

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
LUBBOCK DIVISION

U. S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
JUN 30 1992
NANCY DOHERTY, CLERK
By [Signature]
Deputy
CA5-88-0141-W

SOUTHWEST HIDE COMPANY

V.

FRED GOLDSTON; WOLVERINE
WORLD WIDE, INC.; and
PLAINS PROCESSING COMPANY,
a Partnership of Wolverine
World Wide, Inc. and Fred
Goldston

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VERDICT

The jurors in the above case do hereby certify through their Presiding Officer that they have reached their unanimous verdict in the above case as evidenced by their unanimous answers to the special issues submitted by the Court.

Date: 01-30-92

[Signature]
PRESIDING OFFICER

Certified a true copy of an instrument
1-26-93
[Signature]

004

EXHIBIT C

SPECIAL ISSUE NO. 1
[RICO Section 1962(a)]

Do you find from a preponderance of the evidence that any Defendant received any income derived, directly or indirectly, from a pattern of racketeering activity in which that Defendant participated as a principal, and that the Defendant used or invested, directly or indirectly, any part of that income, to acquire an interest in, establish, or operate the alleged enterprise which engaged in, or the activities of which affect, interstate commerce?

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

Wolverine World Wide, Inc.

Plains Processing Company, a Partnership

yes
yes
yes

SPECIAL ISSUE NO. 1a
[RICO Section 1962)a]

What sum of money, if any, do you find from a preponderance of the evidence would reasonably compensate the Plaintiff for actual damages, if any, to its business or property proximately caused by the operation of the alleged enterprise, if any you have so found, through a pattern of racketeering activity, if any you have so found?

Answer in dollars and cents as to each Defendant.

Fred Goldston

\$ 1,120,000

Wolverine World Wide, Inc.

\$ 1,130,000

Plains Processing Company, a Partnership

\$ 1,120,000

SPECIAL ISSUE NO. 2
[RICO Section 1962(b)]

Do you find from a preponderance of the evidence that any Defendant listed below, through a pattern of racketeering activity, acquired or maintained, directly or indirectly, any interest in or control of the alleged enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce?

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

Wolverine World Wide, Inc.

Plains Processing Company, a Partnership

yes
yes
yes

SPECIAL ISSUE NO. 2a
(RICO Section 1962(b))

What sum of money, if any, do you find from a preponderance of the evidence would reasonably compensate the Plaintiff for actual damages, if any, to its business or property arising from any of the Defendants' acquisition or maintenance of the alleged enterprise?

Answer in dollars and cents as to each Defendant.

Fred Goldston

\$ 540,000

Wolverine World Wide, Inc.

\$ 540,000

Plains Processing Company, a Partnership

\$ 540,000

SPECIAL ISSUE NO. 3
[RICO Section 1962(c)]

Do you find from a preponderance of the evidence that any Defendant listed below conducted or participated, directly or indirectly, in the conduct of the affairs of the alleged enterprise which is engaged in, or the activities of which affect, interstate commerce or foreign commerce through a pattern of racketeering activity, while employed by or associated with such enterprise?

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

Wolverine World Wide, Inc.

Plains Processing Company, a Partnership

yes
yes
yes

SPECIAL ISSUE NO. 3a
[RICO Section 1962(c)]

What sum of money, if any, do you find from a preponderance of the evidence would reasonably compensate the Plaintiff for actual damages to its business or property arising from any Defendant's conducting or participating in the conduct of the affairs of the alleged enterprise which was engaged in, or the activities of which affect, interstate commerce or foreign commerce through a pattern of racketeering activity, while employed by or associated with such enterprise, if any you have so found?

Answer in dollars and cents as to each Defendant.

Fred Goldston

\$ 1,400,000

Wolverine World Wide, Inc.

\$ 1,900,000

Plains Processing Company, a Partnership

\$ 1,900,000

SPECIAL ISSUE NO. 4
[RICO Section 1962(d)]

Do you find from a preponderance of the evidence that any Defendant entered into a conspiracy with any other person to accomplish any of the purposes described below?

Answer "Yes" or "No" separately as to each category and Defendant.

1. To receive income derived, directly or indirectly, from a pattern of racketeering activity in which at least one of the Defendants participated as a principal, to use or invest, directly or indirectly any part of such income, or the proceeds of such income, in an acquisition of any interest in, or the establishment or operation of, the alleged enterprise which engaged in or the activities of which affects interstate or foreign commerce.

Fred Goldston

yes

Wolverine World Wide, Inc.

yes

Plains Processing Company, a Partnership

yes

2. To acquire or maintain through a pattern of racketeering activity any interest in or control, directly or indirectly, of the alleged enterprise which engaged in, or the activities of which affects interstate or foreign commerce.

Fred Goldston

yes

Wolverine World Wide, Inc.

yes

Plains Processing Company, a Partnership

yes

3. To conduct or participate, directly or indirectly, in the conduct of the affairs of the alleged enterprise which engaged in, or the activities of which affect, interstate commerce or foreign commerce through a pattern of racketeering activity, while employed by or associated with such enterprise.

Fred Goldston

yes

Wolverine World Wide, Inc.

yes

Plains Processing Company, a Partnership

yes

If you have answered "yes" as to any party in Special Issue No. 5, then answer the following Special Issue No. 6 as to such party; otherwise, do not answer Special Issue No. 6.

SPECIAL ISSUE NO. 6
[Tortious Interference]

What sum of money, if any, if paid now in cash, do you find would fairly and reasonably compensate Southwest Hide for damages, if any, it has suffered as a proximate result of the tortious interference with its contractual or business relationships?

Answer in dollars and cents, if any, as to each Defendant.

Fred Goldston

\$ 5,115,000

Wolverine World Wide, Inc.

\$ 5,115,000

Plains Processing Company, a Partnership

\$ 5,115,000

SPECIAL ISSUE NO. 5
[Tortious Interference with Business Relations]

Do you find from a preponderance of the evidence that the parties listed below tortiously interfered with the contractual or prospective business relations of Southwest Hide and that such interference, if any, proximately caused damaged to Southwest Hide?

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

yes

Wolverine Worldwide, Inc.

yes

Plains Processing Company, a Partnership

yes

If you have answered "yes" as to any party in Special Issue No. 5, then answer the following Special Issue No. 7 as to such party; otherwise, do not answer Special Issue No. 7.

SPECIAL ISSUE NO. 7
[Tortious Interference]

Do you find that any of the Defendants for which you answered "yes" in Special Issue No. 5, acted with actual malice toward Southwest Hide Company?

For this Special Issue, actual malice means ill will, spite, evil motive, or purposeful injury of another.

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

yes

Wolverine World Wide, Inc.

no

Plains Processing Company, a Partnership

yes

If you have answered "yes" as to any party in Special Issue No. 7, then answer the following Special Issue No. 8 as to such party; otherwise, do not answer Special Issue No. 8.

SPECIAL ISSUE NO. 8
[Tortious Interference]

What sum of money, if any, should be awarded to Southwest Hide as punitive damages, if any, from the parties you have found interfered with the contractual and business relations of Southwest Hide?

Answer in dollars and cents, if any, as to each Defendant.

Fred Goldston

\$ 250,000

Wolverine World Wide, Inc.

\$ 0

Plains Processing Company, a Partnership

\$ 1,500,000

SPECIAL ISSUE NO. 9
[DTPA]

Do you find from a preponderance of the evidence that any of the Defendants engaged in any false, misleading, or deceptive act or practice that was a producing cause of damages to Southwest Hide?

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

Wolverine World Wide, Inc.

Plains Processing Company, a Partnership

Yes

Yes

Yes

SPECIAL ISSUE NO. 10
[DTPA]

Do you find from a preponderance of the evidence that any of the Defendants engaged in unconscionable actions or courses of action that was a producing cause of damages to Southwest Hide?

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

Wolverine World Wide, Inc.

Plains Processing Company, a Partnership

Yes
Yes
Yes

If you have answered "yes" as to any Defendant in Special Issue No. 9 or No. 10, then answer Special Issue No. 11; otherwise, do not answer Special Issue No. 11.

SPECIAL ISSUE NO. 11
[DTPA]

What sum of money, if any, if paid now in cash, do you find would fairly and reasonably compensate Southwest Hide for its damages, if any, that resulted from such conduct?

Answer in dollars and cents as to each Defendant.

Fred Goldston	\$ <u>1,700,000</u>
Wolverine World Wide, Inc.	\$ <u>1,700,000</u>
Plains Processing Company, a Partnership	\$ <u>1,700,000</u>

If you have answered "yes" to Special Issues No. 9 and No. 10 as to any Defendant, then answer the following Special Issue No. 12, as to such Defendant; otherwise, do not answer Special Issue No. 12.

SPECIAL ISSUE NO. 12
[DTPA]

Do you find from a preponderance of the evidence that any Defendant engaged in such conduct knowingly?

In considering this issue, consider only the conduct that you have found was a producing cause of damages to Southwest Hide in Issue No. 11.

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

Wolverine World Wide, Inc.

Plains Processing Company, a Partnership

yes
yes
yes

If you have answered "yes" as to any Defendant in response to Special Issue No. 12, then answer Special Issue No. 13; otherwise, do not answer Special Issue No. 13.

SPECIAL ISSUE NO. 13
[DTPA]

What sum of money, if any, in addition to actual damages, should be awarded to Southwest Hide against each of the Defendants, if any, because of the Defendant's conduct being committed knowingly?

Answer in dollars and cents, if any, as to each Defendant.

Fred Goldston

\$ 5,000,000

Wolverine World Wide, Inc.

\$ 5,000,000

Plains Processing Company, a Partnership

\$ 5,000,000

SPECIAL ISSUE NO. 14
[Fraud]

Do you find from a preponderance of the evidence that the Defendants conspired to commit fraud upon Southwest Hide?

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

yes

Wolverine World Wide, Inc.

yes

Plains Processing Company, a Partnership

yes

If you have answered this Issue as to any Defendant "Yes" proceed to Special Issue No. 15; if you answered "No" as to all of the Defendants, then do not answer Special Issue No. 15.

SPECIAL ISSUE NO. 15
[Fraud]

What sum of money, if any, if paid now in cash, do you find from a preponderance of the evidence would fairly and reasonably compensate Southwest Hide Company for its damages, if any, proximately caused by the fraud found in Special Issue No. 14?

Answer in dollars and cents as to each Defendant.

Fred Goldston	\$ <u>1,700,000</u>
Wolverine World Wide, Inc.	\$ <u>1,700,000</u>
Plains Processing Company, a Partnership	\$ <u>1,700,000</u>

SPECIAL ISSUE NO. 16
[Conversion]

Do you find from a preponderance of the evidence that any of the Defendants wrongfully converted the personal property of Southwest Hide Company?

Answer "Yes" or "No" as to each Defendant.

Fred Goldston

Yes

Wolverine World Wide, Inc.

Yes

Plains Processing Company, a Partnership

Yes

If you have answered yes as to any Defendant, then answer Special Issue No. 17; otherwise, do not answer Special Issue No. 17.

SPECIAL ISSUE NO. 17
[Conversion]

What sum of money, if any, do you find from a preponderance of the evidence to be the difference between the fair market value of the property so converted at the time of conversion and the value received by Southwest Hide for the property substituted in its place?

Answer in dollars and cents, if any, as to each Defendant.

Fred Goldston

\$ 0

Wolverine World Wide, Inc.

\$ 0

Plains Processing Company, a Partnership

\$ 0

SPECIAL ISSUE NO. 18
[Conversion]

Do you find that any of the Defendants for which you answered "yes" in Special Issue No. 16, acted with actual malice toward Southwest Hide Company?

For this Special Issue, actual malice means ill will, spite, evil motive, or purposeful injury of another.

Answer "Yes" or "No" as to each Defendant for which you found had converted property belonging to Southwest Hide.

Fred Goldston

yes

Wolverine World Wide, Inc.

no

Plains Processing Company, a Partnership

yes

If you have answered "yes" as to any Defendant in Special Issue No. 18, then answer Special Issue No. 19; otherwise, do not answer Special Issue No. 19.

SPECIAL ISSUE NO. 19
[Conversion]

What sum of money, if any, do you find should be awarded, in addition to actual damages, to Southwest Hide against the Defendants as punitive damages for the conversion of Southwest Hide's property?

Answer in dollars and cents, if any, as to each Defendant.

Fred Goldston

\$ 5,000,000

Wolverine World Wide, Inc.

\$ ~~0~~

Plains Processing Company, a Partnership

\$ 5,000,000

SPECIAL ISSUE NO. 20
[SOL]

By what date do you find from a preponderance of the evidence that Southwest Hide Company either knew or by the exercise of reasonable care should have known of the fraud, if any, regarding its hides by Amarillo By-Products?

Answer as to the month and year.

ANSWER:

01-85

SPECIAL ISSUE NO. 21
[SOL]

By what date do you find from a preponderance of the evidence that Southwest Hide Company either knew or by the exercise of reasonable care should have known of the tortious interference, if any, with its existing and prospective business relationships?

Answer as to the month and year.

ANSWER:

05-86