

United States Bankruptcy Court **Document** **Page 1 of 19**
District of Utah **Voluntary Petition**

| | |
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| Name of Debtor (if individual, enter Last, First, Middle): BD Grill, LC | Name of Joint Debtor (Spouse) (Last, First, Middle): |
| All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): | All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names): |
| Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): 87-0618589 | Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): |
| Street Address of Debtor (No. and Street, City, and State): 1781 Sidewinder Dr. Park City, UT <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE 84060</div> | Street Address of Joint Debtor (No. and Street, City, and State): <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE</div> |
| County of Residence or of the Principal Place of Business: Summit | County of Residence or of the Principal Place of Business: |
| Mailing Address of Debtor (if different from street address): <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE</div> | Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE</div> |
| Location of Principal Assets of Business Debtor (if different from street address above): <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE</div> | |

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| <p align="center">Type of Debtor (Form of Organization) (Check one box.)</p> <p><input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i></p> <p><input checked="" type="checkbox"/> Corporation (includes LLC and LLP)</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)</p> | <p align="center">Nature of Business (Check one box.)</p> <p><input type="checkbox"/> Health Care Business</p> <p><input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B)</p> <p><input type="checkbox"/> Railroad</p> <p><input type="checkbox"/> Stockbroker</p> <p><input type="checkbox"/> Commodity Broker</p> <p><input type="checkbox"/> Clearing Bank</p> <p><input checked="" type="checkbox"/> Other Restaurant</p> <hr/> <p align="center">Tax-Exempt Entity (Check box, if applicable.)</p> <p><input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).</p> | <p align="center">Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box.)</p> <p><input type="checkbox"/> Chapter 7</p> <p><input type="checkbox"/> Chapter 9</p> <p><input checked="" type="checkbox"/> Chapter 11</p> <p><input type="checkbox"/> Chapter 12</p> <p><input type="checkbox"/> Chapter 13</p> <p><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding</p> <p><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding</p> <hr/> <p align="center">Nature of Debts (Check one box.)</p> <p><input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."</p> <p><input checked="" type="checkbox"/> Debts are primarily business debts.</p> |
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| <p align="center">Filing Fee (Check one box.)</p> <p><input checked="" type="checkbox"/> Full Filing Fee attached.</p> <p><input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.</p> <p><input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.</p> | <p align="center">Chapter 11 Debtors</p> <p>Check one box:</p> <p><input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).</p> <p><input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).</p> <p>Check if:</p> <p><input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000.</p> <p>-----</p> <p>Check all applicable boxes:</p> <p><input type="checkbox"/> A plan is being filed with this petition.</p> <p><input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).</p> |
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| | | | | | | | | | | |
|---|---|--|--|--|---|--|---|---|---|--|
| <p>Statistical/Administrative Information</p> <p><input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors.</p> <p><input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.</p> | <p align="center">THIS SPACE IS FOR COURT USE ONLY</p> | | | | | | | | | |
| <p>Estimated Number of Creditors</p> <table style="width: 100%; text-align: center;"> <tr> <td><input type="checkbox"/> 1-49</td> <td><input checked="" type="checkbox"/> 50-99</td> <td><input type="checkbox"/> 100-199</td> <td><input type="checkbox"/> 200-999</td> <td><input type="checkbox"/> 1,000-5,000</td> <td><input type="checkbox"/> 5,001-10,000</td> <td><input type="checkbox"/> 10,001-25,000</td> <td><input type="checkbox"/> 25,001-50,000</td> <td><input type="checkbox"/> 50,001-100,000</td> <td><input type="checkbox"/> Over 100,000</td> </tr> </table> | <input type="checkbox"/> 1-49 | <input checked="" type="checkbox"/> 50-99 | <input type="checkbox"/> 100-199 | <input type="checkbox"/> 200-999 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 5,001-10,000 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> 25,001-50,000 | <input type="checkbox"/> 50,001-100,000 | <input type="checkbox"/> Over 100,000 |
| <input type="checkbox"/> 1-49 | <input checked="" type="checkbox"/> 50-99 | <input type="checkbox"/> 100-199 | <input type="checkbox"/> 200-999 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 5,001-10,000 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> 25,001-50,000 | <input type="checkbox"/> 50,001-100,000 | <input type="checkbox"/> Over 100,000 | |
| <p>Estimated Assets</p> <table style="width: 100%; text-align: center;"> <tr> <td><input type="checkbox"/> \$0 to \$50,000</td> <td><input type="checkbox"/> \$50,001 to \$100,000</td> <td><input checked="" type="checkbox"/> \$100,001 to \$500,000</td> <td><input type="checkbox"/> \$500,001 to \$1 million</td> <td><input type="checkbox"/> \$1,000,001 to \$10 million</td> <td><input type="checkbox"/> \$10,000,001 to \$50 million</td> <td><input type="checkbox"/> \$50,000,001 to \$100 million</td> <td><input type="checkbox"/> \$100,000,001 to \$500 million</td> <td><input type="checkbox"/> \$500,000,001 to \$1 billion</td> <td><input type="checkbox"/> More than \$1 billion</td> </tr> </table> | <input type="checkbox"/> \$0 to \$50,000 | <input type="checkbox"/> \$50,001 to \$100,000 | <input checked="" type="checkbox"/> \$100,001 to \$500,000 | <input type="checkbox"/> \$500,001 to \$1 million | <input type="checkbox"/> \$1,000,001 to \$10 million | <input type="checkbox"/> \$10,000,001 to \$50 million | <input type="checkbox"/> \$50,000,001 to \$100 million | <input type="checkbox"/> \$100,000,001 to \$500 million | <input type="checkbox"/> \$500,000,001 to \$1 billion | <input type="checkbox"/> More than \$1 billion |
| <input type="checkbox"/> \$0 to \$50,000 | <input type="checkbox"/> \$50,001 to \$100,000 | <input checked="" type="checkbox"/> \$100,001 to \$500,000 | <input type="checkbox"/> \$500,001 to \$1 million | <input type="checkbox"/> \$1,000,001 to \$10 million | <input type="checkbox"/> \$10,000,001 to \$50 million | <input type="checkbox"/> \$50,000,001 to \$100 million | <input type="checkbox"/> \$100,000,001 to \$500 million | <input type="checkbox"/> \$500,000,001 to \$1 billion | <input type="checkbox"/> More than \$1 billion | |
| <p>Estimated Liabilities</p> <table style="width: 100%; text-align: center;"> <tr> <td><input type="checkbox"/> \$0 to \$50,000</td> <td><input type="checkbox"/> \$50,001 to \$100,000</td> <td><input type="checkbox"/> \$100,001 to \$500,000</td> <td><input checked="" type="checkbox"/> \$500,001 to \$1 million</td> <td><input type="checkbox"/> \$1,000,001 to \$10 million</td> <td><input type="checkbox"/> \$10,000,001 to \$50 million</td> <td><input type="checkbox"/> \$50,000,001 to \$100 million</td> <td><input type="checkbox"/> \$100,000,001 to \$500 million</td> <td><input type="checkbox"/> \$500,000,001 to \$1 billion</td> <td><input type="checkbox"/> More than \$1 billion</td> </tr> </table> | <input type="checkbox"/> \$0 to \$50,000 | <input type="checkbox"/> \$50,001 to \$100,000 | <input type="checkbox"/> \$100,001 to \$500,000 | <input checked="" type="checkbox"/> \$500,001 to \$1 million | <input type="checkbox"/> \$1,000,001 to \$10 million | <input type="checkbox"/> \$10,000,001 to \$50 million | <input type="checkbox"/> \$50,000,001 to \$100 million | <input type="checkbox"/> \$100,000,001 to \$500 million | <input type="checkbox"/> \$500,000,001 to \$1 billion | <input type="checkbox"/> More than \$1 billion |
| <input type="checkbox"/> \$0 to \$50,000 | <input type="checkbox"/> \$50,001 to \$100,000 | <input type="checkbox"/> \$100,001 to \$500,000 | <input checked="" type="checkbox"/> \$500,001 to \$1 million | <input type="checkbox"/> \$1,000,001 to \$10 million | <input type="checkbox"/> \$10,000,001 to \$50 million | <input type="checkbox"/> \$50,000,001 to \$100 million | <input type="checkbox"/> \$100,000,001 to \$500 million | <input type="checkbox"/> \$500,000,001 to \$1 billion | <input type="checkbox"/> More than \$1 billion | |

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| Voluntary Petition <i>(This page must be completed and filed in every case.)</i> | Document Page 2 of 19 BD Grill LC |
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All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)

| | | |
|-----------------------|--------------|-------------|
| Location Where Filed: | Case Number: | Date Filed: |
| Location Where Filed: | Case Number: | Date Filed: |

Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet.)

| | | |
|----------------------------|---------------|-------------|
| Name of Debtor: | Case Number: | Date Filed: |
| District: District of Utah | Relationship: | Judge: |

| | |
|---|---|
| <p style="text-align: center;">Exhibit A</p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p> | <p style="text-align: center;">Exhibit B</p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b).</p> <p>X _____ Signature of Attorney for Debtor(s) (Date)</p> |
|---|---|

Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

Yes, and Exhibit C is attached and made a part of this petition.

No.

Exhibit D

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.

Information Regarding the Debtor - Venue
(Check any applicable box.)

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property
(Check all applicable boxes.)

Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

(Name of landlord that obtained judgment)

(Address of landlord)

Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

| | |
|---|--|
| <p>B 1 (Official Form) 1 (1/08)</p> <p>Voluntary Petition <i>(This page must be completed and filed in every case.)</i></p> | <p style="text-align: center;">Document Page 3 of 19</p> <p>Name of Debtor(s): BD Grill LC</p> <p style="text-align: right;">Page 3</p> |
| Signatures | |
| <p style="text-align: center;">Signature(s) of Debtor(s) (Individual/Joint)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X _____ Signature of Debtor</p> <p>X _____ Signature of Joint Debtor</p> <p>_____ Telephone Number (if not represented by attorney)</p> <p>_____ Date</p> | <p style="text-align: center;">Signature of a Foreign Representative</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p>X _____ (Signature of Foreign Representative)</p> <p>_____ (Printed Name of Foreign Representative)</p> <p>_____ Date</p> |
| <p style="text-align: center;">Signature of Attorney*</p> <p>X <u>//s// Knute A. Rife</u> Signature of Attorney for Debtor(s) <u>Knute A. Rife</u> Printed Name of Attorney for Debtor(s) <u>Wrona Law Offices</u> Firm Name <u>11650 S. State, Ste. 103, Draper, UT 84020</u> Address</p> <p>_____ <u>801-676-5252</u> Telephone Number <u>10/30/2009</u> Date</p> <p><small>*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</small></p> | <p style="text-align: center;">Signature of Non-Attorney Bankruptcy Petition Preparer</p> <p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.</p> <p>_____ Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____ Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)</p> <p>_____ Address</p> <p>X _____ Date</p> <p>Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.</p> <p>Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.</p> <p>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><i>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.</i></p> |
| <p style="text-align: center;">Signature of Debtor (Corporation/Partnership)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X <u>//s//</u> Signature of Authorized Individual <u>Penelope Lehman-Kinsey</u> Printed Name of Authorized Individual <u>Manager</u> Title of Authorized Individual <u>10/30/2009</u> Date</p> | |

**Blind Dog Grill
 Balance Sheet
 As of December 31, 2008**

| | <u>Total</u> |
|---|----------------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 1000 Zions Checking | 0.00 |
| 1001 Frontier Bank | 8,260.69 |
| Mountain West | -502.88 |
| Other Deposit | 3,078.17 |
| Void | 0.00 |
| Zions Money Market | 0.00 |
| Total Bank Accounts | <u>\$10,835.98</u> |
| Accounts Receivable | |
| 1100 Accounts Receivable | 1,773.58 |
| Total Accounts Receivable | <u>\$1,773.58</u> |
| Other Current Assets | |
| 1400 Supplies Inventory | 0.00 |
| 1418 Reimbursable Expenses | 0.00 |
| 1420 Employee Advances | 0.00 |
| 1440 Linens & Uniforms | 0.00 |
| 1490 1846 Prospector, LLC | 0.00 |
| 1492 Intercompany - Blind Dog To Go (deleted) | 0.00 |
| 1494 Intercompany - Deep Blue Seafoo | 0.00 |
| 1496 Intercompany - Underdog | 0.00 |
| 2120 Payroll Asset | 0.00 |
| Inventory | |
| Food | 25,000.00 |
| Retail Purchases | 5,000.00 |
| Supplies | 3,500.00 |
| Wine/Liqour | 100,000.00 |
| Total Inventory | <u>133,500.00</u> |
| Total Other Current Assets | <u>\$133,500.00</u> |
| Total Current Assets | <u>\$146,109.56</u> |
| Fixed Assets | |
| 1510 Equipment | 81,168.25 |
| Accumulated Depreciation | -1,064,514.74 |
| Art Consignment | 919.60 |
| China, silver, glass and linen | 41,816.83 |
| Computer Equipment | 34,785.46 |
| Fixtures & Equipment | 340,730.97 |
| Furniture | 70,365.12 |
| Leasehold Improvements | 785,418.61 |
| Office Equipment | 6,472.42 |
| Vehicles | 29,995.00 |
| Total Fixed Assets | <u>\$327,157.72</u> |
| Other Assets | |
| Security Deposit | 24,029.60 |
| Total Other Assets | <u>\$24,029.60</u> |
| TOTAL ASSETS | <u><u>\$497,296.88</u></u> |

| | <u>Total</u> |
|--|--------------------|
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2000 Accounts Payable | 39,463.48 |
| Loan Payable- Deep Blue | 0.00 |
| Total 2000 Accounts Payable | <u>39,463.48</u> |
| Loan Payable- 1781 LLC | 0.00 |
| Total Accounts Payable | <u>\$39,463.48</u> |
| Credit Cards | |
| 1450 Supplies | 0.00 |
| 2005 Credit Card Expenses | 0.00 |
| 2006 American Express | 0.00 |
| Bank of America | 0.00 |
| Zions Bank - 2995 | 0.00 |
| Zions Bank - 4487 | 0.00 |
| Zions Bank - 9684 | 0.00 |
| Zions Bank - 9692 | 0.00 |
| Total 2005 Credit Card Expenses | <u>0.00</u> |
| Total Credit Cards | <u>\$0.00</u> |
| Other Current Liabilities | |
| 2005 LOC - Zions 65466339001 | 0.00 |
| 2010 LOC - Zions 2693909 (deleted) | 0.00 |
| 2011 LOC - Zions 1569864 (deleted) | 0.00 |
| 2012 LOC - Zions 8448434 (deleted) | 0.00 |
| 2013 LOC - Zions 6546633 | 0.00 |
| 2014 LOC - Zions 4006608 | 0.00 |
| 2017 LOC - Zions 276026887 | 0.00 |
| 2018 LOC - Zions 276034560 | 0.00 |
| 2019 Line of Credit - RC Willey | 0.00 |
| 2030 American Express- 41001 | 0.00 |
| 2035 Discover | 0.00 |
| 2100 Payroll Liabilities | |
| 2102 Federal | 109.46 |
| 2104 State | 40.52 |
| 2106 FICA | 195.19 |
| 2110 SUTA | 0.00 |
| Total 2100 Payroll Liabilities | <u>345.17</u> |
| 2299 Underdog Funds | 0.00 |
| 2300 Sales Tax Payable | <u>6,625.73</u> |
| 2490 Other Current Liabilities | 0.00 |
| 2500 Loans | 0.00 |
| 2510 Auto | 0.00 |
| 2515 Equipment Loan | 0.00 |
| 2990 eCards | |
| 2992 Gift Cards | 472.15 |
| 2994 Trade Cards | 500.00 |
| Total 2990 eCards | <u>972.15</u> |
| 2999 Tip Out - Cash | 0.00 |
| Accrued Expenses | 0.00 |
| cAPPIE aDVANCE | 0.00 |
| Deposits Recieved | 0.00 |
| Frontier LOC 1220157 | 0.00 |

| | <u>Total</u> |
|--|----------------------------|
| Frontier LOC 1230279 | 0.00 |
| Frontier Overdraft Protection | 0.00 |
| Johnson Loan | 0.00 |
| Keystone Loan | 0.00 |
| Loan From CJohnson | 0.00 |
| LOC- Zlons 001-0520-5650305 | 0.00 |
| Payroll Liability | 0.00 |
| Rigger LLC Loan | 0.00 |
| Taycor Financial Loan | 0.00 |
| Total Other Current Liabilities | <u>\$9,943.05</u> |
| Total Current Liabilities | <u>\$49,406.63</u> |
| Long Term Liabilities | |
| 1781 LLC Loan | 0.00 |
| 2025 Honda - Auto Loan | 4,289.79 |
| Construction Loan From Chappie | 0.00 |
| Cynergy Loan | 61,024.95 |
| Deep Blue Seafood Loan | 0.00 |
| Frontier Loan 1230306 | 40,869.83 |
| Happy Holiday Loan | 0.00 |
| Mountain West LOC | 50,050.00 |
| Park East Loan | 0.00 |
| Silver Creek Loan | 0.00 |
| Sun Creek Loan | 0.00 |
| W J Lehman Loan | 0.00 |
| Zion's Loan | 0.00 |
| Total Long Term Liabilities | <u>\$156,034.57</u> |
| Total Liabilities | <u>\$205,441.10</u> |
| Equity | |
| 3001 Owners Investment | 0.00 |
| 3002 Owner Invest - Chappie | 589,316.57 |
| 3003 Owner Invest - Derrick | 98,314.25 |
| 3004 Owner Invest - Penny | 97,698.25 |
| Total 3001 Owners Investment | <u>785,329.07</u> |
| 3005 Owners Draw | 0.00 |
| 3006 Owners Draw - Chappie | -589,316.57 |
| 3007 Owners Draw - Derrick | -819.86 |
| 3008 Owners Draw - Penny | -3,632.02 |
| Total 3005 Owners Draw | <u>-593,768.45</u> |
| 3009 Opening Bal Equity | 0.00 |
| 3030 Retained Earnings | 134,374.30 |
| Net Income | -34,079.14 |
| Total Equity | <u>\$291,855.78</u> |
| TOTAL LIABILITIES AND EQUITY | <u>\$497,296.88</u> |

Monday, Oct 12, 2009 11:44:58 AM GMT-6 - Accrual Basis

Statement of Operations

BD Grill, LLC dba Blind Dog Restaurant & Sushi is a full service Restaurant with two operating liquor licenses. In addition, we have a private dining space located on the third floor of the building which has been leased as a private meeting space, booked for press parties, as interview space, as a great location for family dinners, buffets, rehearsal dinners or cocktail parties. We feature two restaurants under one roof. The Sushi Dining room gives our guests the opportunity to dine off both of our menus in a more casual and contemporary space. The grill offers a more elegant space with a fireplace and large bar. During the warmer months the outside patio is open for dinner service and private affairs. The Blind Dog also is a full service catering operation.

1 - Blind Dog Grill
 1781 Sidewinder Dr.
 Park City, UT 84060

Sales Report

01/01/2009 -- 10/06/2009

Page 1
 10/07/2009 -- 3:57 PM
 8.2.13

Sales 993064.59 (less Promos Taxes Surch. Order Charges Add Chgs)

Voids 19202.89

Sales 956634.72 (less Voids Comps Promos Taxes Surch. Order Charges Add Chgs)

Sales by Category

| | Net Sls | Comps | Promos | Vd/Sur/Ord | Taxes | Grs Sls |
|---------------|------------------|-----------------|---------------|-----------------|-----------------|-------------------|
| FOOD | 473301.91 | 6196.68 | 497.00 | 5024.73 | 39876.44 | 524896.76 |
| BEVERAGE | 15426.19 | 56.56 | 0.00 | 180.75 | 1302.27 | 16965.77 |
| 3.2 BEER | 10259.60 | 736.40 | 0.00 | 135.00 | 867.69 | 11998.69 |
| SETUPS | 775.51 | 10.74 | 0.00 | 16.50 | 64.71 | 867.46 |
| UDABC | 230087.74 | 7789.88 | 0.00 | 8816.26 | 19414.70 | 266108.58 |
| SUSHI | 220784.88 | 2436.72 | 0.00 | 4716.65 | 18631.21 | 246569.46 |
| No Tax | 1635.00 | 0.00 | 0.00 | 0.00 | 137.58 | 1772.58 |
| Lunch | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| MEMBERSHIPS | 40.00 | 0.00 | 0.00 | 0.00 | 2.54 | 42.54 |
| GIFT CERT | 10.00 | 0.00 | 0.00 | 100.00 | 0.00 | 110.00 |
| RETAIL | 4313.89 | 0.00 | 0.00 | 213.00 | 321.06 | 4847.95 |
| Totals | 956634.72 | 17226.98 | 497.00 | 19202.89 | 80618.20 | 1074179.79 |

GC/Rev Items Sold

| | |
|--------------------------|------------------|
| Back Office Certificates | 1005.15 |
| Gift Cert Comps | (9916.26) |
| Gift Cert Promos | 0.00 |
| Total | (8911.11) |

Tax by Tax ID

| | |
|------------------------|-----------------|
| Exclusive: | |
| FD TAX | 80300.46 |
| RETAIL | 316.34 |
| No Tax | 0.00 |
| Ex Liq Tx | 0.00 |
| Inclusive: | |
| INC LIQ TAX | 1.40 |
| INC FD TAX | 0.00 |
| Total | 80618.20 |
| Comp Tax Not Collected | 1639.97 |
| Cash Payments | 96316.80 |

| | | |
|--|--|---|
| Form 1065 Department of the Treasury Internal Revenue Service | U.S. Return of Partnership Income For calendar year 2008, or tax year beginning _____, ending _____ ▶ See separate instructions. | OMB No. 1545-0099 2008 |
| A Principal business activity B Principal product or service C Business code number | Use the IRS label. Other-wise, print or type. Name of partnership Blind Dog Grill, LC Number, street, and room or suite no. If a P.O. box, see the instructions. 1781 Sidewinder Drive City or town, state, and ZIP code Park City UT 84060 | D Employer identification number 87-0618589 E Date business started 9/14/1998 F Total assets (see the instructions) \$ 497,297 |

G Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
 (6) Technical termination - also check (1) or (2)

H Check accounting method: (1) Cash (2) Accrual (3) Other (specify) ▶

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ **3**

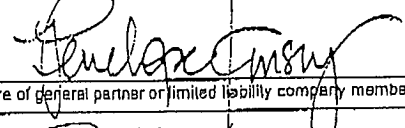
J Check if Schedule M-3 attached

Caution. Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.


| | | | | |
|---|-----|-----------------|-----|-----------|
| Income | 1a | 1,864,596 | 1c | 1,864,596 |
| | b | | 2 | 528,779 |
| | 2 | | 3 | 1,335,817 |
| | 3 | | 4 | |
| | 4 | | 5 | |
| | 5 | | 6 | |
| | 6 | | 7 | |
| | 7 | | 8 | 1,335,817 |
| Deductions (see the instructions for limitations) | 9 | | 9 | 436,039 |
| | 10 | | 10 | 136,000 |
| | 11 | | 11 | 21,891 |
| | 12 | | 12 | |
| | 13 | | 13 | 187,121 |
| | 14 | See Statement 1 | 14 | 45,022 |
| | 15 | | 15 | 30,139 |
| | 16a | 90,104 | 16c | 90,104 |
| | b | | 17 | |
| | 17 | | 18 | |
| | 18 | | 19 | 11,820 |
| | 19 | | 20 | 408,588 |
| | 20 | See Statement 2 | 21 | 1,366,724 |
| | 21 | | 22 | -30,907 |

22 Ordinary business income (loss). Subtract line 21 from line 8.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.

Sign Here ▶  ▶ **9/15/09** ▶ **Date**

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

| | | | | |
|---------------------------------|---|---------------------|---|--|
| Paid Preparer's Use Only | Preparer's signature  | Date 9/15/09 | Check if self-employed <input type="checkbox"/> | Preparer's SSN or PTIN P00419876 |
| | Firm's name (or yours if self-employed), address, and ZIP code Niederhauser & Davis, LLC PO Box 680460 Park City, UT 84068-0460 | | | EIN ▶ 87-0624335 Phone no. 435-655-3300 |

870618589 04/14/2009 11:28 AM

Form **7004**

Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

OMB No. 1545-0233

▶ File a separate application for each return.
▶ See separate instructions.

(Rev. December 2008)
Department of the Treasury
Internal Revenue Service

Type or Print

| | |
|--|--------------------|
| Name | Identifying number |
| BLIND DOG GRILL, LC | 87-0618589 |
| Number, street and room, or suite no. (if P.O. box, see instructions) | |
| 1781 SIDEWINDER DR | |
| City, town, state, and ZIP code (if a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)). | |
| PARK CITY UT 84060 | |

Note. See instructions before completing this form.

Part I Automatic 5-Month Extension Complete if Filing Form 1065, 1041, or 8804 09

1a Enter the form code for the return that this application is for (see below)

| Application Is For: | Form Code | Application Is For: | Form Code |
|---------------------|-----------|---------------------|-----------|
| Form 1065 | 09 | Form 1041 (estate) | 04 |
| Form 8804 | 31 | Form 1041 (trust) | 05 |

Part II Automatic 6-Month Extension Complete if Filing Other Forms

b Enter the form code for the return that this application is for (see below)

| Application Is For: | Form Code | Application Is For: | Form Code |
|-----------------------------------|-----------|---------------------|-----------|
| Form 706-GS(D) | 01 | Form 1120-PC | 21 |
| Form 706-GS(F) | 02 | Form 1120-POL | 22 |
| Form 1041-N | 06 | Form 1120-REIT | 23 |
| Form 1041-QP | 07 | Form 1120-RIC | 24 |
| Form 1042 | 08 | Form 1120-S | 25 |
| Form 1065-B | 10 | Form 1120-SF | 26 |
| Form 1066 | 11 | Form 9520-A | 27 |
| Form 1120 | 12 | Form 8612 | 28 |
| Form 1120-C | 34 | Form 8613 | 29 |
| Form 1120-E | 15 | Form 8725 | 30 |
| Form 1120-FSC | 16 | Form 8831 | 31 |
| Form 1120-H | 17 | Form 8876 | 32 |
| Form 1120-L | 18 | Form 8824 | 33 |
| Form 1120-ND | 19 | Form 8928 | 34 |
| Form 1120-ND (section 4951 taxes) | 20 | | |

- 2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here
- 3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here
If checked, attach a schedule, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.

Part III All Filers Must Complete This Part

- 4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here
- 5a The application is for calendar year 20 08, or tax year beginning _____ and ending _____
- b Short tax year. If this tax year is less than 12 months, check the reason:
 Initial return Final return Change in accounting period Consolidated return to be filed

| | | |
|---|---|---|
| 6 Tentative total tax | 6 | 0 |
| 7 Total payments and credits (see instructions) | 7 | |
| 8 Balance due. Subtract line 7 from line 6. Generally, you must deposit this amount using the Electronic Federal Tax Payment System (EFTPS), a Federal Tax Deposit (FTD) Coupon, or Electronic Funds Withdrawal (EFW) (see instructions for exceptions) | 8 | |

Schedule A Cost of Goods Sold (see the instructions)

| | | |
|---|---|---------|
| 1 | Inventory at beginning of year | 462,291 |
| 2 | Purchases less cost of items withdrawn for personal use | 199,988 |
| 3 | Cost of labor | |
| 4 | Additional section 263A costs (attach statement) | |
| 5 | Other costs (attach statement) | |
| 6 | Total. Add lines 1 through 5 | 662,279 |
| 7 | Inventory at end of year | 133,500 |
| 8 | Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2 | 528,779 |

9a Check all methods used for valuing closing inventory:

- (i) Cost as described in Regulations section 1.471-3
- (ii) Lower of cost or market as described in Regulations section 1.471-4
- (iii) Other (specify method used and attach explanation) ▶

b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)

c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 570)

d Do the rules of section 253A (for property produced or acquired for resale) apply to the partnership?

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?

If "Yes," attach explanation.

| | | | |
|--------------------------|-----|--------------------------|----|
| <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |

Schedule B Other Information

- 1 What type of entity is filing this return? Check the applicable box:
- a Domestic general partnership
 - b Domestic limited partnership
 - c Domestic limited liability company
 - d Domestic limited liability partnership
 - e Foreign partnership
 - f Other ▶
- 2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person? Yes No
- 3 At the end of the tax year:
- a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), or trust own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below Yes No

| (i) Name of Entity | (ii) Employer Identification Number (if any) | (iii) Type of Entity | (iv) Country of Organization | (v) Maximum Percentage Owned in Profit, Loss, or Capital |
|--------------------|--|----------------------|------------------------------|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below Yes No

| (i) Name of Individual or Estate | (ii) Social Security Number or Employer Identification Number (if any) | (iii) Country of Citizenship (see instructions) | (iv) Maximum Percentage Owned in Profit, Loss, or Capital |
|----------------------------------|--|---|---|
| See Statement 3 | | | |
| | | | |
| | | | |

4 At the end of the tax year, did the partnership:

a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below Yes No

| (i) Name of Corporation | (ii) Employer Identification Number (if any) | (iii) Country of Incorporation | (iv) Percentage Owned in Voting Stock |
|-------------------------|--|--------------------------------|---------------------------------------|
| | | | |
| | | | |
| | | | |

Form 1065 (2008) **Blind Dog Grill, LC** 87-0618589 Page 3

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

| | |
|-----|-------------------------------------|
| Yes | No |
| | <input checked="" type="checkbox"/> |

| (i) Name of Entity | (ii) Employer Identification Number (if any) | (iii) Type of Entity | (iv) Country of Organization | (v) Maximum Percentage Owned in Profit, Loss, or Capital |
|--------------------|--|----------------------|------------------------------|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

- 5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details
- 6 Does the partnership satisfy all four of the following conditions?
- a The partnership's total receipts for the tax year were less than \$250,000.
 - b The partnership's total assets at the end of the tax year were less than \$1 million.
 - c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.
 - d The partnership is not filing and is not required to file Schedule M-3
- If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.
- 7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?
- 8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?
- 9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?
- 10 At any time during calendar year 2008, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country.
- 11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions
- 12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.
- b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions
 - c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions
- 13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (including a disregarded entity)
- 14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?
- 15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions
- 16 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership.
- 17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships attached to this return.

Designation of Tax Matters Partner (see the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

| | | | |
|---------------------------|---|---------------------------|------------|
| Name of designated TMP | Penelope Lehman-Kinsey | Identifying number of TMP | [REDACTED] |
| Address of designated TMP | 2555 Silver Cloud Dr. Park City UT 84060 | | |

Form 1065 (2008)

Blind Dog Grill, LC

87-0618589

Page 4

| Schedule K-1 Partners' Distributive Share Items | | Total amount | | |
|--|--|---------------------------------------|---------|--------|
| Income (Loss) | 1 Ordinary business income (loss) (page 1, line 22) | 1 | -30,907 | |
| | 2 Net rental real estate income (loss) (attach Form 8825) | 2 | | |
| | 3a Other gross rental income (loss) | 3a | | |
| | b Expenses from other rental activities (attach statement) | 3b | | |
| | c Other net rental income (loss). Subtract line 3b from line 3a | 3c | | |
| | 4 Guaranteed payments | 4 | 136,000 | |
| | 5 Interest income | 5 | | |
| | 6 Dividends: a Ordinary dividends | 6a | | |
| | b Qualified dividends | 6b | | |
| | 7 Royalties | 7 | | |
| | 8 Net short-term capital gain (loss) (attach Schedule D (Form 1065)) | 8 | | |
| 9a Net long-term capital gain (loss) (attach Schedule D (Form 1065)) | 9a | | | |
| | b Collectibles (28%) gain (loss) | 9b | | |
| | c Unrecaptured section 1250 gain (attach statement) | 9c | | |
| 10 Net section 1231 gain (loss) (attach Form 4797) | 10 | | | |
| 11 Other income (loss) (see instructions) Type ▶ | 11 | | | |
| Deductions | 12 Section 179 deduction (attach Form 4562) | 12 | 0 | |
| | 13a Contributions | 13a | | |
| | b Investment interest expense | 13b | | |
| | c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶ | 13c(2) | | |
| | d Other deductions (see instructions) Type ▶ | 13d | | |
| Self-Employment | 14a Net earnings (loss) from self-employment | 14a | 105,093 | |
| | b Gross farming or fishing income | 14b | | |
| | c Gross nonfarm income | 14c | | |
| Credits | 15a Low-income housing credit (section 42(j)(5)) | 15a | | |
| | b Low-income housing credit (other) | 15b | | |
| | c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468) | 15c | | |
| | d Other rental real estate credits (see instructions) Type ▶ | 15d | | |
| | e Other rental credits (see instructions) Type ▶ | 15e | | |
| | f Other credits (see instructions) Type ▶ | 15f | | |
| Foreign Transactions | 16a Name of country or U.S. possession ▶ | | | |
| | b Gross income from all sources | 16b | | |
| | c Gross income sourced at partner level Foreign gross income sourced at partnership level | 16c | | |
| | d Passive category ▶ e General category ▶ f Other ▶ Deductions allocated and apportioned at partner level | 16f | | |
| | g Interest expense ▶ h Other ▶ Deductions allocated and apportioned at partnership level to foreign source income | 16h | | |
| | i Passive category ▶ j General category ▶ k Other ▶ | 16k | | |
| | l Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/> | 16l | | |
| | m Reduction in taxes available for credit (attach statement) | 16m | | |
| | n Other foreign tax information (attach statement) | | | |
| | Alternative Minimum Tax (AMT) Items | 17a Post-1986 depreciation adjustment | 17a | -1,217 |
| | | b Adjusted gain or loss | 17b | |
| c Depletion (other than oil and gas) | | 17c | | |
| d Oil, gas, and geothermal properties-gross income | | 17d | | |
| e Oil, gas, and geothermal properties-deductions | | 17e | | |
| f Other AMT items (attach statement) | | 17f | | |
| Other information | 18a Tax-exempt interest income | 18a | | |
| | b Other tax-exempt income | 18b | | |
| | c Nondeductible expenses | 18c | 912 | |
| | 19a Distributions of cash and marketable securities | 19a | 896,831 | |
| | b Distributions of other property | 19b | | |
| | 20a Investment income | 20a | | |
| | b Investment expenses | 20b | | |
| c Other items and amounts (attach statement) | | | | |

Analysis of Net Income (Loss)

| | | | | | | | |
|---|--|---------------|--------------------------|----------------------------|------------------|-------------------------|--------------------|
| 1 | Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l. | | | | | 1 | 105,093 |
| 2 | Analysis by partner type: | (i) Corporate | (ii) Individual (active) | (iii) Individual (passive) | (iv) Partnership | (v) Exempt organization | (vi) Nominee/Other |
| a | General partners | | | | | | |
| b | Limited partners | | 105,093 | | | | |

| Schedule L | Balance Sheets per Books | Beginning of tax year | | End of tax year | |
|--------------------------------|---|-----------------------|---------|-----------------|---------|
| | | (a) | (b) | (c) | (d) |
| Assets | | | | | |
| 1 | Cash | | -58,032 | | 7,757 |
| 2a | Trade notes and accounts receivable | 2,112 | | 1,774 | |
| b | Less allowance for bad debts | | | | |
| 3 | Inventories | | 462,291 | | 133,500 |
| 4 | U.S. government obligations | | | | |
| 5 | Tax-exempt securities | | | | |
| 6 | Other current assets (attach statement) See Stmt 5 | | 18,955 | | 3,998 |
| 7 | Mortgage and real estate loans | | | | |
| 8 | Other investments (attach statement) | | | | |
| 9a | Buildings and other depreciable assets | 1,340,753 | | 1,390,753 | |
| b | Less accumulated depreciation | 956,931 | 383,822 | 1,064,515 | 326,238 |
| 10a | Depletable assets | | | | |
| b | Less accumulated depletion | | | | |
| 11 | Land (net of any amortization) | | | | |
| 12a | Intangible assets (amortizable only) | | | | |
| b | Less accumulated amortization | | | | |
| 13 | Other assets (attach statement) See Stmt 6 | | 7,030 | | 24,030 |
| 14 | Total assets | | 816,178 | | 497,297 |
| Liabilities and Capital | | | | | |
| 15 | Accounts payable | | 57,550 | | 39,463 |
| 16 | Mortgages, notes, bonds payable in less than 1 year | | 344,183 | | 164,661 |
| 17 | Other current liabilities (attach statement) See Stmt 7 | | 38,520 | | 1,317 |
| 18 | All nonrecourse loans | | | | 0 |
| 19 | Mortgages, notes, bonds payable in 1 year or more | | 395,911 | | |
| 20 | Other liabilities (attach statement) | | | | |
| 21 | Partners' capital accounts | | -19,986 | | 291,856 |
| 22 | Total liabilities and capital | | 816,178 | | 497,297 |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return
 Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

| | | | | | |
|---|--|---------|---|---|---------|
| 1 | Net income (loss) per books | -34,079 | 6 | Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize): | |
| 2 | Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize): | | a | Tax-exempt interest \$ | |
| 3 | Guaranteed payments (other than health insurance) | 136,000 | 7 | Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize): | |
| 4 | Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize): | | a | Depreciation \$ | |
| a | Depreciation \$ | 2,260 | | | |
| b | Travel and entertainment \$ | 69 | 8 | Add lines 6 and 7 | |
| | See Statement 8 | 843 | 9 | Income (loss) (Analysis of Net Income (Loss) line 1). Subtract line 2 from line 5 | 105,093 |
| 5 | Add lines 1 through 4 | 105,093 | | | |

Schedule M-2 Analysis of Partners' Capital Accounts

| | | | | | |
|---|------------------------------|-----------|---|---|---------|
| 1 | Balance at beginning of year | -19,986 | 6 | Distributions: a Cash | 896,831 |
| 2 | Capital contributed: a Cash | 1,242,752 | b | Property | |
| | b Property | | 7 | Other decreases (itemize): | |
| 3 | Net income (loss) per books | -34,079 | | | |
| 4 | Other increases (itemize): | | 8 | Add lines 6 and 7 | 896,831 |
| 5 | Add lines 1 through 4 | 1,188,687 | 9 | Balance at end of year. Subtract line 8 from line 5 | 291,856 |

Partner# 1
 Schedule K-1
 (Form 1065)

2008

Final K-1 Amended K-1

Department of the Treasury
 Internal Revenue Service

For calendar year 2008, or tax
 year beginning _____
 ending _____

Partner's Share of Income, Deductions,
 Credits, etc. ▶ See back of form and separate instructions.

| Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items | | | |
|---|--------------------------------------|----|--|
| 1 | Ordinary business income (loss) | 15 | Credits |
| 2 | Net rental real estate income (loss) | | |
| 3 | Other net rental income (loss) | 16 | Foreign transactions |
| 4 | Guaranteed payments | | |
| 5 | Interest income | | |
| 6a | Ordinary dividends | | |
| 6b | Qualified dividends | | |
| 7 | Royalties | | |
| 8 | Net short-term capital gain (loss) | | |
| 9a | Net long-term capital gain (loss) | 17 | Alternative minimum tax (AMT) items |
| 9b | Collectibles (28%) gain (loss) | | |
| 9c | Unrecaptured section 1250 gain | | |
| 10 | Net section 1231 gain (loss) | 18 | Tax-exempt income and nondeductible expenses |
| 11 | Other income (loss) | | |
| 12 | Section 179 deduction | | |
| 13 | Other deductions | | |
| 14 | Self-employment earnings (loss) | | |
| 19 | Distributions | A | 896,831 |
| 20 | Other information | | |

Part I Information About the Partnership

A Partnership's employer identification number
 87-0618589

B Partnership's name, address, city, state, and ZIP code
 Blind Dog Grill, LC
 1781 Sidewinder Drive
 Park City UT 84060

C IRS Center where partnership filed return
 Ogden, UT

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
 [REDACTED]

F Partner's name, address, city, state, and ZIP code
 Walter J. Lehman
 P.O. Box 680960
 Park City UT 84068

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I What type of entity is this partner? Individual

J Partner's share of profit, loss, and capital (see instructions)

| | Beginning | Ending |
|---------|-------------|------------|
| Profit | 33.000000 % | 0.000000 % |
| Loss | 33.000000 % | 0.000000 % |
| Capital | 33.000000 % | 0.000000 % |

K Partner's share of liabilities at year end:

Nonrecourse \$ _____

Qualified nonrecourse financing \$ _____

Recourse \$ _____


L Partner's capital account analysis:

| | |
|-------------------------------------|----------------|
| Beginning capital account | \$ 307,514 |
| Capital contributed during the year | \$ 589,317 |
| Current year increase (decrease) | \$ _____ |
| Withdrawals & distributions | \$ (896,831) |
| Ending capital account | \$ 0 |

Tax basis GAAP Section 704(b) book
 Other (explain)

*See attached statement for additional information.

For IRS Use Only



Partner# 2
 Schedule K-1
 (Form 1065)

2008

Final K-1 Amended K-1

Department of the Treasury
 Internal Revenue Service

For calendar year 2008, or tax
 year beginning _____
 ending _____

Partner's Share of Income, Deductions,
 Credits, etc. ▶ See back of form and separate instructions.

| Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items | | | |
|---|--------------------------------------|----|--|
| 1 | Ordinary business income (loss) | 15 | Credits |
| | -20,708 | | |
| 2 | Net rental real estate income (loss) | | |
| 3 | Other net rental income (loss) | 16 | Foreign transactions |
| 4 | Guaranteed payments | | |
| | 68,000 | | |
| 5 | Interest income | | |
| 6a | Ordinary dividends | | |
| 6b | Qualified dividends | | |
| 7 | Royalties | | |
| 8 | Net short-term capital gain (loss) | | |
| 9a | Net long-term capital gain (loss) | 17 | Alternative minimum tax (AMT) items |
| | | A | -815 |
| 9b | Collectibles (28%) gain (loss) | | |
| 9c | Unrecaptured section 1250 gain | | |
| 10 | Net section 1231 gain (loss) | 18 | Tax-exempt income and nondeductible expenses |
| 11 | Other income (loss) | C* | STMT |
| | | | |
| | | 19 | Distributions |
| 12 | Section 179 deduction | | |
| 13 | Other deductions | 20 | Other Information |
| | | | |
| 14 | Self-employment earnings (loss) | | |
| A | 47,292 | | |

Part I Information About the Partnership

A Partnership's employer identification number:
 87-0618589

B Partnership's name, address, city, state, and ZIP code
 Blind Dog Grill, LC
 1781 Sidwinder Drive
 Park City UT 84060

C IRS Center where partnership filed return
 Ogden, UT

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
 [REDACTED]

F Partner's name, address, city, state, and ZIP code
 Penelope Lehman-Kinsey
 2555 Silver Cloud Dr.
 Park City UT 84060

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I What type of entity is this partner? Individual

J Partner's share of profit, loss, and capital (see instructions):

| | Beginning | Ending |
|---------|-------------|-------------|
| Profit | 34.000000 % | 67.000000 % |
| Loss | 34.000000 % | 67.000000 % |
| Capital | 34.000000 % | 67.000000 % |

K Partner's share of liabilities at year end:

| | | |
|---------------------------------|----|---------|
| Nonrecourse | \$ | |
| Qualified nonrecourse financing | \$ | |
| Recourse | \$ | 137,645 |

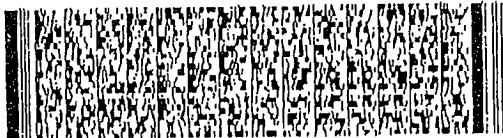
L Partner's capital account analysis:

| | | |
|-------------------------------------|----|----------|
| Beginning capital account | \$ | -165,615 |
| Capital contributed during the year | \$ | 480,475 |
| Current year increase (decrease) | \$ | -22,833 |
| Withdrawals & distributions | \$ | |
| Ending capital account | \$ | 292,027 |

Tax basis GAAP Section 704(b) book
 Other (explain)

*See attached statement for additional information.

For IRS Use Only



Partner# 3
 Schedule K-1
 (Form 1065)

2008

Department of the Treasury
 Internal Revenue Service

For calendar year 2008, or tax
 year beginning _____
 ending _____

Partner's Share of Income, Deductions,
 Credits, etc. ▶ See back of form and separate instructions.

| Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items | | | |
|---|--|---------|---|
| 1 | Ordinary business income (loss) -10,199 | 16 | Credits |
| 2 | Net rental real estate income (loss) | | |
| 3 | Other net rental income (loss) | 15 | Foreign transactions |
| 4 | Guaranteed payments 68,000 | | |
| 5 | Interest income | | |
| 6a | Ordinary dividends | | |
| 6b | Qualified dividends | | |
| 7 | Royalties | | |
| 8 | Net short-term capital gain (loss) | | |
| 9a | Net long-term capital gain (loss) | 17 A | Alternative minimum tax (AMT) items -402 |
| 9b | Collectibles (28%) gain (loss) | | |
| 9c | Unrecaptured section 1250 gain | | |
| 10 | Net section 1231 gain (loss) | 18 | Tax-exempt income and nondeductible expenses |
| 11 | Other income (loss) | C* | STMT |
| | | | |
| | | 19 | Distributions |
| 12 | Section 175 deduction | | |
| | | | |
| 13 | Other deductions | 20 | Other information |
| | | | |
| 14 A | Self-employment earnings (loss) 57,801 | | |

Part I Information About the Partnership

A Partnership's employer identification number
 87-0618589

B Partnership's name, address, city, state, and ZIP code
 Blind Dog Grill, LC
 1781 Sidewinder Drive
 Park City UT 84060

C IRS Center where partnership filed return
 Ogden, UT

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
 [REDACTED]

F Partner's name, address, city, state, and ZIP code
 Derrick Kinsey
 2555 Silver Cloud Dr.
 Park City UT 84060

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I What type of entity is this partner? Individual

J Partner's share of profit, loss, and capital (see instructions):

| | Beginning | Ending |
|---------|-------------|-------------|
| Profit | 33.000000 % | 33.000000 % |
| Loss | 33.000000 % | 33.000000 % |
| Capital | 33.000000 % | 33.000000 % |

K Partner's share of liabilities at year end:

Nonrecourse \$ _____

Qualified nonrecourse financing \$ _____

Recourse \$ 67,796

L Partner's capital account analysis:

Beginning capital account \$ -161,885

Capital contributed during the year \$ 172,960

Current year increase (decrease) \$ -11,246

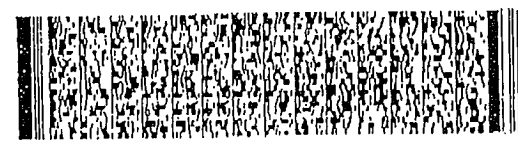
Withdrawals & distributions \$ _____

Ending capital account \$ -171

Tax basis GAAP Section 704(b) book
 Other (explain)

*See attached statement for additional information.

For IRS Use Only



Form **4562**

Depreciation and Amortization
(Including Information on Listed Property)

CMB No. 1545-0172

2008

Department of the Treasury
Internal Revenue Service

▶ See separate instructions. ▶ Attach to your tax return.

Attachment
Sequence No. 67

Name(s) shown on return

Identifying number

Blind Dog Grill, LC

B7-0618589

Business or activity to which this form relates

Regular Depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

| | | | |
|-----------------------------|---|------------------------------|------------------|
| 1 | Maximum amount. See the instructions for a higher limit for certain businesses | 1 | 250,000 |
| 2 | Total cost of section 179 property placed in service (see instructions) | 2 | |
| 3 | Threshold cost of section 179 property before reduction in limitation (see instructions) | 3 | 800,000 |
| 4 | Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 | Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions | 5 | |
| (a) Description of property | | (b) Cost (business use only) | (c) Elected cost |
| 6 | | | |
| 7 | Listed property. Enter the amount from line 29 | 7 | |
| 8 | Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | |
| 9 | Tentative deduction. Enter the smaller of line 5 or line 8 | 9 | |
| 10 | Carryover of disallowed deduction from line 13 of your 2007 Form 4562 | 10 | |
| 11 | Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions) | 11 | |
| 12 | Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 | 12 | |
| 13 | Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 | 13 | |

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

| | | | |
|----|---|----|-------|
| 14 | Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) | 14 | 1,406 |
| 15 | Property subject to section 168(f)(1) election | 15 | |
| 16 | Other depreciation (including ACRS) | 16 | |

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

| | | | |
|----|---|----|--------|
| 17 | MACRS deductions for assets placed in service in tax years beginning before 2008 | 17 | 88,497 |
| 18 | If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ | | |

Section B—Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only—see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|--------------------------------|--------------------------------------|--|---------------------|----------------|------------|----------------------------|
| 19a 3-year property | | | | | | |
| b 5-year property | | | | | | |
| c 7-year property | | 1,406 | 7.0 | HY | 200DB | 201 |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g 25-year property | | | 25 yrs. | | S/L | |
| h Residential rental property | | | 27.5 yrs. | MM | S/L | |
| i Nonresidential real property | | | 39 yrs. | MM | S/L | |

Section C—Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

| | | | | | | |
|-----|------------|--|---------|----|-----|--|
| 20a | Class life | | | | S/L | |
| b | 12-year | | 12 yrs. | | S/L | |
| c | 40-year | | 40 yrs. | MM | S/L | |

Part IV Summary (See instructions.)

| | | | |
|----|--|----|--------|
| 21 | Listed property. Enter amount from line 28 | 21 | |
| 22 | Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr. | 22 | 90,104 |
| 23 | For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2008)

There are no amounts for Page 2

Blind Dog Grill, LC

Form 4562 (2008)

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

Form 4562 Section A: 24a Do you have evidence to support the business/investment use claimed? 24b If "Yes," is the evidence written? 25 Special depreciation allowances for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions). 26 Property used more than 50% in a qualified business use: 27 Property used 50% or less in a qualified business use: 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Form 4562 Section B: 30 Total business/investment miles driven during the year (do not include commuting miles) 31 Total commuting miles driven during the year 32 Total other personal (noncommuting) miles driven 33 Total miles driven during the year. Add lines 30 through 32 34 Was the vehicle available for personal use during off-duty hours? 35 Was the vehicle used primarily by a more than 5% owner or related person? 36 Is another vehicle available for personal use?

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

Form 4562 Section C: 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners 39 Do you treat all use of vehicles by employees as personal use? 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? 41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)

Note: If your answer to 37, 38, 39, 40 or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

Form 4562 Part VI: 42 Amortization of costs that begins during your 2008 tax year (see instructions): 43 Amortization of costs that began before your 2008 tax year 44 Total. Add amounts in column (f). See the instructions for where to report