

IN THE SUPERIOR COURT OF HABERSHAM COUNTY
STATE OF GEORGIA

2010 FEB 11 PM 3:37

BETTY GOLDBERG

Plaintiff,

v.

FIELDALE FARMS CORPORATION

Defendant.

BOOK PAGE RECORD
DAVID C. WALL
CLERK OF COURT

C.A. No. 10-SU-CV-1505

PLAINTIFF'S ORIGINAL COMPLAINT

Plaintiff files this Original Complaint against Fieldale Farms Corporation ("Fieldale" or the "Company") for a declaratory judgment as a result of Fieldale denying Betty Goldberg ("Plaintiff" or "Goldberg") with broad access to Company information and documents she is entitled to have as a director of the Company. In support of her claims, Plaintiff respectfully shows the Court as follows:

I. PARTIES

1. Plaintiff Betty Goldberg is a natural person who resides in Hall County, Georgia. Goldberg is a member of the Board of Directors of Fieldale and owns 18.2% of the shares of the Company as the sole beneficiary of Joe S. Hatfield Trust "B," Joe S. Hatfield Trust "D," and Joe S. Hatfield Trust "F."

2. Defendant Fieldale Farms Corporation is a closely held, for-profit corporation with a registered agent for service of process in Habersham County, Georgia. Defendant



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Fieldale Farms Corporation's Registered Agent, H. Jonathan Allen, can be served at 3719 BC Grant Road, Cornelia, Georgia 30531.

II. JURISDICTION AND VENUE

3. Pursuant to Section 15-7-8 of the Georgia Code, jurisdiction is proper in this Court. *See GA. CODE ANN. § 15-7-8. See also GA. CODE ANN. § 9-4-2.*

4. Venue is proper in Habersham County because Defendant's registered agent is in Habersham County. *See GA. CONST. ART. VI, SEC. II.; GA. CODE ANN. § 14-2-510.*

III. FACTUAL BACKGROUND

5. Fieldale is a family-owned, closely-held corporation founded in 1972 by Goldberg's father, Joe S. Hatfield, and two business partners, Lee and Tom Arrendale. All of the founders are now deceased. Fieldale is in the business of poultry-processing, producing fresh and frozen chicken for sale in the United States and internationally to more than 50 countries. Fieldale has enjoyed meteoric growth in revenue and income and is now one of the largest independent poultry processors in the world.

6. Fieldale has a nine-member Board of Directors that consists of Thomas Hensley, Gus Arrendale, John Arrendale, Joe M. Hatfield, Cynthia A. Arrendale, Howard Watkins, Goldberg, Sammy Franklin and Bill House. It also has a three-member Executive Committee that consists of Thomas Hensley, Gus Arrendale, and Joe M. Hatfield.

7. In 2008, Goldberg wanted to gain a better understanding of Fieldale and its business. Such information was needed so that Goldberg could better determine, as a



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director of Fieldale, how to exercise her fiduciary duty in a way that would be most beneficial to the Company.

8. Despite being a director of the Company, Defendant responded to Goldberg's requests for access to Company information and documents with stonewalling. Goldberg approached Fieldale President Thomas Hensley regarding some concerns that she had about Fieldale and about obtaining documents that would help her fulfill her role as a director. Hensley initially refused to provide Goldberg with access to some of the requested documents. Goldberg continued asking questions in hopes of receiving access to the information she was entitled to review as a director of the Company. Her requests were denied again. On information and belief, Goldberg is the only Fieldale director who has requested and been denied access to Company information and documents.

9. Goldberg continued to request access to Company information and documents. On July 1, 2008, Goldberg met with Hensley to discuss Fieldale's business. At this meeting, Goldberg was still denied access to basic information about the Company. For example, Plaintiff asked Hensley about executive compensation. Hensley initially refused to answer the question. After Plaintiff reminded Hensley that, as a director, she had a right to know how the Company compensated its officers, Hensley partially relented and provided the base salaries only for the three Executive Committee members, but refused to provide documentation. Hensley also refused to discuss the detailed histories of the bonuses each Executive Committee member received.

10. After this meeting, Goldberg continued to request access to Company information and documents. As part of that process, near the end of September 2008,



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Goldberg met with Hensley a second time in an effort to learn more about the Company and to review Company information. Although Hensley provided more information, Goldberg was still not given access to all documents that should have been made available to a director. After that meeting, as Plaintiff later learned, a Board of Director vote took place when Goldberg left the room and, despite being a director, Goldberg learned of an important Fieldale decision to proceed with an investment in Habersham Bank from the press rather than from the Company itself.

CAUSE OF ACTION

COUNT 1 – DECLARATORY JUDGMENT

11. Plaintiff repeats the allegations in the foregoing paragraphs as if fully set forth herein.

12. As a director of Fieldale, Goldberg has an absolute right to access Company information and documents. Goldberg requested access to review Fieldale's documents on many occasions, yet she has been prevented from having the full and unlimited access she is entitled.

13. Goldberg seeks a Declaratory Judgment that, as a director of Fieldale, she has the right to access all Company information and documents. Such relief will erase any uncertainty and insecurity with regard to any future requests to access Company information and documents.



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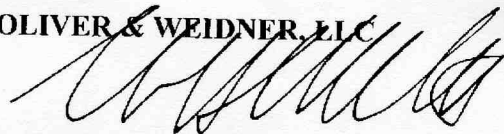
PRAYER

Plaintiff respectfully requests that upon final hearing:

- (a) the Court declare that Goldberg has a right, as a director of the Company, to access all Company information and documents and such documents must be made available to her upon request as set forth under Count One;
- (b) all costs be taxed against Defendant;
- (c) the Court grant such other and further relief as the Court deems just and proper.

This 11th day of February, 2010.

OLIVER & WEIDNER, LLC



ERNEST H. WOODS, III

State Bar No. 775222

Attorney for Plaintiff



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CIVIL ACTION
FILE NO. 10-SUCV-150S

ANSWER

Defendant FIELDALE FARMS CORPORATION ("Fieldale") answers the Plaintiff's Original Complaint as follows:

FIRST DEFENSE

The Complaint fails to state a claim upon which relief can be granted.

SECOND DEFENSE

Responding to the individually-numbered paragraphs of the Plaintiff's Original Complaint, Defendant shows:

1.

Denied. Fieldale admits that Betty Goldberg is a natural person who resides in Hall County and that she is a former member of the Board of Directors of Fieldale. Fieldale further admits that Goldberg is one of the Trustees of the three Trusts named in paragraph 1 which own approximately 18.2% of the shares of the company.

2.

Admitted.

3.

Admitted.

4.

Admitted.

5.

Fieldale denies that all of its stock is owned by members of one family or even by the members of the family of the three persons characterized as founders. Except as stated, the allegations contained in paragraph 5 are admitted.

6.

Denied.

7.

Denied.

8.

Denied.

9.

Denied.

10.

Denied.

COUNT 1 - DECLARATORY JUDGMENT

11.

Fieldale incorporates herein by reference its responses to the allegations contained in paragraphs 1 through 10, *supra*, inclusive.

12.

Denied.

13.

Denied.

14.

Fieldale denies each and every allegation of the Plaintiff's Complaint that has not been expressly admitted above.

THIRD DEFENSE


Plaintiff as an individual lacks standing to bring the claims asserted in her Complaint.

FOURTH DEFENSE

Although Plaintiff has not yet asserted any right to examine records pursuant to O.C.G.A. § 14-2-1602, Defendant nevertheless shows that Plaintiff has failed to satisfy the conditions precedent set forth in O.C.G.A. § 14-2-1602.

WHEREFORE, having fully answered, Fieldale prays that Plaintiff's Complaint be dismissed, that judgment be entered in favor of Defendant against Plaintiff, and that costs be cast against the Plaintiff.

This 4th day of March, 2010.



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