

December 20, 2009

To: The Shareholder's of John Kennedy Enterprises, Inc.
Re: Dissolution of Corporation, Effective December 7, 2009

Dear Shareholders,

After 20 years of being incorporated and many unsuccessful attempts by agents, financial finders, managers, family, friends, business associates and myself to sell the Whale Magic Project, it saddens me to inform you that the corporation, John Kennedy Enterprises, Inc., has officially and legally been dissolved.

As all of you are aware, and attested to in your Stock Purchase Agreements, this venture has been purely speculative. However, best effort (an understatement) was put forth by me and my teams, time and again. To date more than 40 studios and major investors have passed on our project, although it is a beautiful and purposeful project. With the dramatic decline in the economy, a world of fearful investors, the entertainment business in serious decline and everyone cutting back, the reality is we can no longer afford to struggle day-to-day, month-to-month, year-to-year.

We have been successful in securing interest from a number of independent studios for a co-production for an equity interest. What this means is the studio would put up a portion of the funding in production costs, generally a fourth of the budget, however, we would have to fund the rest. Our national sales and marketing manager for the last 2 years, and financial finders over the years, have been unsuccessful in securing major investors.

Furthermore, I have not had a salary in over three years, and before that for many, many years throughout the organization of the corporation. I continued to defer my salary. Nor have I ever been paid for any of the extensive creative content I have created over the years. The funds have simply not been there. I was willing to defer this payment too until the project was sold. At the time of dissolution the corporation owed me approximately \$2 million in unpaid salaries and notes. In addition to these unpaid notes, the company was also in debt another \$40,000 in loans and unpaid invoices to business vendors. The company has never made a profit, nor does it have any assets.

Nine years ago I was strongly advised by my legal counsel to dissolve the corporation, however, I held on hoping that the tide would change. As many of

you know we had very serious problems with a few minor shareholders in North Carolina that attempted to confiscate the project and infringed on the copyrights and trademarks of the Whale Magic Intellectual Properties. In spite of this setback I moved forward. It was all started by Floyd Ferrell Francis (a career criminal and an ex-con involved in organized crime) and his nefarious wife, Linda Diane Francis (a licensed psychiatrist), and their cohorts.

They were very minor shareholders who were not satisfied with having an honest, albeit small, stake in my company and plotted and planned to steal it from me outright, and bring serious harm to me and my company. I was unaware at the time that this was a life-long pattern with them or that Mr. Francis had an extensive criminal background. After the problems occurred I learned he was involved in organized crime.

We have recently discovered that Mr. and Mrs. Francis have attempted to confiscate the project again, and for years have been spying on me and trying to sabotage our company while stealing our business and trade secrets. They have repeatedly and tortuously interfered in my businesses and are associated with certain individuals in Washington State and Florida who are specifically named in the December 8, 2009 Cease and Desist Letter.

Among their many infractions, Mr. and Mrs. Francis stole my identity and opened a bogus North Carolina Corporation with the Secretary of State named Crystal Corporation in Kill Devil Hills, North Carolina. They forged my name as founder and president in an attempt to transfer all the Whale Magic Intellectual Property rights to them. Mr. and Mrs. Francis and their accomplices, many of whom are/were shareholders in JKEINC, posed an on-going threat and a critical conflict of interest to me and our company, legally and otherwise.

They have been reported to the FBI and other local and state law enforcement agencies, and most recently to the IC 3 Division of the FBI for Internet Crimes (i.e., stalking, cyber-stalking, hacking into emails, computers, websites, online accounts, phones, etc.). Mr. Francis was arrested once for stalking me in North Carolina and I hope he and his associates will be arrested for **ALL** their criminal activities to me, and others. They have also been placed on a Security Risk list at the Walt Disney Studios in Burbank, California for fraudulently misrepresenting themselves and Whale Magic, and other nefarious activities.

Additionally, they have harassed and intimidated my friends, family and business associates and created a bizarre and far-reaching defamation campaign to discredit me and my family. The extent of their actions can only be described as *criminally insane*. However, it has caused serious economic loss to me

personally and professionally. This, too, has been reported, and legal action is being taken against all the parties involved.

Enclosed, please find a copy of the official Notice of Dissolution from the Texas Secretary of State for our corporation.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "John J. Kennedy". The signature is written in a cursive style with a large, stylized initial "J".

John J. Kennedy
Enclosures



Office of the Secretary of State

CERTIFICATE OF DISSOLUTION OF

JOHN KENNEDY ENTERPRISES, INC.
111620300

The undersigned, as Secretary of State of Texas, hereby certifies that the Articles of Dissolution for the above named entity have been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary of State by law, hereby issues this Certificate of Dissolution.

Dated: 12/07/2009

Effective: 12/07/2009



A handwritten signature in cursive script, appearing to read "Hope Andrade".

Hope Andrade
Secretary of State