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Docket No. S-20844A-12-0122

Response to Questions from 30 March 2012

SEED Corporation and Randall & Marilyn Simonson 2012 MAY -7 A 11: 35

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In 2006 I was invited to a meeting at Alter Air Inc. I was introduced to the technology that a group of companies were developing to build a community in Date land, Arizona on Highway 8 near Yuma. This group was developing solar, water cooled A/C, and foam construction. The group was named Sustainable Energy Efficient Development by Shawn Pierce. The foam home builder had backed out of the project.

I attended several meetings with these companies to learn the newest forms of energy efficient products. I had been developing a self storage project known as "Fiesta Mesa Self Storage". I had already secured the location and was putting together plans for construction. Shawn and Lisa Pierce approached me to allow them as a consortium of companies to work with me in the construction of the Fiesta Mesa Self Storage project. Shawn and Lisa had been working with these other companies for years to raise money for the financing of their developing products.

At first I was reluctant to take on anyone working with me but Shawn was convincing and I finally agreed. Shawn wanted me to form a corporation calling it SEED (the agreed upon name for the consortium). Shawn and Lisa took my wife and I to their attorney to form the corporation. Their attorney said that he had worked with Shawn for years and had incorporated many companies for him. All four of us were to be partners in forming the corporation but when we named the officers Shawn and Lisa said they wanted to wait because others in the consortium would be interested in being corporate officers. So my wife and I agreed that we would wait to finish naming other officers and put the corporation solely in our name.

Shawn and Lisa were (verbally) to receive 50% of the original shares that were assigned to the Simonsons at the completion of funding. They wished to remain consultants only. (They never received any shares because they were arrested before any shares were transferred because we never received the funding.)

I asked the members of the consortium about Shawn and Lisa's background and history and they assured me that they had been working with them for the past four years and had done a background search even through the CIA. They were confident that the Pierces were reputable. Shawn and Lisa had successfully been raising funds for four other companies.

With all of this support we agreed that SEED was a good idea. We did not know any of the Pierces history in Florida. The consortium was located in Tempe, Arizona but needed to relocate. Shawn and Lisa found offices in Mesa (near their home) and all of the companies relocated.

We followed the same guidelines that the other companies had used in funding for their projects and selling stock. Shawn was in charge of all fund raising and Lisa was in charge of all documents and certificates. They would report to us all stock interest and we would record them. All funds were sent to the SEED corporate bank account of which Simonsons had sole control. (Again, they did not want to put their names on any documents or show ID.)

Before Pierce's were arrested we had been working with Fennemore Craig attorneys. They indicated that they had a possible source of funding and a potential interest in the project. This was very positive for us. But, as fate would have it, within two weeks Shawn was arrested because of an illegal license plate on his car and a bogus Florida drivers license. Upon hearing of his arrest we were with Fennemore Craig and sought immediate advise. Our attorneys suggestion was to immediately change all locks that night on the building and do not let them enter until everything was cleared up and explained. Pierces were released within 24 hours but rearrested in approximately 3 days on the securities fraud in Florida. Fennemore Craig worked with the City of Mesa and the FBI to inform us as to what the Pierces had done. The FBI confiscated all of their paperwork and computers and after a close and thorough inspection released back to SEED a clean bill of health to proceed with business.

At this point Fennemore Craig went through all of SEED's paperwork and said everything was completed and they would take over to insure that SEED was legal in all aspects. They requested \$80,000 payment to clarify all paperwork. Fennemore Craig elected to do a rescission of stock request with a complete disclosure of the Pierce situation. It took almost 6 months but they gave us the approval to reengage in business. By this time the economy had thoroughly changed and things were extremely difficult especially now with our history.

Fennemore Craig told us which shareholders must be paid asap and we were able to pay back \$221,000. The Fennemore Craig funding did not materialize. Banks were closing. We had been approved for funding by two banks only to have each of them cease operations. We were at a stand still.

In late 2008 we had come to an impasse and we have struggled ever since. The last few months of operation were extremely difficult. The land lord ceased our equipment and furniture for lack of rent. \$12,000 from my father to retrieve our files and records. We were forced to move home and we tried to proceed but loans were not available and the timing was gone.

We are now living on social security. We feel deeply sorry for the good people who invested in us as they believed in our project also. We regret that we are unable to pay them back. We have lost our assets trying to make SEED viable. This last year my wife had heart surgery and I have been in the hospital too. We feel we are victims of Shawn and Lisa but more of the current economy which has crashed so many other companies too.

Respectfully submitted,

Randall D. Simonson

A handwritten signature in black ink, appearing to read "Randall Simonson", written in a cursive style.