Filed in Sarpy District Court
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IN THE DISTRICT COURT OF SARPY COUNTY, NEBRASKA

STRECK, INC., a Nebraska Corporation	)	CASE NO. CI 16-61
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	ANSWER, AFFIRMATIVE
THE RYAN FAMILY, L.L.C., A	)	DEFENSES AND
Limited Liability Company,	)	COUNTERCLAIM OF
	)	DEFENDANT
Defendant.	)	

COMES NOW the Defendant, The Ryan Family, L.L.C. (hereinafter "Ryan Family LLC"), by and through its attorney, and for its Answer, Affirmative Defenses, and Counterclaims against the Plaintiff, Streck Inc. (hereinafter "Streck") avers and alleges as follows:

1. Ryan Family LLC admits the allegations in paragraph 1 of Plaintiff's Complaint.

2. Ryan Family LLC admits the allegations in paragraph 2 of Plaintiff's Complaint.

3. Ryan Family LLC admits the allegations in paragraph 3 of Plaintiff's Complaint.

4. Ryan Family LLC denies the allegations in paragraph 4 of Plaintiff's Complaint.

5. Ryan Family LLC admits the allegations in paragraph 5 of Plaintiff's Complaint.

FACTUAL BACKGROUND

6. Ryan Family LLC admits the allegations in paragraph 6 of Plaintiff's Complaint.

7. Ryan Family LLC admits the allegations in paragraph 7 of Plaintiff's Complaint.

8. Ryan Family LLC admits that the current business of the LLC relates to the Property, as alleged in paragraph 8 of Plaintiff's Complaint, and denies the remaning allegations in paragraph 8 of Plaintiff's Complaint.

9. Ryan Family LLC denies the allegations in paragraph 9 of Plaintiff's Complaint and further states that the Lease Agreement speaks for itself.

10. Ryan Family LLC admits that Exhibit "B" of Plaintiff's Complaint consists of a document, dated July 1, 2015, and titled "Exercise Notice". The Ryan Family LLC denies the remaining allegations in paragraph 10 of Plaintiff's Complaint, and further states that the document attached as Exhibit "B" to Plaintiff's Complaint speaks for itself.

11. Ryan Family LLC admits the allegations in paragraph 11 of Plaintiff's Complaint.

12. Ryan Family LLC denies the allegations in paragraph 12 of Plaintiff's Complaint.

13. Ryan Family LLC admits that Streck presently continues to lease the Property under a "holdover" provision in the lease Agreement, with rental payments increased to 125% of the monthly rent. Defendant denies the remaining allegations in

paragraph 13 of Plaintiff's Complaint.

14. Defendant denies the allegations in paragraph 14 of Plaintiff's Complaint.

PROCEDURAL BACKGROUND OF PRESENT DISPUTE

15. Ryan Family LLC denies the allegations in paragraph 15 of Plaintiff's Complaint.

16. Ryan Family LLC admits the allegations in paragraph 16 of Plaintiff's Complaint.

17. Ryan Family LLC admits the allegations in paragraph 17 of Plaintiff's Complaint.

18. Ryan Family LLC denies the allegations in paragraph 18 of Plaintiff's Complaint.

19. Ryan Family LLC admits the allegations in paragraph 19 of Plaintiff's Complaint.

20. Ryan Family LLC admits the allegations in paragraph 20 of Plaintiff's Complaint.

21. Ryan Family LLC admits the allegations in paragraph 21 of Plaintiff's Complaint.

22. Ryan Family LLC admits the allegations in paragraph 22 of Plaintiff's Complaint.

23. Ryan Family LLC admits the allegations in paragraph 23 of Plaintiff's Complaint.

COUNT 1

SPECIFIC PERFORMANCE

24. Ryan Family LLC restates and realleges its answers to paragraphs 1-23 of Plaintiff's Complaint, as set forth hereinabove, as its Answer to paragraph 24 of Count I of Plaintiff's Complaint as though specifically set forth herein.

25. Ryan Family LLC denies the allegations in paragraph 25 of Plaintiff's Complaint.

26. Ryan Family LLC denies the allegations in paragraph 26 of Plaintiff's Complaint.

27. Ryan Family LLC denies the allegations in paragraph 27 of Plaintiff's Complaint.

28. Ryan Family LLC denies the allegations in paragraph 28 of Plaintiff's Complaint.

COUNT II
BREACH OF CONTRACT

29. Ryan Family LLC restates and realleges its answers to paragraphs 1-28 of Plaintiff's Complaint, as set forth hereinabove, as its Answer to paragraph 29 of Count II of Plaintiff's Complaint as though specifically set forth herein.

30. Ryan Family LLC denies the allegations in paragraph 30 of Plaintiff's Complaint.

31. Ryan Family LLC denies the allegations in paragraph 31 of Plaintiff's Complaint.

32. Ryan Family LLC denies the allegations in paragraph 32 of Plaintiff's

Complaint.

33. Ryan Family LLC denies the allegations in paragraph 33 of Plaintiff's Complaint.

34. Ryan Family LLC states that the Lease Agreement speaks for itself.

35. Ryan Family LLC denies the allegations in paragraph 35 of Plaintiff's Complaint.

36. Ryan Family LLC denies the allegations in paragraph 36 of Plaintiff's Complaint.

AFFIRMATIVE DEFENSES OF RYAN FAMILY LLC TO PLAINTIFF'S COMPLAINT

37. One or more of Plaintiff's Causes of Action fails to state a claim upon which relief can be granted.

38. One or more of Plaintiff's Causes of Action is barred, either in whole or in part, due the Plaintiff's conduct under the doctrine of unclean hands.

39. One or more of Plaintiff's Causes of Action is barred, either in whole or in part, due to the doctrine of equitable estoppel.

40. Defendant reserves the right to assert any additional defenses that are supported by information, or facts obtained through discovery or other means, during this case and expressly reserves the right to amend its Answer as provided in the Nebraska Rules of Civil Procedure or Court Order.

WHEREFORE, Defendant, Ryan Family, LLC, respectfully requests that this Honorable Court enter its order finding in its favor, and against the Plaintiff, with

respect to the allegations in the Complaint, and dismissing the Complaint with prejudice, and for whatever other relief this Court deems appropriate, equitable and just.

COUNTERCLAIM FOR DECLARATORY JUDGMENT

1. Defendant, Ryan Family LLC, is a Nebraska limited liability Company.

2. Plaintiff, Streck, Inc. ("Streck"), is a Nebraska Corporation with its principal place of business at 7002 S. 109th Street, La Vista, Sarpy County, Nebraska.

3. The Ryan Family LLC owns the property located at 7002 South 109th Street, La Visa, Nebraska, legal description: Lot 16 Brook Valley Business Park, being replat of Lots 16, 17, 18B, 21B, 22 & 23, as surveyed, platted and recorded in La Vista, Sarpy County, Nebraska (the "Property").

4. The Ryan Family LLC, as landlord, leased the Property to Streck, as tenant, pursuant to a lease dated December 15, 1999, and amended by a Lease Amendment dated November 7, 2007 (together the "Lease Agreement"), which Lease Agreement is attached to Plaintiff's Complaint as Exhibit "A" and incorporated herein by reference as Exhibit "A".

5. That Section 14.01 of the Lease Agreement provides that a default under the Lease Agreement occurs "(e) if with in ninety (90) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed..."

6. That an action was filed against the Plaintiff, as Tenant, in the District Court of Sarpy County, Case No. CI 14-1684, on October 30, 2014, which action seeks, among other things, the dissolution of Streck and the sale of Streck.

7. That said action remains ongoing, and has not been dismissed, and constitutes a breach of the Lease Agreement.

8. That on January 30, 2015, Dr. Wayne Ryan, Co-manager of the Ryan Family, LLC, sent a letter to Streck that an event of default existed under the Lease Agreement, citing Section 14.01(e) of the Lease Agreement. A true and correct copy of said letter is attached hereto as Exhibit "C".

9. Subsequent to January 30, 2015, the Ryan Family, LLC, was prevented from taking further action in termination of the Lease Agreement due to the actions of Streck and/or its officers or directors.

10. On July 1, 2015, Streck provided a document to the Ryan Family LLC, titled "Exercise Notice", which Plaintiff asserts was its attempt to exercise a certain option to purchase provision contained in the Lease Agreement (the "Option"), which document is attached to Plaintiff's Complaint as Exhibit "B" and incorporated herein by reference as Exhibit "B".

11. A justiciable issue has been raised as to the validity and enforceability of the Lease Agreement and, more specifically, the Option therein, as well as at what point in time Streck became a holdover tenant pursuant to the Lease Agreement.

12. Premised upon the above allegations, the Ryan Family LLC, seeks a declaration that Streck's breach of the Lease Agreement terminated the Option, and

Plaintiff can no longer exercise its rights under the Option, and that Streck became a holdover tenant under the Lease Agreement as of February 1, 2015.

WHEREFORE, Defendant/Counterclaim Plaintiff, Ryan Family LLC, respectfully requests that this Honorable Court enter its order finding in its favor, and against Plaintiff/Counterclaim Defendant, Streck, Inc., upon the allegations in its Counterclaim, and enter its Decree that the Option set forth in the Lease Agreement is terminated and is no longer valid, that Streck, Inc., has been a holdover tenant pursuant to the Lease Agreement since February 1, 2015, awarding damages in favor of the Ryan Family, LLC, and against Streck, Inc., in an amount to be determined at trial, and for whatever other relief this Court deems appropriate and just.

DATED this 3rd day of March, 2016.

THE RYAN FAMILY, L.L.C, Defendant

By: _____

John D. Stalnaker, #23809
Aimee K. Cizek, #22840
STALNAKER, BECKER & BURESH. P.C.
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Omaha, NE 68114
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j.stalnaker@sbbpc.com
a.buhrman@sbbpc.com
Its Attorneys

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 3rd day of March, 2016, a true and correct copy of the above and foregoing was served via regular United States mail, postage prepaid, to the following

Thomas H. Dahlk, #15371
Kutak Rock LLP
The Omaha Building
1650 Farnam Street
Omaha, NE 68102

Ronald E. Reagan, #13450
Reagan, Melton & Delaney, LLP
9826 Giles Road, Suite B
La Vista, NE 68128

John D. Stalnaker, #23809

January 30, 2015

VIA EMAIL AND CERTIFIED MAIL

Ms. Constance Ryan, Chairman
Board of Directors, CEO, and President
Streck, Inc.
7002 S. 109th Street
Omaha, NE 68128

Re: Streck, Inc.'s Breach of Lease with Purchase Option dated December 15, 1999, as amended

Dear Ms. Ryan:

In my capacity as Manager of the Ryan Family L.L.C., formerly known as the "Ryan Family Partnership, Ltd." (the "RFLLC" or "Landlord"), I write regarding the Lease With Purchase Option dated December 15, 1999, as amended, between the RFLLC and Streck, Inc., formerly known as "Streck Laboratories, Inc." ("Streck" or "Tenant"), hereinafter referred to as the "Lease." As Ms. Constance Ryan has stated previously, her management positions and employment relationship with Streck present a serious conflict of interest relating to the Lease. Thus, I will be the RFLLC Manager handling the issues set forth in this letter. Additionally, because of Ms. Ryan's stated conflict, I will also retain counsel on behalf of the RFLLC and will inform you of counsel's name shortly.

In the meantime, and as I am sure you are aware, Article XIV of the Lease, and more particularly, Section 14.01, details the Events of Default which "shall constitute a breach of [the] Lease by Tenant." Pursuant to Section 14.01:

> The occurrence of any one or more of the following events. . . shall constitute a breach of this Lease by Tenant...(e) if within ninety (90) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed . . . .

On October 30, 2014, a proceeding was commenced in the Sarpy County District Court against the Tenant pursuant to Nebraska statutes, laws, and regulations. *See Ryan, et al., v. Streck, Inc., et al.,* Case No. CI-14-1684. The relief sought in that proceeding includes, among other things, "the dissolution of Streck," and "the sale of" Streck. As of today's date, which is 90 days after its commencement, that proceeding has not been dismissed.

1606 South 187th Circle
Omaha, NE 68130
Phone: 402-333-3872
Fax: 402-502-0184

EXHIBIT C

Thus, there is no question that, as of January 29, 2015, the Tenant is in breach of the Lease, as set forth in Section 14.01(e). As a result of the Tenant's breach, and in accordance with Section 14.02, the RFLLC may now elect one or more remedies, including termination of the Lease, termination of the Tenant's right to possession of the premises (even without termination of the Lease), acceleration of the rent through expiration of the original term, reletting of the premises, and other actions under the Lease and under the applicable law.

At this time, even though the Tenant is in clear breach of the Lease as detailed above, the RFLLC is willing to resolve the issues in relation to Streck's breach of the Lease amicably and with minimal cost and disruption to either party. To this end, the RFLLC is willing to enter into a new long-term lease with Streck, as set forth in the enclosed.

Notwithstanding this current potential resolution, the RFLLC reserves the right to exercise any remedy, as set forth in Section 14.02 or otherwise available under the applicable law. In accordance with Article XVIII of the Lease, nothing in this letter constitutes a waiver of the RFLLC's right to exercise its available remedies.

Please contact me no later than Friday, February 13, 2015, regarding Streck's willingness to resolve the above issues through execution of a new Lease. In the event that Streck does not contact me by this date, the RFLLC will take further action to exercise its rights and remedies under the Lease and the applicable law.

Sincerely,

Wayne Ryan

Wayne Ryan
Manager, Ryan Family, L.L.C.

CC: Members, Streck, Inc. Board of Directors
Members, Ryan Family, L.L.C.

Certificate of Service

I hereby certify that on Friday, March 04, 2016 I provided a true and correct copy of the Answer to the following:

The Ryan Family, L.L.C. represented by Welch,Lawrence,E,Jr (Bar Number: 20507) service method: Electronic Service to larryjr@welchlawfirm.com

Streck, Inc. represented by Reagan,Ronald E.; Hon. (Bar Number: 13450) service method: Electronic Service to ron@rmdlaw.net

Streck, Inc. represented by Thomas Dahlk (Bar Number: 15371) service method: Electronic Service to tom.dahlk@kutakrock.com

Signature: /s/ Stalnaker, John Duncan (Bar Number: 23809)