VIRGINIA:

IN THE CIRCUIT COURT OF THE CITY OF PORTSMOUTH

ENVIRONMENTAL STAFFING
ACQUISITION CORPORATION

Plaintiff,

v. Law No. 09-2688

BEAMON ENTERPRISES, INC

GENESIS CAPTIAL CORPORATION

and,

B&R CONSTRUCTION MANAGEMENT, INC.

Defendants.

FINAL JUDGMENT ORDER

The parties came before the Court on January 7, 2011 to present oral argument upon the Demurrer of Plaintiff and Counterclaim Defendant Environmental Staffing Acquisition Corporation's ("En-Staff") to Counts I and II of Defendant and Counterclaim Plaintiff Beamon Enterprises, Inc's ("Beamon") Second Amended Counterclaim.

Furthermore, the remaining parties to this litigation (Defendant B & R Construction Management, Inc. having been dismissed by order of this Court dated November 1, 2010) have resolved the claims between them in a manner that has no effect on En-Staff's right to appeal this Court's November 1, 2010 order as this order did not resolve all of the issues as to all of the parties in this matter.

After full consideration of the pleadings, representations and arguments of counsel, and for the reasons fully set forth in the Court's letter Order and Opinion dated February 22, 2011, it is hereby ADJUDGED, ORDERED AND DECREED that:

1. The Demurrer filed by En-Staff is SUSTAINED as to Counts I and II of Beamon's Counterclaim. Counts I and II of Beamon's Second Amended Counterclaim are hereby DISMISSED WITH PREJUDICE.

2. All remaining claims between and among En-Staff and Beamon in this litigation are hereby DISMISSED WITH PREJUDICE.

3. The Court further ORDERS that nothing in this or any prior order in any way affects the right of En-Staff to appeal the Court's order dated November 1, 2010 to which it has interposed and preserved its objections.

4. Default Judgment having been entered against Defendant Genesis Capital Corporation by Order of May 7, 2010, the Court hereby sets damages against Genesis Capital Corporation individually in the amount of $199,680.42. Nothing in this order is to be construed to set an amount of damages against any other remaining party.

Signature of counsel for B & R Construction Management, Inc. is unnecessary as that Defendant was dismissed pursuant to the November 1, 2010 Order.

Having failed to respond and being in default, the signature of Defendant Genesis Capital Corporation is waved pursuant to Rule 1:13 of the Rules of the Supreme Court of Virginia. Pursuant to the same rule, and by reason of no longer being a party defendant, the signature of counsel for B & R Construction Management, Inc. is waived as well.

The Clerk is hereby requested to send a certified copy of this Order to all counsel of record.

ENTERED: / /

Judge 3/14/11

Rulings re. Genesis Capital Corp.

SEEN AND AGREED AS TO THE RESOLUTION OF THE DEMURRER AND THE CLAIMS AS TO BEAMON ENTERPRISES, INC. EN-STAFF RESERVES THE RIGHT TO APPEAL ANY ORDER OR RULING RELATING TO DEFENDANT B & R CONSTRUCTION MANAGEMENT, INC:

A copy, Teste: Cynthia P. Morrison
Clerk of the Circuit Court of the
City of Portsmouth, Virginia
By: D.C.

Christopher G. Hill, Esquire (VSB No. 41538)
The Law Office of Christopher G. Hill, PC
4870 Sadler Road, Suite 300
Glen Allen, VA 23060
Tel: 804-205-5155
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SEEN AND OBJECTED TO AS TO THE RULINGS ON THE DEMURRER TO COUNTS I AND II OF THE AMENDED COUNTERCLAIM

Marshall A. Winslow, Jr. (VSB No. 30307)
Wolcott Rivers Gates
Convergence Center IV
301 Bendix Road, Suite 500
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Assignments of Error

1. The trial court misinterpreted Virginia law by failing to hold that Va. Code § 2.2-4337 (B) requires that Environmental Staffing Acquisition Corporation is a third party beneficiary of the contract between PRHA and B & R Construction Management, Inc. (Transcript of May 7, 2010 hearing at p. 19, l. 17 through p. 21, ln. 22, Objections to November 1, 2010 Order and Appellant's May 3, 2010 Response to B & R Demurrer)
2. The trial court erred when it held that the provisions of the PRHA/B & R Construction Management contract requiring a payment bond did not make Environmental Staffing Acquisition Corporation an intended third party beneficiary. (Id.)
3. The trial court erred when it determined that language limiting third party action against PRHA or HUD precludes third party action against B & R Construction Management, Inc. (Id.)
4. The trial court erred when it sustained Appellee's Demurrer and dismissed Count III of the Amended Complaint.[1] (Id.)

[1] Appellant only seeks reversal of the Circuit Court's ruling regarding Count III of the Amended Complaint and concedes that the Circuit Court was correct regarding Count IV of the Amended Complaint.