent over \$100 million on marketing, which
22 Sam Galletti's daughter, Sarah, was responsible for the companies' marketing efforts.

23 206. Despite approving acquisitions that cost the Ittella Companies more than \$60 million
24 in cash, plus millions of dollars in assumed liabilities, and over \$100 million on marketing, the
25 Defendants failed to inform themselves of the risks associated with these transactions. The Board
26

27 ⁴ The two derivative lawsuits were dismissed without prejudice for lack of standing as the United
28 States District Court for the Central District of California found that all causes of action belong to
the Ittella Companies vested in the Ittella Liquidating Trust, who has the sole authority to prosecute
or settle such claims.

1 of Directors meeting minutes confirm that none of the Defendants requested an analysis or
2 presentation from a professional or advisor and no such professional or advisor has ever attended
3 any of the Board of Directors' meetings.

4 207. As of the Petition Date, the Debtors only had approximately \$600,000 in their
5 accounts and owed their lender, UMB Bank, N.A. ("**UMB Bank**") approximately \$18.8 million.

6 208. Additionally, the Debtors stated that they required immediate access to \$3 million
7 of cash in the form of debtor-in-possession financing and use of cash collateral to meet their
8 obligations from July 7, 2023 through September 29, 2023 and to avoid irreparable harm.

9 209. On October 4, 2023, the Bankruptcy Court entered an *Order (1) Approving sale of*
10 *Substantially All of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and*
11 *Interests; (2) Approving Cure Amounts and Approving the Assumption and Assignment of Certain*
12 *Unexpired Leases and Executory Contracts; (3) Waiving the 14-Day Stay Periods Set Forth in*
13 *Bankruptcy Rules 6004(h) and 6006(d); and (4) Granting Related Relief* (Dkt. 466 - the "**Sale**
14 **Order**").

15 210. The Sale Order authorized the sale of substantially all of the Debtors' assets to ten
16 (10) different buyers resulting in (i) cash proceeds in the amount of approximately \$18.3 million;
17 (ii) credit bid / claim waivers in the approximate amount of \$869,413, and waivers of certain
18 unsecured claims.

19 211. As of the Effective Date, the starting funds for the Liquidating Trust were merely
20 \$145,137.82, meaning these are the only funds currently available for payment of general unsecured
21 claims absent the monetization of litigation claims and causes of action such as the instant suit.

22 **III. INSOLVENCY**

23 212. At all relevant times, the Debtors were insolvent, intended to incur, or believed that
24 they would incur, debts that would be beyond their ability to pay as such debts matured, or were
25 generally not paying debts as they became due as evidenced by, *inter alia*, the Debtors': (i) material
26 annual operating losses, (ii) material liquidity issues, (iii) the failure to pay lawful tax obligations,
27 and (iv) substantial revolving debt owed to their secured lender, including UMB Bank.
28

COUNT I
BREACH OF FIDUCIARY DUTY
AGAINST ALL DEFENDANTS

213. The Liquidating Trustee repeats and realleges each and every allegation set forth in this Complaint as if set forth at length herein.

214. This is a claim under Delaware statutory and common law, and/or under other applicable law, by the Liquidating Trustee against the Defendants for breaches of their fiduciary duties of loyalty, good faith, and care based upon their acts and omissions as officers and directors of Tattooed Chef.

215. During the time periods alleged above, the Defendants owed Tattooed Chef a fiduciary duty to discharge their duties in good faith, with the care an ordinarily prudent officer or director in a like position would exercise, and in a manner reasonably believed to be in the best interests of Tattooed Chef.

216. Specifically, the duty of loyalty and good faith under Delaware law required the Defendants to put the interests of the company above their own interests and those of others, and was not limited to disloyalty in the classic sense, *i.e.* self-dealing, personal gain, or a cognizable conflict of interest. In addition, in discharging their duty of loyalty and good faith, the Defendants were required to act in good faith, and would be in breach of the duty of loyalty by acting with a purpose other than that of advancing the best interests of Tattooed Chef, by acting in violation of applicable positive law, or by failing to act in the face of a known duty to act, thereby demonstrating a conscious disregard for their responsibilities. The Defendants were also required to ensure that they did not display a lack of diligence that was more culpable than simple inattention or failure to be informed of all facts material to their decisions, such that it was qualitatively more culpable than gross negligence.

217. Further, in discharging their duties of loyalty and good faith, officers and directors are required to monitor operations, and the failure to do so results in liability premised upon “unconsidered inaction,” as opposed to affirmative decisions to act or not act. The duty to monitor includes the ability to assure that information and reporting systems exist in the organization that are reasonably designed to provide timely, accurate information sufficient to allow officers and

1 directors, each within their scope, to reach informed judgments concerning both compliance with
2 law and business performance.

3 218. A sustained or systematic failure to exercise oversight – such as an utter failure to
4 assure that a reasonable information and reporting system exists – will establish the lack of good
5 faith that is a necessary condition to liability. Thus, “oversight” liability is characterized by a lack
6 of good faith.

7 219. The necessary conditions predicate for oversight liability include: (a) the officers
8 and directors utterly failed to implement any reporting or information system or controls; or
9 (b) having implemented such a system or controls, consciously failed to monitor or oversee its
10 operations thus disabling themselves from being informed of risks or problems requiring their
11 attention. In either case, imposition of liability requires a showing that the officers and directors
12 knew that they were not discharging their fiduciary obligations. Where officers and directors fail
13 to act in the face of a known duty to act, thereby demonstrating a conscious disregard for their
14 responsibilities, they breach their duty of loyalty by failing to discharge that fiduciary obligation in
15 good faith.

16 220. Additionally, the duty to exercise due care under Delaware law required the
17 Defendants to use that amount of care which ordinarily careful and prudent men would use in
18 similar circumstances and to consider all material information reasonably available. In exercising
19 the duty of due care, the Defendants could not engage in acts or omissions on behalf of Tattooed
20 Chef that resulted in a loss to such entity arising from decisions that: (i) were ill-advised,
21 uninformed, or that failed to consider material information; (ii) constituted an unconsidered failure
22 to act in circumstances in which due attention would, arguably, have prevented the loss; (iii) were
23 based upon an unintelligent or unadvised judgment; (iv) were grossly negligent, such as engaging
24 in an irrational decision making process signifying more than ordinary inadvertence or inattention;
25 or (v) resulted in a corporate strategy that reflected an indifference to the potential risk of harm to
26 Tattooed Chef, such that reasonable businesspersons would have carefully considered the obvious
27 negative consequences. Moreover, under Delaware law, the more significant the subject matter of
28 the decision, the greater is the requirement to probe and consider alternatives. To further satisfy

1 the duty of due care, a reasonable and informed deliberative process was required by attending
2 meetings, asking questions, reviewing written materials, and otherwise becoming informed of
3 relevant information reasonably available, and to seek the input of experts, such as investment
4 bankers, attorneys, and accountants.

5 221. In regard to the facts alleged above, the Defendants exhibited a knowing, conscious,
6 and reckless disregard for the best interests of Tattooed Chef and, except for their knowing,
7 conscious, and reckless disregard of the facts, they should have known of the risk of damage that
8 ultimately befell Tattooed Chef.

9 222. Specifically, the Defendants (in bad faith and conscious disregard of their fiduciary
10 duties) breached and otherwise abdicated their fiduciary duties of loyalty, good faith, and care
11 (including “general oversight” of operations) to Tattooed Chef, with breaches that include, but that
12 may not necessarily be limited to, those set forth hereinabove, including, but not limited to:

13 (a) failing to properly inform themselves of and consider the risks
14 and costs of acquisitions, including transactions with insiders,

15 (b) failing to develop and implement a comprehensive business plan
16 to avoid insolvency,

17 (c) failing to establish systems sufficient to identify red flags and
18 overcome harmful corporate governance issues,

19 (d) allowing inexperienced and underqualified insiders to manage
20 finances and operations, as well as other key positions;

21 (e) failing to obtain independent advice from outside professionals,

22 (f) failing to plan for, oversee or establish controls over expenditures
23 for acquisitions and operations,

24 (g) failing to properly supervise officers or impose appropriate
25 safeguards over corporate governance and financial affairs,

26 (h) failing to develop a plan to consolidate and derive benefits from
27 acquisitions, such as economies of scale and cost reductions,
28

1
2 (i) failing to abide by corporate formalities and the separateness of
3 entities,

4 (j) failing to ensure the books and records properly reflect the assets
5 and liabilities and of separate entity,

6 (k) failing to comply with Tattooed Chef's own Code of Ethics,

7
8 (l) failing to establish and maintain an adequate and functioning
9 system of internal legal, financial, and management controls, such
10 that Tattooed Chef's operations would comply with all applicable
11 laws and Tattooed Chef's financial statements and regulatory filings
12 with the SEC would be accurate,

13 (m) failing to establish and maintain an adequate and functioning
14 system of internal accounting controls sufficient to provide
15 reasonable assurances that transactions were recorded as necessary
16 to permit preparation of financial statements in conformity with
17 GAAP,

18 (n) failing to disseminate accurate and truthful information with
19 respect to Tattooed Chef's financial condition and results of
20 operations, and to correct promptly any public statements issued by
21 Tattooed Chef which had become materially false or misleading, and

22 (o) failing to refrain from unduly benefiting themselves and other
23 insiders at the expense of Tattooed Chef.

24 223. Defendants knew that their wrongful acts as described herein were in breach,
25 abdication, and/or conscious disregard of their respective responsibilities, respective fiduciary
26 duties of loyalty, good faith, and care, and the best interests of Tattooed Chef, and as a result,
27 breached their duty of loyalty by failing to discharge such fiduciary obligations in good faith.

28 224. Each of the above breaches adversely impacted and conferred no benefit to Tattooed
Chef, and as a direct and proximate result of same, caused damage to Tattooed Chef consisting of,
inter alia: (i) the loss and depletion of valuable assets of the Debtors; (ii) increased liabilities of the
Debtors; (iii) the decrease in the asset values and enterprise value of the Debtors; (iv) the increased
insolvency of the Debtors; (v) administrative fees and expenses incurred by the Debtors' estates

1 during the bankruptcy case related to mitigating and/or rectifying the acts and omissions of the
2 Defendants, and claims filed or asserted against the Debtors' estates; (vi) corporate waste; and (vii)
3 other damages as may be ascertained through discovery.

4 **COUNT II**
5 **AIDING AND ABETTING BREACHES OF FIDUCIARY DUTY**
6 **AGAINST AL, CARGILE, WILLIAMS, BORIS, CIARAMITARO, FELLNER,**
7 **GELFAND, OLOHAN, QUINTERO-JOHNSON, ROSENBERG, AND WILLIAMSON**

8 223. The Liquidating Trustee repeats and realleges each and every allegation set forth in
9 this Complaint as if set forth at length herein.

10 224. At all relevant times, Galletti was the CEO of Tattooed Chef and Dieckmann was
11 COO. At various times, Dieckmann was also CFO. At all relevant times, Galletti, Sarah, and
12 Dieckmann were controlling shareholders of Tattooed Chef.

13 225. As set forth above, Galletti, Sarah, and Dieckmann had fiduciary duties to the
14 Debtors by virtue of their positions as officers and controlling shareholders. Galletti, Sarah, and
15 Dieckmann breached those duties.

16 226. Galletti, Sarah, and Dieckmann were required to discharge their fiduciary duties to
17 Tattooed Chef, in good faith, with ordinary care, and in a manner reasonably believed to be in its
18 best interests.

19 227. The foregoing actions and inactions by Galletti, Sarah, and Dieckmann constituted
20 breaches of fiduciary duty to Tattooed Chef.

21 228. Galletti, Sarah, and Dieckmann's breaches of fiduciary duty actually and
22 proximately caused financial injury to Tattooed Chef.

23 229. Al, Boris, Cargile, Williams, Ciaramitaro, Fellner, Gelfand, Olohan, Quintero-
24 Johnson, Rosenberg, and Williamson had actual knowledge of Galletti, Sarah, and Dieckmann's
25 breaches of fiduciary duty to Tattooed Chef.

26 230. Notwithstanding, Al, Boris, Cargile, Williams, Ciaramitaro, Fellner, Gelfand,
27 Olohan, Quintero-Johnson, Rosenberg, and Williamson consciously rendered substantial assistance
28 to, and aided and abetted Galletti, Sarah, and Dieckmann's breaches of fiduciary duty to Tattooed
Chef. Among other things, Al, Boris, Cargile, Williams, Ciaramitaro, Fellner, Gelfand, Olohan,

1 Quintero-Johnson, Rosenberg, and Williamson substantially assisted and aided and abetted Galletti,
2 Sarah, and Dieckmann's actions and inactions concerning Tattooed Chef's material business,
3 financial, legal, accounting, operational, and regulatory matters including those referenced
4 hereinabove.

5 231. Al, Boris, Cargile, Williams, Ciaramitaro, Fellner, Gelfand, Olohan, Quintero-
6 Johnson, Rosenberg, and Williamson are therefore liable for all damages actually and proximately
7 caused to Tattooed Chef as a result of Galletti, Sarah, and Dieckmann's breaches of fiduciary duty.

8 **COUNT III**
9 **WASTE OF CORPORATE ASSETS**
10 **AGAINST ALL DEFENDANTS**

11 232. The Liquidating Trustee repeats and realleges each and every allegation set forth in
12 this Complaint as if set forth at length herein.

13 233. As more fully described hereinabove, the Defendants caused Tattooed Chef to
14 engage in the above-described acts, resulting in substantial losses, including, but not limited to:
15 (a) paying \$4.9 million to acquire a facility in Italy that it was previously leasing, (b) acquiring
16 NMFD for \$28.9 million, (c) acquiring Karsten for \$5.2 million in cash and the assumption of a
17 \$2.9 million note, (d) acquiring the assets from Belmont for \$12.7 million, the assumption of certain
18 liabilities, and \$4 million in stock, (e) acquiring the manufacturing, production, and storage assets
19 from Desert Premium Group for \$10.4 million, and (f) spending over \$100 million expenses in
20 marketing.

21 234. The Defendants wasted cash and valuable assets of Tattooed Chef to the detriment
22 of the Ittella Companies and its creditors and for the benefit of the Defendants.

23 235. As detailed herein, the Defendants were aware of, should have been aware of and/or
24 allowed and caused Tattooed Chef to engage in the wrongful acts despite that such acts were unfair
25 to Tattooed Chef.

26 236. The wrongful acts served no corporate purpose, and no ordinary, reasonably prudent
27 person would have permitted them.

28 237. Moreover, the Defendants engaged in self-dealing and/or allowed the self-dealing
and one-sided transactions described herein for the benefit of themselves that resulted in Tattooed

1 Chef's loss of substantial sums of capital and corporate waste.

2 238. As a result of the misconduct described herein, the Defendants wasted corporate
3 assets, namely funds, by failing to properly and carefully consider the best interests of Tattooed
4 Chef.

5 239. Accordingly, the Defendants are liable to Tattooed Chef for waste of corporate
6 assets in an amount to be determined at trial.

7 **COUNT IV**
8 **UNJUST ENRICHMENT**
9 **AGAINST ALL DEFENDANTS**

10 240. The Liquidating Trustee repeats and realleges each and every allegation set forth in
11 this Complaint as if set forth at length herein.

12 241. Upon information and belief, the Defendants received debt forgiveness, excessive
13 compensation payments, transfers, raises, bonuses, stock options, and other benefits as a result of
14 their roles as officers or directors of Tattooed Chef.

15 242. By their wrongful acts, the Defendants were unjustly enriched at the expense of and
16 to the detriment of Tattooed Chef by virtue of the debt forgiveness, excessive compensation
17 payments, raises, bonuses and other benefits paid to them.

18 243. Accordingly, the Defendants are liable to Tattooed Chef for unjust enrichment in an
19 amount to be determined at trial.

20 **PRAYER FOR RELIEF**

21 WHEREFORE, the Liquidating Trustee demands the entry of judgment against the
22 Defendants for compensatory damages, consequential damages, and special damages in excess of
23 \$100,000,000, including, but not limited to: (i) the loss and depletion of valuable assets of the
24 Debtors; (ii) increased liabilities of the Debtors; (iii) the decrease in the asset values and enterprise
25 value of the Debtors; (iv) the increased insolvency of the Debtors; (v) administrative fees and
26 expenses incurred by the Debtors' estate during the bankruptcy cases related to mitigating and/or
27 rectifying the acts and omissions of the Defendants, and claims filed or asserted against the Debtors'
28 estate; (vi) corporate waste; and (vii) other damages as may be ascertained through discovery, plus
pre-judgment and post-judgment interest, costs and for any other relief the Court deems

appropriate.

**DEMAND FOR JURY TRIAL AND NON-CONSENT TO A JURY TRIAL BY AND
BEFORE THE BANKRUPTCY COURT**

The Liquidating Trustee hereby: (i) demands a trial by jury on all claims and issues triable by such; and (ii) requests in regard to such demand that the reference to the Bankruptcy Court not be withdrawn, if at all, unless and until all discovery and all pre-trial motions and matters, including case dispositive motions, are disposed of and otherwise adjudicated by the Bankruptcy Court. The Liquidating Trustee specifically does not consent to a jury trial by and before the Bankruptcy Court.

Respectfully submitted this 1st day of July, 2025.

FOX ROTHSCHILD LLP

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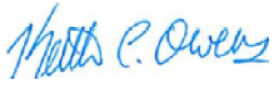
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*Counsel to Plaintiff Peter Hurwitz, not individually
but solely in his capacity as the Liquidating Trustee
of the Ittella Liquidating Trust*

B1040 (FORM 1040) (12/15)

ADVERSARY PROCEEDING COVER SHEET (Instructions on Reverse)		ADVERSARY PROCEEDING NUMBER (Court Use Only)
PLAINTIFFS Peter Hurwitz, as Liquidating Trustee of the Ittella Liquidating Trust	DEFENDANTS Salvatore Galletti, Al Galletti, Sarah Galletti, Stephanie Dieckmann, David Boris, Paula Ciaramitaro, Jennifer Fellner, Edward Gelfand, Ryan Olohan, Marie Quintero-Johnson, Bryan Rosenberg, Daniel Williamson, Matt Williams, and Charles Cargile	
ATTORNEYS (Firm Name, Address, and Telephone No.) Fox Rothschild LLP, Attn: Keith Owens, Esq. and Nicholas Koffroth, Esq. 10250 Constellation Boulevard, Suite 900, Los Angeles, CA 90067 Telephone: (310) 598-4150	ATTORNEYS (If Known)	
PARTY (Check One Box Only) ☐ Debtor ☐ U.S. Trustee/Bankruptcy Admin ☐ Creditor ☐ Other ☒ Trustee	PARTY (Check One Box Only) ☐ Debtor ☐ U.S. Trustee/Bankruptcy Admin ☐ Creditor ☒ Other ☐ Trustee	
CAUSE OF ACTION (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) Peter Hurwitz, as Liquidating Trustee of the Ittella Liquidating Trust brings causes of actions against the Debtors' former officers and directors for (1) breach of fiduciary duty; (2) aiding and abetting breaches of fiduciary duty; (3) waste of corporate assets; and (4) unjust enrichment.		
NATURE OF SUIT (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)		
FRBP 7001(1) – Recovery of Money/Property ☐ 11-Recovery of money/property - §542 turnover of property ☐ 12-Recovery of money/property - §547 preference ☐ 13-Recovery of money/property - §548 fraudulent transfer ☒ 14-Recovery of money/property - other FRBP 7001(2) – Validity, Priority or Extent of Lien ☐ 21-Validity, priority or extent of lien or other interest in property FRBP 7001(3) – Approval of Sale of Property ☐ 31-Approval of sale of property of estate and of a co-owner - §363(h) FRBP 7001(4) – Objection/Revocation of Discharge ☐ 41-Objection / revocation of discharge - §727(c),(d),(e) FRBP 7001(5) – Revocation of Confirmation ☐ 51-Revocation of confirmation FRBP 7001(6) – Dischargeability ☐ 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims ☐ 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud ☐ 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny (continued next column)	FRBP 7001(6) – Dischargeability (continued) ☐ 61-Dischargeability - §523(a)(5), domestic support ☐ 68-Dischargeability - §523(a)(6), willful and malicious injury ☐ 63-Dischargeability - §523(a)(8), student loan ☐ 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) ☐ 65-Dischargeability - other FRBP 7001(7) – Injunctive Relief ☐ 71-Injunctive relief – imposition of stay ☐ 72-Injunctive relief – other FRBP 7001(8) Subordination of Claim or Interest ☐ 81-Subordination of claim or interest FRBP 7001(9) Declaratory Judgment ☐ 91-Declaratory judgment FRBP 7001(10) Determination of Removed Action ☐ 01-Determination of removed claim or cause Other ☐ SS-SIPA Case – 15 U.S.C. §§78aaa <i>et seq.</i> ☒ 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)	
☒ Check if this case involves a substantive issue of state law	☐ Check if this is asserted to be a class action under FRCP 23	
☒ Check if a jury trial is demanded in complaint	Demand \$ 100,000,000	
Other Relief Sought		

B1040 (FORM 1040) (12/15)

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR Ittella International LLC, et al.		BANKRUPTCY CASE NO. 2:23-bk-14154
DISTRICT IN WHICH CASE IS PENDING Central District of California	DIVISION OFFICE Los Angeles Division	NAME OF JUDGE Hon. Julia W. Brand
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISION OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF) 		
DATE July 1, 2025	PRINT NAME OF ATTORNEY (OR PLAINTIFF) Keith C. Owens	

INSTRUCTIONS

The filing of a bankruptcy case creates an “estate” under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor’s discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also must complete and file Form 1040, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court’s Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 1040 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff’s attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

Plaintiffs and Defendants. Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

Attorneys. Give the names and addresses of the attorneys, if known.

Party. Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

Demand. Enter the dollar amount being demanded in the complaint.

Signature. This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.