STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION

MARK BATSON, TONGUE & GROOVE LLC, TONGUE & GROOVE PROPERTY SERVICES, LLC, TONGUE & GROOVE REALTY, LLC, and CRAFT STUDIO, PLLC,

Plaintiffs,

v.

KENNETH EDWARD JEFFERIES, CHRISTOPHER PARKER, ANTHONY JAMES KIDD, JASON RUEGG, RYAN MARCHI, 360 BUILDERS, LLC, PARKER CONSTRUCTION GROUP, LLC, and JOHN DOES 1-100,

Defendants.

COMPLAINT

Plaintiffs Mark Batson, Tongue & Groove LLC, Tongue & Groove Property Services, LLC, Tongue & Groove Realty, LLC, and Craft Studio, PLLC, by and through the undersigned counsel, allege the following:

INTRODUCTION

> *As part of the rights of personal security, the preservation of every person's good name from the vile arts of detraction is justly included. The laws of the ancients, no less than those of modern nations, made private reputation one of the objects of their protection. A good name is deemed more valuable than great riches.*

Joseph Kent, Commentaries on American Law vol. 2, pt. IV, lect. 24 (1826).

This lawsuit concerns a calculated and malicious campaign to destroy the reputation, business, and livelihood that Plaintiff Mark Batson spent a lifetime building. He and his family-owned, family-run businesses embody the American business ethic: success earned through risk-taking, discipline, and hard work. The son of a Carolina Beach fisherman and New Hanover Regional Medical Center delivery nurse, Mark and his wife Kelly built over 25 years a respected and nationally recognized luxury residential construction and real estate enterprise. Through hard work and grit, a small local operation has grown into an integrated platform providing luxury custom homebuilding, design, real estate, and property services, grounded in trust, craftsmanship, and decades-long client relationships.

Defendants, who include market rivals unable to compete on the merits, undertook a coordinated effort to undermine Plaintiffs through false and defamatory statements. Through a malign whisper campaign and conspiracy, they fabricated and disseminated salacious false accusations that Mark engaged in extramarital homosexual sex with clients at jobsites. These defamatory accusations strike at the core of Plaintiffs' professional reputation.

Defendants amplified their falsehoods through multiple channels, including electronic communications, social media, word-of-mouth within Wilmington's business and social communities, and even AI-generated imagery designed to lend credibility to their fabrications. Defendants targeted Plaintiffs' existing and prospective clients, as well as key professional relationships, in a manner calculated to maximize reputational harm. Their conduct also included tortious interference with Plaintiffs' business relationships and contracts. This misconduct resulted in lost clients, damaged goodwill, and measurable economic and reputational injury.

Plaintiffs seek relief to restore the good name and standing that Mark Batson and his family spent decades earning through persistence and hard work, and to ensure that such a lifetime building trust and integrity is not dismantled through Defendants' falsehood and malice.

PARTIES

1. Plaintiff Mark Batson ("Mark") is an individual and resident of New Hanover County, North Carolina.

2. Plaintiff Tongue & Groove LLC ("TG") is a North Carolina LLC with its principal place of business in New Hanover County, North Carolina.

3. Plaintiff Tongue & Groove Property Services, LLC ("TG Property") is a North Carolina LLC with its principal place of business in New Hanover County, North Carolina.

4. Plaintiff Tongue & Groove Realty, LLC ("TG Realty") is a North Carolina LLC with its principal place of business in New Hanover County, North Carolina.

5. Plaintiff Craft Studio, PLLC ("Craft") is a North Carolina professional LLC with its principal place of business in New Hanover County, North Carolina.

6. Defendant Kenneth Edward Jefferies is an individual and resident of New Hanover County, North Carolina.

7. Defendant Christopher Parker is an individual and resident of New Hanover County, North Carolina.

8. Defendant AJ Kidd is an individual and resident of Pender County, North Carolina.

9. Defendant Jason Ruegg is an individual and resident of New Hanover County, North Carolina.

10. Defendant Ryan Marchi is an individual and resident of New Hanover County, North Carolina.

11. Defendant 360 BUILDERS, LLC, is a North Carolina limited liability company doing business as Jefferies + Kidd Design Build ("JKDB").

12. Defendant Parker Construction Group, LLC, is a North Carolina limited liability company owned and operated by Defendant Parker.

13. Defendants John Does 1-100 are individuals and residents of New Hanover County, North Carolina.

JURISDICTION AND VENUE

14. This Court has jurisdiction over the subject matter of Plaintiffs' claims pursuant to N.C. Gen. Stat. §§ 7A-3, 7A-240 and 7A-243.

15. Venue is proper in New Hanover County, North Carolina pursuant to N.C. Gen. Stat. §§ 1-79 and 1-82.

FACTUAL ALLEGATIONS

16. Mark Batson was born in eastern North Carolina to humble beginnings.

17. Mark's father was a commercial fisherman and his mother was a labor and delivery nurse at New Hanover Regional Medical Center for over 50 years. Mark and his 6 siblings grew up in a 1,200 square foot home in Carolina Beach, with his family often relying on outside financial assistance.

18. Mark learned the value of hard work and integrity early. At 10 years old, he worked to prep commercial fishing boats and blackfish traps. At 13, he built a lawn maintenance business with over a dozen customers, and by 14 held down multiple jobs and earned enough money to purchase a working boat of his own.

19. Mark graduated from Wilmington Christian Academy in 1995 and enrolled at UNC-Wilmington. During his time at UNCW, Mark worked multiple jobs

and was introduced to the construction business, performing labor on small residential projects throughout Wilmington and its surrounding beach communities.

20. Mark married his wife, Kelly, in 2002. They have three children together and have been leaders of the Wilmington business community for decades.

21. Shortly after marrying Kelly, Mark took a sales job in the construction industry. While working in that sales job, Mark and Kelly designed and built their own personal residence. The home garnered attention from others, and Mark and Kelly were soon provided opportunities to design and build homes for others.

22. In 2003, Mark and Kelly started what would become Tongue & Groove, a brand that would in the subsequent decades gain national renown and become synonymous with quality luxury craftsmanship sought out by those discerning clientele who are financially positioned to afford and choose from any design and build firm in the world.

23. Together, Mark and Kelly built TG from scratch, with no outside investors or business partners. They taught themselves design, construction operations, estimating, accounting, budgeting, scheduling, project management, sales, marketing, business operations, contract administration, and contract law.

24. Through 25 years of hard work, discipline, risk-taking and dedication, Mark and Kelly built one of the most successful, full-service residential construction brands on the east coast of the United States.

25. TG evolved from a small local construction company into an integrated luxury residential construction platform that included luxury custom builds, high-

end renovations, architecture and interior work, estate and property services, and luxury real estate sales. The companies expanded operations to include Raleigh and Jupiter/Palm Beach, Florida.

26. As detailed above, Mark formed TG Realty, TG Property, and Craft to offer a full-service design and build platform. The companies have excelled and risen to the top of class in their respective markets.

27. Mark soon became known and respected for his high-end waterfront and coastal construction projects, integrated design-build execution, highly personalized client service, and unique ability to complete difficult custom residential projects that other builders could not.[1]

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[1] *See, e.g.*, "Local Luxury Design and Build Firm Awarded National Title," *Wilmington Business Journal* (March 26, 2021)(available at https://www.wilmingtonbiz.com/real_estate_-_residential/2021/03/26/local_luxury_design_and_build_firm_awarded_national_title/21653) (last accessed May 25, 2026)(reporting on TG receiving the 2020 Custom Home Builder of the Year Award by National Association of Home Builders out of 140,000 members nationwide); *see also* "Allen & Co. President Buys One of North Carolina's Most Expensive Homes for $13.9 Million," *Wall Street Journal* (July 3, 2024) (available at https://www.wsj.com/real-estate/luxury-homes/allen-co-president-buys-one-of-north-carolinas-most-expensive-homes-for-13-9-million-17252785?st=H1jxjH&reflink=article_copyURL_share) (last accessed May 25, 2026) (discussing TG designed and built home on Figure Eight Island); "Real Estate Industry Surfs a Changing Market," *Wilmington Business Journal* (April 4, 2024) (available at https://www.wilmingtonbiz.com/wilmingtonbiz_magazine/2024/04/04/beach_real_estate_industry_surfs_a_changing_market/25452) (last accessed May 25, 2026) (profiling and quoting Mark's commitment to his profession: "Batson, who owns Wilmington-based Tongue & Groove Design + Build, said he approaches building oceanfront homes as structures that will still exist in 100 to 200 years. 'These will last as long as they're maintained. Our goal is to build houses that are worthy of preservation,' he said. "For the next generations that come along, I don't want them walking into a Tongue & Groove house and wanting to tear it down. Instead, I want them to walk in and say, 'OK, this is a good house. This is worthy of preservation.'")

28. Plaintiffs' success became well known throughout the southeast and even nationally, when in 2020 the National Association of Home Builders recognized TG as the National Custom Home Builder of the Year. TG was also an HGTV Designer of the Year finalist[2], and the company has over the years earned multiple design awards for its luxury residential construction projects.

29. Mark founded and built the TG entities from the ground up. The TG entities, like other high-end custom builders, are part of a close-knit, high net worth social and professional community where reputation determines which companies succeed and which fail.

30. Given Mark's decades of hard work and client-focused business practices, he and the TG entities earned a stellar reputation—one customer at a time—that was key to their ability to continue conducting business and growing. The nature of Plaintiffs' business depends heavily upon trust, referrals, and longstanding relationships with customers over years.

31. This stellar reputation is nearly unmatched in the high-end residential construction market, and Mark has few true competitors in the industry.

32. Over time, multiple individuals have attempted to break into Plaintiffs' market and failed. When certain of these individuals failed, they decided to attempt to sabotage Plaintiffs rather than build up their own businesses.

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[2] *See* "HGTV Nominates Wilmington Design-Build Firm as Designer of Year," WECT (September 10, 2019) (available at https://www.wwaytv3.com/hgtv-nominates-wilmington-design-build-firm-as-designer-of-the-year/) (last accessed May 26, 2026).

33. Jefferies is one such individual and would-be industry competitor.

34. Jefferies owns Ken Jefferies & Associates, a marketing firm catering to the firearm industry.

35. Jefferies was once a client of Plaintiffs, purchasing 52 Pelican Drive in Wrightsville Beach[3] and hiring TG for design and construction services, as well as selling a duplex owned by Jefferies. Jefferies also hired TG Realty and TG Property for related services.

36. The Batsons' work relationship with Jefferies and his wife, Crystal, expanded from there.

37. In 2023 the Batsons invited the Jefferies family to spend time with them in Montana prior to the Christmas holiday.

38. On that trip, Crystal informed Kelly Batson that Jefferies engaged in bipolar behavior with volatile mood swings, manipulated people with money, and "ruined relationships" wherever they went.

39. Later, the relationship with Jefferies became strained due to certain actions of the Jefferies and as the Batson family came to understand more about their

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[3] Pelican Drive in Wrightsville Beach, North Carolina is in many respects "Ground Zero" to Ken Jefferies' and others' efforts to maliciously attack Mark, his family and their businesses. Less than 1.5 miles long, Pelican Drive is considered one of the most expensive strips of real estate in North Carolina. The Jefferies engaged TG to build a house there knowing the Batsons resided on the street, as does witness Dr. Neil MacIntyre (who received the AI images discussed elsewhere in this Complaint from Defendant Jason Ruegg; Defendant Ryan Marchi is regular social guest of Dr. MacIntyre's at his Pelican Drive residence as well as at the Commodore Club at Wrightsville Beach). Plaintiffs constructed or are currently constructing many of the grand residences of Pelican Drive, which are prominently visible and admired from both Wrightsville Beach's pedestrian destination—"The Loop"—as well as by boat from the adjacent waterway.

lifestyle, background and proclivities, which would significantly erode trust in their relationship. For example, Crystal and some of her friends stopped by the Batson household, during which visit the friends discussed that Crystal is a former exotic dancer and adult entertainer. The Batsons further learned Jefferies started dating Crystal while Jefferies' then-wife at the time was battling terminal cancer.

40. The Batsons became further informed about Jefferies' background and worldview that added more distrust in Jefferies' credibility, character and judgment. Around this time, Jefferies disclosed to Mark that he believed "all homosexuals should be killed." Jefferies told Mark that Jefferies had previously been a heavy cocaine user, gambler, and excessive drinker. Mark came to understand that there is a significant disconnect between Jefferies' character, judgment and actual personality compared to the outward facing persona he displays to the general public.

41. Mark subsequently came to suspect that Jefferies procures cocaine from a subcontractor in the Wilmington community. This information further eroded Mark's beliefs about Jefferies' character and judgment.

42. The relationship became even more heated in mid-2024 when Jefferies became frustrated with the speed of TG's work on Jefferies' Pelican Drive home.

43. Jefferies retained an attorney to address perceived issues at the Pelican Drive home. Separately, Jefferies told Mark directly that he was prepared to spend $250,000 to damage TG's reputation.

44. Jefferies' perceived issues concerning TG's work and performance were baseless and Jefferies ultimately abandoned them. Jefferies never complained about

the quality or workmanship of his home, and he paid every invoice in full. Jefferies' primary complaint was that the home was not completed faster. However, Jefferies informed Mark that Jefferies had spoken with attorneys who advised him that Plaintiffs were not in breach of their construction contract.

45. Jefferies then called and threatened Mark by stating he would manipulate internet search results to drive traffic away from TG and create a website attacking Mark and TG, among other threats.

46. Disturbingly to Mark, in this same call Jefferies referenced the names of multiple confidential TG clients and prospective clients. Jefferies made clear to Mark that he was accessing TG's proprietary and confidential business information without TG's knowledge or consent. Mark later learned this was likely accomplished through Defendant Kidd.

47. Jefferies later informed Mark that he had contacted numerous TG clients and prospective clients to defame Mark and TG.

48. In the past, Jefferies posted an incredibly positive review of TG online, stating "Given the opportunity to refer my family or friends to a homebuilder I would only consider one company... Tongue & Groove." Jefferies has since deleted the review.

49. As a business owner attempting to navigate this increasingly bizarre and increasingly untethered behavior from a client, Mark proceeded by seeking to de-escalate and not retort or engage with Jefferies, whose background and character was revealing itself to be entirely untrustworthy and even dangerous.

50. Jefferies then impulsively asked Mark if he could become a part owner of TG.

51. Given the recent history of dealings with Jefferies and his increasingly erratic behavior, Mark and the Batson family were shocked by this proposal.

52. Mark and his businesses refused Jefferies' offer because TG is a family business, which the Batsons credit as the cornerstone of their decades of growth and success.

53. Mark naturally had formed serious concerns over partnering with someone like Jefferies, whose behavior was increasingly presenting as irrational, erratic, manipulative, impulsive and openly hostile.

54. In October 2024, one of TG's key employees—AJ Kidd—left TG and stated he intended to work for Jefferies.

55. Jefferies and Kidd proceeded to form JKDB as a direct competitor of TG.

56. This surprised Mark given Jefferies' former comments criticizing homosexuals and the fact that Kidd is homosexual.

57. Both Kidd and his husband, Jamison (a counselor who specializes, among other things, in LGBTQ concerns), have told Mark they believe Jefferies is homosexual.

58. Immediately, Kidd and Jefferies began poaching TG employees, including Thomas Durham, Nathan Eisenhower, James DeWitt, Kaelin Cordova, Emily Norris, and Matt Anderson.

59. Kidd is subject to an employment agreement with TG containing noncompetition and nonsolicitation clauses. His actions violate both clauses of his employment agreement. A true and correct copy of the agreement is attached hereto as **Exhibit A**.

60. Plaintiffs have since learned that Jefferies and Kidd decided, while Kidd was still employed by TG, to steal TG's trade secrets in furtherance of their plan to unfairly compete with Plaintiffs.

61. Kidd and Jefferies did in fact steal and use Plaintiffs' trade secrets in order to unfairly compete with Plaintiffs, poach Plaintiffs' clients, and interfere with Plaintiffs' existing and prospective clients. These trade secrets include, but are not limited to, operations manuals, a laptop containing company information, pricing information, customer proposals and contracts, customer lists, prospective customer lists, historical costs and sales data, pricing formulas and bidding formulas.

62. JKDB authorized and ratified these acts, and profited from them, and is therefore liable for the misconduct of Kidd and Jefferies. JKDB encouraged the acts, enjoyed the profits of the acts, and failed to discipline Jefferies or Kidd for the acts.

63. Kidd and Jefferies actions have directly and proximately undermined and harmed Plaintiffs businesses.

64. Jefferies simultaneously injected himself into Mark's social circle, which gave Mark and the Batson family the immediate impression Jefferies was attempting to influence client and customer networks and relationships in the same way Jefferies had poached their employees.

65. As discussed above and elsewhere in this Complaint, Mark's family businesses are built upon longstanding relationships and an outstanding reputation within the community.

66. In addition to JKDB, Jefferies launched RoofVantage, a roofing company meant to compete with Lux Roofing, which Mark had recently started. They launched RoofVantage after poaching Mark's employee who set up Lux Roofing.

67. Chris Parker is another individual and builder who has been openly hostile to TG and attempted to wrongfully harm Mark's businesses.

68. Parker is a civil engineer and custom home builder who Mark learned of in approximately 2009. Parker owns and operates Parker Construction Group LLC.

69. Parker has a history of attempting to harm TG.

70. By way of limited example, Parker undertook a prolonged effort to intentionally alienate and interfere with the professional relationship between Mark and Wilmington architect David Lisle, with whom Mark has conducted significant business for decades.

71. Parker's animosity towards TG and Mark is blatant. Parker has told third parties that he wants to "put TG out of business."

72. Parker has a history of defaming TG, including telling a potential TG client that TG was not a stable company given the loss of a certain employee.

73. Parker has a reputation in the Wilmington community for being volatile and aggressive.

74. Parker's hostility towards Mark and TG intensified after Parker sold his residence at 1 Auditorium Circle in Wrightsville Beach. The home was originally listed for $16.49 million in 2020, relisted for $13.9 million in 2022 and eventually sold for $10 million in 2023.

75. At the time, the house—marketed and promoted as "The Black Pearl"—was the most expensive listing in North Carolina residential real estate and is prominently visible to all crossing the southernmost bridge from Harbor Island onto Wrightsville Beach:

76. Parker took great pride in promoting and attaching his professional identity to the Black Pearl.

77. Soon after it sold, TG was hired to do a significant gut and renovation of the Black Pearl.

78. TG's role after the Black Pearl sold for 60% of Parker's original asking price three years after listing humiliated Parker.

79. TG's role gutting and remodeling the Black Pearl amplified Parker's hostility towards TG, particularly where TG promoted its work on the project in the ordinary course of marketing campaigns for their business.

80. Parker's hostile acts to harass and intimidate TG have continued, including but not limited to Parker submitting a bogus complaint in 2026 to the NC architecture board falsely accusing Mark, TG and Craft of performing work without the necessary licenses.

81. Parker Construction Group authorized and ratified these acts, and profited from them, and is therefore liable for the misconduct of Parker. Parker Construction Group encouraged the acts, enjoyed the profits of the acts, and failed to discipline Parker for the acts.

82. Plaintiffs understand that competition within any industry is the norm. Healthy competition forces actors within a marketplace to elevate the quality of their services, which ultimately creates a stronger marketplace for all participants.

83. Indeed, TG recognizes and maintains positive relationships with respected luxury homebuilders operating in the same geographic regions. Mark is proud to consider many industry competitors colleagues and he admires their work, their aesthetics and their professionalism.

84. However, Defendants have far exceeded the bounds of acceptable competitive acts and engaged in tortious conduct aimed at harming Plaintiffs.

85. These acts have unfortunately succeeded in directly and proximately harming the reputation and operations that Mark spent 25 years building.

86. In fall 2025 and throughout 2026, Defendants Jefferies, Parker, Ruegg and Kidd began and continued to spread false rumors that Mark was caught on a TG jobsite performing oral sex on male clients.

87. Defendants' maliciously fabricated and defamatory smears also included allegations that Mark had extramarital sex with two male clients at their residences in Country Club of Landfall where TG had contracted to do remodeling.

88. These smears are entirely false.

89. Mark Batson has never had sex with his clients.

90. Jefferies, Parker, Ruegg and Kidd knew their statements were false when they chose to willfully and maliciously traffic the false rumor.

91. Jefferies, Parker, Ruegg and Kidd trafficked this false rumor with the willful and malicious intent of harming Mark's reputation and family business. Their goal was simple: destroy the luxury construction business Mark spent 25 years building so they could steal Mark's clients and better position their businesses in the marketplace.

92. Accusing a professional (especially one engaged in a business where referrals and personal reputation are paramount) not only of having an affair, but having an affair with a customer, has damaged Plaintiffs and descended upon the Wilmington community unimpeded like a flood.

93. Attended by hundreds of Wilmingtonians and guests from all over for a daytime event where spiritous libations flow liberally, the annual "Garden Party" at Airlie Gardens during Wilmington's Azalea Festival has for decades been one of the region's most high profile, well attended social functions and institutions. *See* https://ncazaleafestival.org/welcome-to-the-2023-airlie-luncheon-garden-party/ (last accessed May 24, 2026).

94. The April 2026 Garden Party proved to be a super spreader event for the false and malicious smear Defendants created and spread about Mark Batson and his family businesses.

95. At the Garden Party, hundreds of people heard and spread the false smear about Mark having sex with a male client or clients.

96. Soon after, Mark, Kelly, their children—including a minor son—began to receive texts, calls and other communications across their business, personal and family networks asking about the false smear. This included demands from other concerned clients, including one client who was in the middle of negotiating a major construction project with TG.

97. Even more cruelly, the rumor quickly left coastal North Carolina and penetrated the farthest reaches of Mark's professional bounds. In late April 2026, Mark was approached by a construction vendor who questioned him about the false rumor while Mark was on a business trip to the National Association of Home Builders "Builder 20" Meeting in Palm Springs, California.

98. The economic and reputational harm to Mark Batson and his family businesses have been immediate and catastrophically severe.

99. The false rumor caused clients and potential clients of Plaintiffs to go elsewhere out of concern that Plaintiffs' businesses were headed for trouble. As already stated, Mark and Kelly work together and the Plaintiffs are family businesses. It is natural to conclude that if the rumor were true, Mark and Kelly would get divorced, and the corporate Plaintiffs would either suffer business interruptions or be shut down entirely.

100. As a luxury homebuilder, designer and real estate professional, a toxic reputation is a professional death penalty.

101. Defendants knew when spreading the false rumor that real estate clients do not wish to have their home projects derailed by their builder's personal drama. That is particularly true in the luxury real estate market where the design and build process can take many years in what is inherently an emotional and costly investment.

102. Plaintiffs have lost clients and prospective clients because of the false smear and rumor.

103. Mark and Kelly have suffered harassment in their personal lives because of the rumor.

104. Each of the Batson children—including a minor son in a local high school—have been bullied, intimidated, mocked, harassed and accosted by both

acquaintances and strangers because of the false and malicious rumor created and trafficked by Defendants.

105. Defendants maliciously and willfully set out to cause reputational, emotional and economic harm knowing that the false and malicious rumors about Mark Batson and his family businesses would be spread instantaneously around social media and prominent functions like the 2026 Garden Party.

106. Plaintiffs have been the subject of ridicule, contempt, and disgrace because of the false rumor started and spread by Jefferies, Parker, and Kidd.

107. The false rumor also impeaches Mark in his profession because it falsely accuses him of having inappropriate sexual relationships with clients.

108. Plaintiffs are still investigating how far the rumor spread, but it is clear that Defendants intentionally spread the rumor to social and business circles that could and would affect Plaintiffs' businesses.

109. For example, Jason Ruegg owns Off the Hook Yachts (NYSE: OTH) which is a prominent Wilmington-based publicly traded company catering to high net worth yacht buyers who are also often customers of TG and the Batson family businesses.

110. Like TG, OTH also operates and has offices in Jupiter, Florida[4] catering to the same high net worth clientele as Mark and his family businesses.

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[4] *See* "How a Yacht Flipping Business Went from a College Side Hustle to $68M Publicly Traded Company," *New York Post* (January 27, 2026) (available at https://nypost.com/2026/01/27/business/how-a-yacht-flipping-business-went-from-college-side-hustle-to-68m-publicly-traded-company/) ("Ruegg's Off The Hook Yachts buys $100 million worth of used boats each year and operates almost entirely online – calling itself Carvana for boats… The company is working on an expansion plan,

111. Like Mark and his family businesses, Ruegg has built a successful nationally recognized luxury brand seeking to cater to wealthy clientele.

112. Ruegg also conspired with Jefferies to spread the false and malicious smear about Mark's homosexual affairs with clients.

113. Specifically, Ruegg spread the false rumor to Dr. Neil MacIntyre, a client of Mark's who—like Jefferies—resides nearby in a TG designed and built home on Pelican Drive at Wrightsville Beach. Ruegg's false statements have been shared, and are likely to continue being shared, with people who do, or otherwise would have considered doing business with, Plaintiffs.

114. Jefferies further called Batson's/TG Realty's broker in charge and made defamatory statements to him.

115. Certain of the Defendants (and many clients and prospective clients of Plaintiffs) are members and/or often social guests of the Commodore Club, where Mark is also a member. The rumor was intentionally spread amongst the club's membership to harm Mark and his family businesses.

116. As was the case at the Garden Party, Defendants specifically set about spreading the false rumor in settings like the Commodore Club where Mark's social and professional network include discerning, ultrahigh net worth clientele who place extraordinary value on trust, character, credibility and reputation.

117. On May 2, 2026, Mark attended the Commodore Club for a Kentucky Derby party with Kelly and their daughter.

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adding onto its three locations in Wilmington, NC, with a 'second headquarters' in Jupiter, Fla…" where TG also operates and has offices.) (last accessed May 25, 2026).

118. During the Kentucky Derby event, Mark, Kelly and their daughter were accosted by Ryan Marchi, Managing Director of QC Capital Group.[5] While Marchi has a reputation known to the Batson family and the community for using illegal drugs, Marchi appeared sober during this encounter.

119. Despite not being obviously intoxicated, Marchi verbally accosted Mark and, as part of his tirade, stated loudly in the presence of numerous Commodore Club members, guests and staff that Mark "suck[s] dick," among other vulgar and false statements.

120. Marchi made these defamatory statements in the presence of numerous Commodore Club members and patrons, as well as Mark's family.

121. On May 23, 2026, Mark and his family were departing the Dockside Restaurant dock by boat as Marchi appeared on another vessel tied up alongside.

122. Unprovoked, Marchi proceeded to verbally assault and cuss at Mark in front of Mark's family and the many Dockside patrons in the outdoor deck area alongside the docks.

123. As stated, and at the malicious dissemination, encouragement, proliferation and promotion of the Defendants, the false rumor spread through Wilmington quickly, and continues to spread exponentially through the present.

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[5] Like the other Defendants, Marchi works with many wealthy, high net worth Wilmingtonians and is uniquely positioned to harm Plaintiffs by spreading his defamatory statements to overlapping social and business circles of Plaintiffs. As with Jefferies and Ruegg, Marchi used his professional position to disseminate and deploy false smears that Mark was having sex with clients to harm Mark and his family businesses, where the statements would cause Mark the most economic and reputational harm.

124. John Does 1-100 repeated the false and injurious rumor to third parties within the community and contributed to the damages suffered by Mark and the Batson family businesses.

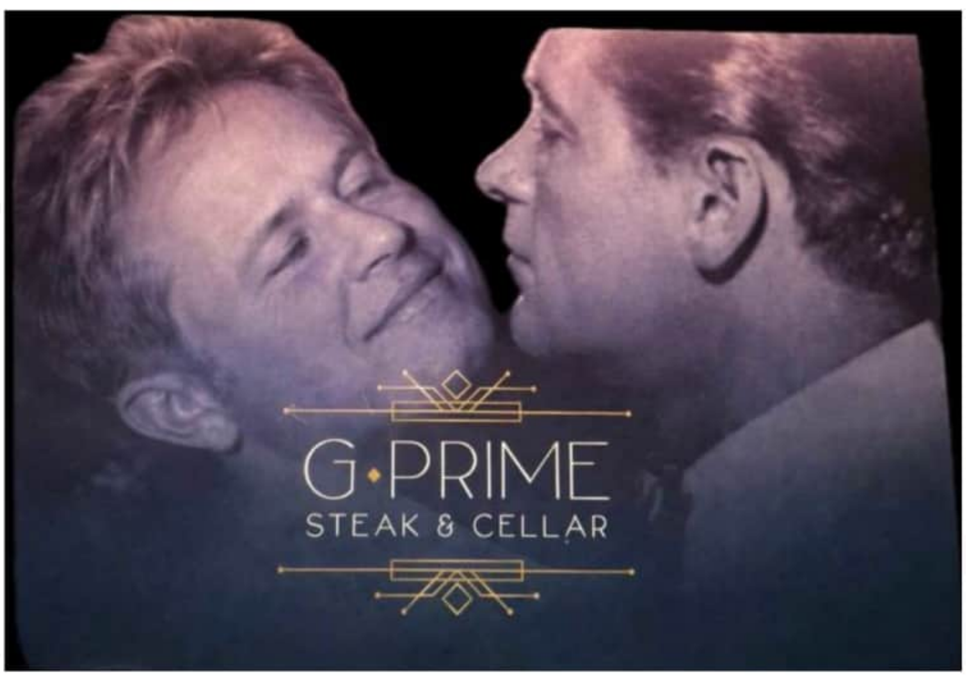
125. Every time the false rumor spreads, the harm to Mark and the Batson family businesses increases.

126. In addition to the false rumor that Mark performed oral sex on a client and was engaged in extramarital homosexual affairs with clients on TG jobsites, Defendants Jefferies, Kidd, Parker, and Ruegg spread AI-generated images meant to further the rumor and portray Mark as involved in extramarital homosexual affairs.

127. These AI-generated images were spread to dozens, if not hundreds or thousands, of individuals, clients or prospective clients of Plaintiffs.

128. The images, as depicted below, show Mark with an AI-generated flamboyant "Elton John inspired" rainbow outfit and Mark embracing with another man.


2024 RESIDENTIAL REAL ESTATE ISSUE
WilmingtonBiz
MAGAZINE
MARKET STREET MAKEOVER
A HOUSING CRISIS
PROFILE IN LEADERSHIP
PLACES IN THE SUN
OCEANFRONT HOMES, AS TOLD BY HOMEBUILDER MARK BATSON AND OTHERS WITH EYES ON THE COAST
Published by:
Greater Wilmington Business Journal
SPRING 2024


G·PRIME
STEAK & CELLAR

129. The first image above is designed and intended to spoof a legitimate cover shot featuring Mark in a Spring 2024 issue of *Wilmington Business Journal* as depicted here:

(Available at https://issuu.com/wilmbiz/docs/biz-mag-re24-rre-issuu) (last accessed May 25, 2026).

130. The second image depicting an AI-generated image of Mark romantically embracing an unidentified male is in reference to the G Prime Steak &

Cellar restaurant in Wilmington which the Batson family and their business and social network are known to Defendants to patronize.

131. Defendants knew that the G Prime reference would specifically be adversely influential to Mark's professional and social network and therefore would inflict the most economic and reputational harm on him and his family businesses.

132. Defendants maliciously trafficked in these false, defamatory AI-generated images to customers and prospective customers of Plaintiffs, as well as the public at large with intent to inflict economic and reputational harm on Mark and his family businesses.

133. Defendants created and trafficked in the images in order to fuel the malicious lie that Mark had extramarital homosexual affairs with his clients.

134. Defendant Parker brazenly went one step further.

135. Specifically, Parker created an Instagram post on his corporate account implying that Mark is in fact a homosexual, which is false.

136. Parker did this to perpetuate the false rumor, cause Mark and his family businesses more harm and perpetuate the false smear that Mark has been engaged in extramarital homosexual affairs with clients.

137. The hashtags reference and allude to the fact that Mark owns a distinct powder blue Mercedes G-series wagon which is widely recognizable around the Wilmington community and often parked outside the Batson home on Pelican Drive where it is visible from The Loop at Wrightsville Beach.

138. Blatantly and gratuitously homophobic, the "Gay Wagon" reference was posted on Parker Construction Groups' own Instagram account and features Parker's company's logo in the upper left-hand corner like an honorific badge of prejudice. The post is further evidence of Parker Construction Group's ratification of Parker's misconduct. *See* https://www.parkerconstructiongroup.com/ (last accessed May 25, 2026).

139. Plaintiffs lost clients as a direct result of Defendants' bad acts. Plaintiffs further had prospective clients with whom they were negotiating withdraw from negotiations as a direct result of Defendants' bad acts.

140. The fallout from Defendants' misconduct continues today.

141. Before filing this litigation, Batson delivered document preservation notices to key individuals. Shortly thereafter, on the night of June 1, 2026, one of Batson's construction projects located on Wrightsville Beach was vandalized. As shown below, vandals spraypainted penises on multiple surfaces throughout the project:

FIRST CLAIM FOR RELIEF
(Defamation/Defamation *Per Se* – Against all Defendants)

142. Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully set forth herein.

143. Defendants uttered false statements, both orally and in writing, of and concerning Plaintiff Mark Batson to third parties concerning Plaintiff's trade and business. Defendants' remarks prejudice Plaintiffs in the conduct of their business and deter others from dealing with Plaintiffs.

144. Defendants knew their statements were false at the time they were made.

145. Defendants' false and malicious statements impeach Mark Batson in his trade or profession and subject Plaintiffs to ridicule, contempt, and disgrace.

146. Defendants' false and malicious statements constitute defamation *per se*.

147. As a direct and proximate result of Defendants' false and defamatory statements, Plaintiffs suffered damages in an amount to be proven at trial and exceeding twenty-five thousand dollars.

SECOND CLAIM FOR RELIEF
(Unfair and Deceptive Trade Practices – Against all Defendants)

148. Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully set forth herein.

149. Defendants' defamatory *per se* statements concerning Plaintiffs constitute unfair and deceptive trade practices in North Carolina. Likewise, certain

Defendants' breaches of contract and misappropriation of trade secrets, when purposely combined with their defamatory statements concerning Plaintiffs, constitute unfair and deceptive trade practices.

150. Defendants' conduct amounted to an unfair method of competition with Plaintiffs. Their conduct was immoral, unethical, oppressive, unscrupulous, substantially injurious, and marked by aggravating circumstances.

151. Defendants' defamatory *per se* statements and actions were in or affecting commerce.

152. The conduct of the Defendants was wanton, reckless and malicious, and pursuant to N.C. Gen. Stat. § 75-16.1, Plaintiffs should be awarded their reasonable attorney's fees. Pursuant to N.C. Gen. Stat. § 75-16, Plaintiffs are entitled to treble damages.

153. As a direct and proximate result of Defendants' unfair and deceptive trade practices, Plaintiffs suffered damages in an amount to be proven at trial and exceeding twenty-five thousand dollars.

THIRD CLAIM FOR RELIEF
(Breach of Contract – Against Kidd)

154. Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully set forth herein.

155. As an employee of TG, Kidd executed and was bound by the employment agreement attached as **Exhibit A**. That contract contained express noncompetition and nonsolicitation clauses.

156. Plaintiffs fulfilled all of their obligations under the contract.

157. Kidd ceased working for TG in October 2024.

158. By forming a direct competitor of TG with Jefferies and immediately competing with TG prior to the expiration of the binding TG employment agreement, Kidd breached the same.

159. As a direct and proximate result of these breaches, Plaintiffs suffered damages in an amount to be proven at trial and exceeding twenty-five thousand dollars.

FOURTH CLAIM FOR RELIEF
(Tortious Interference with Contract/Tortious Interference with Prospective Economic Advantage – Against Jefferies, Kidd & JKDB)

160. Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully set forth herein.

161. Defendants Jefferies', Kidd's and JKDB's conduct alleged herein caused Plaintiffs to lose both existing and prospective clients.

162. TG had valid contracts with clients which conferred upon TG contractual rights against those clients.

163. Defendants Jefferies, Kidd and JKDB were aware of the contracts between TG and these clients and intentionally induced those clients not to perform pursuant to their contracts.

164. These acts of Jefferies, Kidd and JKDB were without justification and were undertaken solely to cause Plaintiffs harm and to unfairly compete with Plaintiffs.

165. Additionally, Plaintiffs were in the process of negotiating contracts with other customers to whom Jefferies', Kidd's and JKDB's false and defamatory statements were published. But for these Defendants' tortious conduct, these customers would have signed lucrative contracts with Plaintiffs.

166. Defendants Jefferies, Kidd and JKDB induced these third parties to refrain from contracting with TG without justification and for the sole purpose of harming, and unfairly competing with, Plaintiffs.

167. As a direct and proximate result of Defendants Jefferies', Kidd's and JKDB's tortious interference, Plaintiffs suffered damages in an amount to be proven at trial and exceeding twenty-five thousand dollars.

FIFTH CLAIM FOR RELIEF
(Punitive Damages – Against all Defendants)

168. Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully set forth herein.

169. Defendants' acts as alleged herein was accompanied by malice, willful and wanton conduct, and a reckless indifference to the rights of Plaintiffs.

170. Plaintiffs are entitled to punitive damages, in an amount exceeding twenty-five thousand dollars and to be proven at trial, sufficient to punish Defendants and deter similar conduct in the future.

SIXTH CLAIM FOR RELIEF
(Misappropriation of Trade Secrets – Against Kidd)

171. Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully set forth herein.

172. Plaintiffs' pricing information, customer proposals and contracts, customer lists, prospective customer lists, historical costs and sales data, pricing formulas and bidding formulas all constitute trade secrets under North Carolina law.

173. Plaintiffs took reasonable efforts to maintain the secrecy of these trade secrets, including requiring employees to sign contracts barring the use of these trade secrets should an employee leave Plaintiffs and work elsewhere. These contracts also included confidentiality, noncompetition, and nonsolicitation provisions to protect the value of Plaintiffs' trade secrets.

174. Defendant Kidd, as an entrusted high-level employee of TG, had access to, and knowledge of, trade secrets of the Plaintiffs. Kidd had actual knowledge that the items listed herein are considered protected trade secrets of the Plaintiffs.

175. When Kidd left TG in late 2024 to open a direct competitor of Plaintiffs, he misappropriated Plaintiffs' trade secrets and, along with Defendant Jefferies, immediately began using them in the operation of JKDB.

176. Plaintiffs did not consent to the misappropriation or use of their trade secrets by Kidd or any other Defendant.

177. As a direct and proximate result of this misappropriation, Plaintiffs suffered damages in an amount to be proven at trial and exceeding twenty-five thousand dollars.

<u>SEVENTH CLAIM FOR RELIEF</u>
(Civil Conspiracy – Against all Defendants)

178. Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully set forth herein.

179. Defendants conspired together to make the defamatory statements and take the actions described above—overt and wrongful acts including the misappropriation of Plaintiffs' trade secrets—as part of a common scheme, among other goals, to harm Plaintiffs' businesses and unfairly compete with (and take market share and customers from) Plaintiffs.

180. As a direct and proximate result of this conspiracy, Plaintiffs suffered damages in an amount to be proven at trial and exceeding twenty-five thousand dollars.

181. Each of the Defendants is jointly and severally liable for all acts committed in furtherance of the conspiracy, and for the resulting damages to Plaintiffs.

EIGHTH CLAIM FOR RELIEF
(Injunction – Against all Defendants)

182. Plaintiffs reallege and incorporate by reference all preceding paragraphs as if fully set forth herein.

183. As set forth herein, Defendants have engaged, and continue engaging, in a series of willful misconduct including but not limited to defaming Plaintiffs and using stolen trade secrets to unfairly compete with Plaintiffs.

184. Plaintiffs have shown a likelihood of success on the merits of their claims, and evidence at trial will cause Plaintiffs to succeed on each of their claims.

185. Plaintiffs have incurred, and will continue to incur, irreparable harm as long as Defendants' bad acts continue. Defendants' misconduct risks the ability for Plaintiffs to keep their doors open and continue doing business.

186. An injunction is necessary to protect the rights of Plaintiffs.

187. Plaintiffs are entitled to an injunction prohibiting Defendants from making false and defamatory statements concerning Plaintiffs, from disseminating false and defamatory electronic or other written communications and imagery, and from using trade secrets stolen from Plaintiffs.

WHEREFORE, Plaintiffs respectfully pray unto the Court:

1. For an award of available compensatory, consequential, actual, treble, and punitive damages, and the other relief sought herein;

2. For attorneys' fees and the costs of this action to be taxed against Defendants;

3. For a trial by jury on all issues of fact so triable;

4. For such other and further relief as the Court may deem just and proper.

[SIGNATURE PAGE FOLLOWS]

This the 5th day of June, 2026.

MINCEY BELL

By: /s/ Patrick M. Mincey

PATRICK M. MINCEY
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New York Bar Registration No. 5697529
District of Columbia Bar No. 1754503
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Attorneys for Plaintiffs

STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

VERIFICATION

Mark Batson, being first duly sworn by and before the undersigned notary public, says that he is a Plaintiff in the foregoing civil action; that he has read the foregoing Complaint; and that the same is true to his own knowledge, except matters stated therein on information and belief, and as to those matters, he believes the same to be true.

MARK BATSON

Subscribed and sworn to before me,

This 2nd day of June, 2026.

Alexis Bates

NOTARY PUBLIC

My commission expires: 01/16/2029

ALEXIS BATES
NOTARY PUBLIC
NEW HANOVER COUNTY, NC
My Commission Expires 01/16/2029

EXHIBIT A

EMPLOYMENT AGREEMENT

THIS AGREEMENT (the "Agreement") is made this 14th day of August, 2023 (the "Effective Date"), by and between Tongue & Groove, LLC, a North Carolina limited liability company, with a mailing address located at 6131 Oleander Dr., Wilmington, NC 28403, email address: mark@tongue-and-groove.com or its designated representative (hereinafter collectively referred to as "Company"), and Anthony J. Kidd individually with a principal residence address located at, 115 W. Scarborough Court, Hampstead, NC 28443, phone no: 773.675.7025; email address: ajurbanathlete@gmail.com (hereinafter referred to as "Employee").

In consideration of the Company employing Employee and the mutual promises and covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment. Beginning on the Effective Date, the Company will employ Employee on a full-time basis as of the date this Agreement is signed by the Company (if it is other than the date first set forth above) (the "Effective Date") which employment will continue until this Agreement is terminated by either party as provided herein. Employee will render services to the Company as may be requested from time to time by the Company's Officers and as are set forth generally on Exhibit 1 attached hereto and incorporated herein by reference (collectively, the "Duties"). Employee will use Employee's best efforts to properly and competently perform all of these Duties to the satisfaction of those Officers. No Company files (electronic or hard copy), records, supplies, equipment or materials of the Company of any sort are to be removed from the Company's office without the prior written consent of the Manager of the Company. This Agreement will also ensure, to the extent possible, that certain knowledge gained by the Employee from Employee's employment with the Company prior to, including and after the Effective Date is not used at any time by Employee, or anyone associated in any way with Employee, to the detriment of the Company. Employee accepts this employment upon the terms and conditions specified in this Agreement. Employee agrees to the restrictions set forth in Paragraphs 4 (Confidentiality), 5 Noninterference and Nonsolicitation, and 6 (Noncompete) of this Agreement (collectively referred to as the "Proprietary Provisions") to protect the significant proprietary interests which the Company has developed and is continuing to develop in its business. Employee acknowledges that this employment on the terms and conditions set forth in this Agreement is full and fair consideration in exchange for Employee's agreement regarding the Proprietary Provisions and the survival of these Provisions following the termination of this Agreement for any reason. Employee understands that the Company is only offering this opportunity to Employee as long as Employee agrees to the Proprietary Provisions.

2. Salary and Benefits. Company will pay Employee as set forth on Exhibit 2 attached hereto and incorporated herein by reference. The relationship between the Company and Employee is that of employer and employee. Employee will be entitled to participate in any plan, arrangement or distributions by Employer pertaining to or in connection with any pension, profit-sharing, group life, health, accident and disability insurance or benefit, or similar employee fringe benefits for the regular employees of Employer maintained by Employer for which Employee satisfies the eligibility requirements and waiting periods. A listing of such current benefits as of the date on which this Agreement is signed is found on Exhibit 3, attached hereto and incorporated by reference. The Parties acknowledge and agree that Employer may, but is not required to, change Exhibit 3 at any time during the term of this Agreement, with or without notice to Employee, to reflect the then current benefits being offered by the Company.

3. Full-Time, At-Will Employment. Employee will devote Employee's entire productive time, attention and abilities to performing Employee's Duties and otherwise acting in a manner to ensure the success of the Company. Employee should expect to provide at least 40 hours work per week in performing Employee's Duties and otherwise performing Employee's obligations under this Agreement to meet the needs of the Company's internal and external customers and to meet all project time-lines and deliverables. In the event Employee directly or indirectly engages in any other employment, do any consulting, or participate in any other activity which would conflict with Employee's obligations or which would impair or otherwise affect

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Employee's ability to perform any of Employee's Duties or the Company's ability to maximize its potential, Employee agrees to treat Company as its most important customer and resolve any and all conflicts for Employee's time in favor of providing the Duties to the Company before handling the needs of Employee's other activities. Notwithstanding anything to the contrary contained in this Agreement, Employee's employment with the Company will be terminable at any time for any reason or for no reason by Company, provided that the Company will attempt, but is not required, to give Employee at least one (1) month prior written notice of the date on which Company desires to terminate this Agreement, but the time period for notice will be in the discretion of the Manager. In the event Employee desires to terminate this Agreement, Employee must give Company at least one (1) month prior written notice of the date on which Employee desires to terminate this Agreement. In the event Company terminates Employee for "just cause", such termination can be effective immediately and Employee will not receive any prior written notice of such termination nor will Employee receive Employee's salary following the date of termination for "just cause." Nothing in this Agreement will be construed as changing Employee's status as an at-will employee of the Company.

For the purposes of this Agreement, "just cause" will mean (i) a material breach by Employee of Employee's Duties and obligations under this Agreement, if such breach continues for a period of five (5) consecutive days after Employee is notified through a written notice from Company identifying the breach in reasonable detail; (ii) Employee's indictment for a felony offense or criminal conviction (not appealed by Employee) for such felony offense or any offense involving dishonesty, fraud or theft under federal or state law; (iii) any act of misconduct, gross negligence, corporate waste, disloyalty or unfaithfulness by Employee to Company or any other action and/or inaction by Employee which materially adversely affects the business of Company and/or any of its customers and/or clients, as determined by the Manager of the Company; (iv) Employee failing to pass the random drug screening tests (including post-accident drug screening tests) conducted by or on behalf of the Company; or (v) Employee makes any material misrepresentation or commits fraud or any other act or omission which is unlawful and has a material adverse effect on the operation of Company's business and/or Company's reputation. The parties recognize that it is impossible or impractical to define with any degree of certainty all possible events which would constitute events of discharge for "just cause" but that the causes set forth in (i) to (v) above represent the types of serious conditions which constitute "just cause". Company agrees to use good faith in initially determining whether such events or circumstances constitute grounds of discharge for "just cause".

4. <u>Confidentiality</u>. Employee agrees to, and will use his best efforts to, treat all matters and information related to the business of the Company, its customers, its agents, and/or its independent contractors or any other persons or entities with whom the Company is involved in its route to marketing its products and services, including without limitation, products, research, work product, drawings, methods, processes, flow charts, other products, systems, programs, software, procedures, manuals, guides, confidential reports, communications, and all other technical and business information of the Company, its customers, its agents, and/or its independent contractors, as appropriate, lists of customers and the Company's route to market and commercialization of its products and services as confidential information of the Company ("Confidential Information") entrusted to him solely for use in his capacity as an employee of the Company. Employee agrees to hold such Confidential Information in strictest confidence and to not use such Confidential Information in any way at any time anywhere other than to perform the duties required of him under this Agreement or divulge, disclose, communicate or otherwise use such Confidential Information in any way at any time to any person or entity (other than to an officer or authorized agent of the Company for use in the Company's business), during and for a period of two (2) years after the termination of this Agreement for any reason. Employee agrees that, in the event of termination of this Agreement for any reason, he will return to Company all Confidential Information or any other information within his direct or indirect possession, written or otherwise recorded, in any media, whether developed by Employee or otherwise obtained by Employee from any source regarding the Company, its customer(s), its agents, and/or its independent contractors, as appropriate, and/or the services and will not retain any copies of such materials for any purpose. Employee also agrees that the terms of this Agreement are confidential, and Employee will treat the terms of this Agreement in the same manner that Employee treats the Confidential Information. Employee acknowledges and agrees that (a) he has been informed by the Manager of the Company's trade secrets on

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his first day of employment with the Company, (b) that the Company's processes of design + build was developed by the Manager and is unique to the Company, and includes the nature of the Company's business, its customer lists, the methods and systems used by the Company in conducting its business, establishing its pricing policies, conducting its training, and the manner in which the company educates its employees, customers, potential customers, architects, engineers, and others in connection with soliciting business and conducting its business, creating technical bulletins, creating manuals, determining profit and loss and other related internal business information are all included within the Company's trade secrets, and (c) that all of those trade secrets are included within the definition of Confidential Information. Employee acknowledges and agrees that the following shall be included in the definition of Confidential Information: (a) the identities of Company's customers and prospective customers; (b) data concerning Company's customers and prospective customers; (c) information concerning Company's method of doing business; (d) information concerning Company's contracts, arrangements and agreements with any customer, supplier, vendor or others, including, but not limited to, information concerning sales prices, factory sales prices, profit margins, and commissions; (e) information concerning Company's data processing systems, including without limitation, Company's computer systems and software systems, software and/or software keys used to program fire alarm and security panels; (f) financial data concerning the company, including, without limitation, its assets, liabilities, income, and expenses and all other financial information; and (g) information relating to past, present, or future business plans of the Company. Notwithstanding the above, any information which Employee lawfully knew and was actively using in Employee's career prior to the Effective Date regarding the Company's independent contractors, vendors, and suppliers will not be included within the definition of Confidential Information.

5. Noninterference and Nonsolicitation. Employee will not directly or through any other person or entity solicit, induce or attempt to induce any customer, contractor, employee, agent, or other representatives or associates of the Company or any other persons or entities with whom the Company is involved in its route to marketing its products and services at any time to terminate or otherwise change its relationship with the Company, or in any way directly or through any other person or entity interfere with such a relationship or any relationship between the Company and any of its past, present or prospective suppliers, customers, clients, contractors, channel partners, telemarketing organizations, architects, engineers, any other persons or entities with whom the Company is involved in its route to marketing its products and services, or the Company's employees, without the prior written consent of the Company, which may be withheld in its sole discretion. Notwithstanding the above, any such contractors, suppliers, vendors, architects, and engineers, which Employee was actively using in Employee's career immediately prior to the Effective Date regarding the Company's independent contractors, vendors, and suppliers will not be included within the restrictions set forth in this Section 5.

6. Noncompete. Employee, as an employee of the Company, will acquire a considerable amount of knowledge and goodwill with respect to the business of the Company, which knowledge and goodwill are extremely valuable to the Company and which would be extremely detrimental to the Company if used by Employee to compete with the Company. Therefore, Employee acknowledges and agrees that, because of the nature of the business of the Company, it is necessary to afford fair protection to the Company from such unfair competition by Employee. Consequently, as a material inducement to the Company to employ Employee, Employee agrees that while he is employed by the Company and for a period of two (2) years following the termination of his employment with the Company for any reason other than a termination by the Company without just cause as that term is defined in this Agreement (the "Restricted Period" which also includes any extensions of the Restricted Period for a period of time equal to any period(s) of time during which Employee is violating his covenants under this Paragraph or any period(s) of time during which the Company is pursuing legal action to enforce Employee's covenants under this Paragraph), Employee will not directly or through any other person or entity (i) work or perform any services for, invest in, or otherwise become associated with in any capacity the same as or substantially similar to the capacity in which he had provided Duties to the Company during this Agreement or engage in any line of business in which, on the termination date of his employment with the Company for any reason as provided in this Agreement, the Company is engaged or is planning to engage, (ii) create any company, partnership, organization, proprietorship, or other entity which the Company, using its good faith business judgment, considers a competitor, or any other persons or entities with whom the

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Company is involved in its route to marketing its products and services, (iii) cause or attempt to cause any of the customers of the Company, wherever located, to refrain from patronizing Company, in whole or in part, or otherwise change the relationship with the Company, (iv) cause or attempt to cause any of the prospective customers of the Company, wherever located, to refrain from patronizing Company, in whole or in part, it being understood that a "prospective customer" herein will be deemed to mean any person, business, or entity of any type which had oral or written communication of any sort with Company or any agent of Company, (v) call upon any customers or prospective customers of the Company for the purpose of installation, upkeep, service, and maintenance of electronic equipment and accessories including, but not limited to, fire alarm systems and security systems, or (vi) use, directly or indirectly, any of the Company's Confidential Information, including its trade secrets, without the prior written consent of the Company, which may be withheld in its sole discretion, which develops, prepares, sells or distributes products or performs services then in competition with the products developed, prepared, sold, or distributed or services rendered by the Company or any other persons or entities with whom the Company is involved in its route to marketing its products and services, within the Prohibited Location (as defined below) since the Company is selling its products and/or services throughout the Prohibited Location and its services are available to be used throughout the Prohibited Location. This restriction will not preclude Employee from owning stock in a publicly held corporation which is traded on a recognized securities exchange or over-the-counter, provided that the ownership of such equity interest does not give Employee greater than five percent (5%) of the equity or voting power of such corporation.

Employee acknowledges that as of the Effective Date, the phrases "engage in a business" or "engage in any line of business" and similar phrases as applicable to the Company will be deemed to include (i) the business of a design + build custom home builder, building luxury homes, including swimming pools, and being a full service general contractor in connection with those building such luxury homes, and consulting services related to the foregoing to individuals and entities of any type in Wilmington, NC, the North Carolina beach communities, and areas surrounding Wilmington, NC, the North Carolina beach communities where the Company currently conducts its business (collectively, the "Company's Business"), and/or (ii) any other business conducted by the Company immediately prior to the time of termination of Employee's employment with the Company or in which the Company shall at the time of termination of this Agreement be actively preparing to enter marketplaces. Employee also acknowledges that the Company is currently providing its services at least in Wilmington, NC and the North Carolina beach communities and areas surrounding those locations. Employee further acknowledges that (a) Employee will gain valuable and confidential information concerning the Company's customers and prospective customers, either directly through customer contact or indirectly through supervision of other employees dealing directly with customers and through the supervision of customers' accounts, (b) the customers, clients and accounts of the Company have been solicited by the Company through its sales representatives and advertising media and that they are valuable and extensive trade secrets that have been established at great expense to the Company.

The term "Prohibited Location" means (a) Wilmington, NC, the North Carolina beach communities, and areas surrounding Wilmington, NC, and the North Carolina beach communities, and areas surrounding Wilmington, NC, and the North Carolina beach communities where the Company currently conducts its business; in the event that a court of competent jurisdiction determines this geographic restriction overly broad, then, (b) the area encompassing a five-mile radius from any location where the Company has customers and Employee provided his Duties. In addition, a competitor will be deemed to be competing in the Prohibited Location if it is located outside the Prohibited Location, but either (i) competes in the Prohibited Location by selling, licensing, or sublicensing products or services in competition in the Prohibited Location, or (ii) is preparing to compete in the Prohibited Location. With respect to the covenant contained in this Paragraph 7, Employee acknowledges that the Company's competition in the Company's business and that unfair competition can only be prevented by enforcing this specific covenant in the Prohibited Locations specifically set forth in this Paragraph 6.

7. Representations of and Indemnification by Employee. Employee represents and warrants to the Company that (i) Employee has the full legal capacity to enter into and be bound by the terms of this Agreement, (ii) Employee is not a party to any agreement, arrangement or other understanding with any person or entity

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which might affect, restrain or conflict with any of the provisions of this Agreement, and (iii) Employee has not brought and will not bring with him to the Company or use in the performance of his Duties any materials or documents of a former employer which are not generally available to the public, unless Employee has obtained written authorization from the former employer or other owner for their possession and use and provided the Company with a copy thereof. Accordingly, the only materials or documents of a former employer or other person or entity which are not generally available to the public that Employee brought or will bring to the Company or has used or will use in performing his Duties are identified on Schedule A, and, as to each such item, Employee represents and warrants that Employee has obtained prior to the Effective Date written authorization for their possession and use in performing his Duties. Employee agrees to indemnify and hold harmless the Company, its members, managers, directors, officers and employees against any liabilities and expenses, including reasonable attorneys' fees and amounts paid in settlement, incurred by any of them in connection with any claim by any of Employee's prior employers that the termination of his employment or contract with such employer or use of any skills and knowledge by the Company by or through Employee is a violation of contract or law.

8. Remedies.

a. Employee acknowledges that the restrictions on Employee's activities under Paragraphs 4, 5, and 6 above were negotiated at arm's length, for adequate consideration and are required for the fair and reasonable protection of the Company. Employee further acknowledges that a breach or threatened breach of Employee's obligations and agreements in Paragraphs 4, 5, and 6 will result in immediate, irreparable and continuing damage to the Company and its business for which there will be no adequate remedy at law or in equity. Employee agrees that in the event of any breach or threatened breach of these obligations and agreements, the Company, and its successors and assigns, will be entitled to obtain any type of injunction it deems appropriate, without posting any bond, and to such other legal and equitable relief, including damages, which may be available to it to prevent or to restrain any such breach by the Employee, or by the Employee's partners, agents, representatives, servants, companies, employees and any and all persons directly or indirectly acting for or with Employee, including damages, as is proper in the circumstance which may be available to it to prevent or to restrain any such breach by the Employee, or by the Employee's partners, agents, representatives, servants, companies, employees and any and all persons directly or indirectly acting for or with Employee.

b. In the event that it will become necessary for either party to retain the services of an attorney to enforce any terms under this Agreement, the prevailing party, in addition to all other rights and remedies under this Agreement or as provided by law or in equity, will be entitled to payment of its reasonable attorneys' fees and costs of suit by the non-prevailing party.

c. Employee agrees that if Employee violates any of Employee's covenants or agreements in this Agreement, the Company will be entitled to an accounting and repayment of all profits, compensation, commissions, remunerations or benefits which the Employee directly or indirectly has realized and may realize as a result of or in any way connected with any such violation. Such remedy will be in addition to and not in limitation of any injunction relief or other rights or remedies to which the Company is or may be entitled at law, in equity or under this Agreement.

9. Revision of Agreement and Severability. In the event that any portion of Paragraphs 4,5, and 6 are found by a court of competent jurisdiction to be invalid or unenforceable for any reason, such court may exercise its discretion in reforming such provisions so that Employee will be subject to confidentiality, noninterference, nonsolicitation, and noncompetition covenants that are reasonable under the circumstances and protect the Company. In the event that any other provision or term of this Agreement is found to be invalid or unenforceable to any extent for any reason, the parties agree that all remaining terms of the Agreement will remain in full force and effect to the maximum extent permitted and that the Agreement will be enforceable as if such void or unenforceable provision or term had never been a part of this Agreement, but that there will be substituted such other provisions as will most nearly accomplish the intent of the parties to the extent permitted by applicable law.

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10. Binding Effect and Survival. This Agreement will benefit and be binding upon the Company, its successors and assigns and the Employee and Employee's heirs, personal representatives and beneficiaries. Employee's obligations in Paragraphs 4, thru the 24 will survive the termination of this Agreement.

11. Notice. All notices, demands and requests which may be given or which are required to be given by either party to the other under this Agreement must be in writing, unless otherwise specifically provided for in this Agreement, will be sent by express, registered or certified mail, return receipt requested, or by delivery confirmation, postage prepaid, by overnight courier service such as Federal Express, by facsimile transmission, or by email, or by personal delivery and addressed to each party hereto at the addresses set forth above. Notices, demands or requests which any party is required or desires to give the other hereunder will be deemed to have been properly given for all purposes if (a) delivered against a written receipt of delivery, (b) mailed by express, Priority, registered or certified mail of the United States Postal Service, return receipt requested, or with delivery confirmation, postage prepaid, (c) delivered to a nationally recognized overnight courier service for next business day delivery, to its addressee at such party's address as set forth above, or (d) delivered via telecopier or facsimile or email transmission to a party's facsimile number or email address, provided, however, that if such communication is given via telecopier or facsimile or email transmission, an original counterpart of such communication will concurrently be sent in either the manner specified in subparagraphs (b) or (c) above. Each such notice, demand or request will be deemed to have been received upon the earlier of (i) actual receipt or refusal by the addressee, or (ii) three (3) business days after deposit thereof at any main or branch United States post office if sent in accordance with subparagraph (b) above, and the next business day after deposit thereof with the courier if sent pursuant to subparagraph (c) above, or (iii) if by fax or email, on the date the notice is delivered and confirmation of the fax or email transmission is received by the sender.

12. Entire Agreement and Amendment. This Agreement contains the entire agreement between the parties with respect to Employee's employment by the Company. This Agreement replaces or supersedes any previous agreements or prior understandings of any type on this subject matter, including the offer letter from the Company to Employee, if any. This Agreement may only be changed by a written agreement signed by both Employee and Company.

13. Waiver. The terms of this Agreement may be waived only in writing signed by the party waiving compliance. Company may enforce any provision of this Agreement at any time even if Company has not previously required Employee to perform all of Employee's obligations under this Agreement. The waiver by Company of any right arising from any breach of this Agreement by Employee will not be considered as a waiver of any right arising from any subsequent breach.

14. Choice of Words-Mutual Intent. The language use in this Agreement will be deemed to be the language chosen by the parties to this Agreement to express their mutual intent and that the rule of strict construction will not apply. Neither party will assert that it did not draft the words used in the Agreement so that any ambiguities are resolved against the party that drafted the Agreement.

15. Governing Laws. This Agreement will be governed by and construed in accordance with the laws of the State of North Carolina without giving effect to the North Carolina conflict of law provisions. The parties further agree that the location and jurisdiction for any disputes regarding this Agreement will be proper only in any Federal or state court located only in New Hanover County, North Carolina.

16. Headings. The headings in this Agreement are intended solely for convenience of reference and will be given no effect in the construction or interpretation of this Agreement.

17. Counterparts. This Agreement may be executed in multiple counterparts each of which will be deemed an original but all of which together will constitute one and the same documents.

18. Attorney Fees. In the event that it will become necessary for either Party to retain the services of an attorney to enforce any terms of this Agreement by any legal means, the prevailing Party, in addition to all other rights

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and remedies under this Agreement or as provided by law, will be entitled to reimbursement of its reasonable attorneys' fees and costs of suit by the non-prevailing Party, payable on demand of the prevailing party.

19. Voluntary Signature. The Parties represent that this Agreement has been carefully read, the contents and consequences thereof are known and understood, and their respective signature on this Agreement is voluntary and with informed consent.

20. Prohibition Against Assignment. Except as otherwise specifically provided in this Agreement, Employee agrees on behalf of himself and his executors and administrators, heirs, legatees, distributees, and any other person or persons claiming any benefit under her by virtue of this Agreement, that this Agreement and the rights, interests and benefits hereunder will not be assigned, transferred, pledged or hypothecated in any way by Employee or any executor, administrator, heir, legatee, distributee or other persons claiming under Employee by virtue of this Agreement, and will not be subject to execution, attachment or similar process. Any attempt to assign, transfer, pledge or hypothecate or other disposition of this Agreement or of such rights, interests, and benefits contrary to the foregoing provision or the levy of any attachment of similar process thereupon will be null and void and without effect and will relieve Company of any and all liability hereunder.

21. Gender. Whenever appropriate to give proper meaning to their use herein, nouns in the singular will include the plural, and nouns in the masculine will include the feminine gender.

22. Default. If, after the date of execution of this Agreement, a party (the "defaulting party") fails to perform any of the covenants, conditions, or agreements contained in this Agreement which are to be performed by the defaulting party, then the other parties (the "non-defaulting party") may elect to enforce any remedy available to the non-defaulting party at law or equity, without a bond, including, without limitation the remedy of specific performance or terminating this Agreement without any further liability or obligation to the defaulting party.

23. Termination Events and Effect of Termination. This Agreement may be terminated as follows: (a) by Company (i) if a material breach of any provision of this Agreement has been committed by Employee and such breach has not been waived by Company, or (ii) for just cause and as otherwise set forth in Paragraph 3 (Full-Time, At-Will Employment) above; (b) by Employee if a material breach of any provision of this Agreement has been committed by Employer and such breach has not been waived by Employee; and (c) by mutual consent of Employer and Employee. Each party's right of termination in this Agreement is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of such right of termination will not be an election of remedies. If this Agreement is terminated pursuant to this Paragraph, all obligations of the parties under this Agreement will terminate unless otherwise stated to the contrary in this Agreement; provided, however, that, if this Agreement is terminated because of a breach of this Agreement by the nonterminating party or because one or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the party's failure to comply with its obligations under this Agreement, the terminating party's right to pursue all legal remedies will survive such termination unimpaired.

24. Employee Handbook and Policies and Procedures Manual. Employee acknowledges receipt of and the opportunity to read and review the Company's Employee Handbook and that the terms of this Agreement will prevail should any conflict arise between this Agreement and the Employee Handbook. Employee also acknowledges that Company has discussed the Company's Policies and Procedures Manual as well as the reason the Company uses the Policies and Procedures Manual. Employee also acknowledges receipt of and the opportunity to read and review the Company's Policies and Procedures Manual as it exists at the time Employee commences employment with the Company and that the terms of this Agreement will prevail should any conflict arise between this Agreement and the Policies and Procedures Manual. Employee also acknowledges and agrees that such Employee Handbook and the Policies and Procedures Manual may be updated, changed, or amended from time to time by the Company in its sole discretion and Employee agrees to be bound by those updates, changes and amendments.

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IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives on the date first above written.

Tongue & Groove, LLC	
DocuSigned by: Mark Batson BCF4C73DAF994BD	DocuSigned by: AJ Kidd 4E44461436624A4
By: ____________________ (SEAL)	By: ____________________ (SEAL)
Mark Batson, Manager	(Employee Signature)
"Company"	"Employee"

EXHIBIT 1

EMPLOYEE DUTIES

Employee is expected to report to Kathy Glynn, COO
Employee's title will be Project Manager (PMIT)
Employee's Start Date: **August 14, 2023**
Employee agrees that the following are included within the definition of the "Duties" of the Employee:

1. Project Manager:
    a. Scheduling, coordinating, and managing the daily construction activities of assigned projects to include:
        - Ensuring projects are built to the requirements and specifications established by construction drawings, building codes and client expectations.
        - Monitoring production schedules, critical project paths, and trade contractor schedules to ensure projects remain on schedule.
        - Monitoring project quality and cost control to safeguard profit margin.
        - Maintaining a clean, safe project site always by implementing Tongue & Groove's safety policies, enforcing safe work habits, and observing OSHA regulations.

    b. Guiding and directing field employees, trade contractors and suppliers to include:
        - Assisting carpenters and trade contractors on tasks, when necessary.
        - Explaining and ensuring compliance of safety programs to all onsite personnel.
        - Explaining quality expectations, ensuring projects are built to quality standards and striving for no-defect construction.

    c. Working collaboratively with the Site Manager, Estimator and Operations Manager to ensure that all necessary materials and trade contractors are scheduled as necessary and arrive on time including:
        - Receiving, inspecting, and verifying all deliverables.
        - Checking vendor and trade contractor invoices and approving for payment.

    d. Communicating with clients on jobsites, answering their questions and ensuring that construction meets their expectations.
    e. Consulting with the Company Owner, Architect, and Operations Manager on plan revisions.
    f. Conducting pre-closing walk-throughs with clients and coordinating punch list work.
    g. Be accountable for projects assigned.

2. Build sustainable customer relationships that yield custom design + build home sales for all divisions of the Company.

3. Build profitable margins which will add to healthy growth of the Company, by being on time and on budget.

4. Maintain regular and good communication with the Company, coworkers, staff, and clients.

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5. Use technology, such as CoConstruct, to make project communication instantaneous, so that all participants designated will succeed with efficiency and productivity.

6. Become proficient in use of the Company's software applicable to Employee's responsibilities.

7. Influence customers to pay in full and on time.

8. Support and promote Company marketing strategy.

9. Provide reports and data when and as requested by the Manager.

10. Employee will be present in person or via another electronic communications method so that all participants can hear and communicate easily with each other at all meetings called by or on behalf of the Company, unless Employee's absence therefrom is approved in advance in writing by the Manager.

11. Employee will answer all work/Company related emails, telephone calls, facsimiles, and/or other messages promptly and timely.

12. Employee will take whatever actions are necessary, including working the hours and at the times necessary, to meet all deadlines and timetables established or shed for any project assigned to Employee. Employee acknowledges and agrees that this may require Employee to work more than 40 hours per week and that any hours in excess of 40 hours per week will not be separately compensated by the Company and were included by the Company in determining the compensation being paid to Employee hereunder for Employee's full-time service to the Company.

13. Employee acknowledges and agrees that Employee will be available during normal business hours even if Employee is performing Employee's duties outside of normal business hours.

14. Employee acknowledges and agrees that the Manager of the Company will direct and control all of the projects on which Employee works, Employee's duties applicable to each such project, deliverables for each such project, timetables and deadlines for each such project, the time periods during each 24-hour day that Employee should perform Employee's duties, and all other aspects associated with each project to which Employee is assigned.

15. Employee will keep the Company Owner and Chief Operating Officer informed on a regular basis on the status of all projects assigned to Employee.

16. Employee will create and maintain the details of all activities and services performed by Employee and associated with Employee's position so that any qualified person asked to provide services typically provided by Employee during Employee's absence is able to know what services to provide and be able to provide such services. Employee acknowledges that the Company is also interested in creating a system of cross coverage in the event Employee is not available for any reason so that another qualified employee would be able to provide the same type of services in Employee's absence. Employee will keep accurate records updated on a regular basis, but not less frequently than weekly. Employee will review with the Manager of the Company at any time as requested by the Manager, but at least as part of Employee's annual review. In the event of the

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termination of Employee's employment with the Company, Employee acknowledges and agrees that the Company may hold his or her final paycheck until Employee certifies to the Company that the project detail is current thru the date of Employee's last day of employment with the Company.

17. Employee will maintain a log of hours spent on each project, identifying the nature and status of each project on which he or she is spending any time for the Company, including, without limitation, projects for customers of the Company as well as projects for the Company, which list Employee will update at least weekly.

18. Employee understands and agrees that he or she is not to breach any obligation of confidentiality that Employee has to any former employers or other person or entity.

19. Meeting (in person or by conference call) at least weekly with Company's Manager to:

    - Review results of Employee's activities since the last conference.
    - Discuss planning and other activities.
    - Evaluate actual financial results of the project compared to the budget, and address variances.
    - Review Employee's progress towards achieving Employee's goals.
    - Strategize any challenges for current projects.

20. Other tasks as may be requested by Manager.

Qualifications of the Construction Project Manager:

- High level of experience in construction and operations management.
- Strong ability to multitask.
- Strong ability to plan and prioritize.
- Clear and concise communication skills.
- Integrity – Do the Right Thing.
- Impeccable standards for details and quality.
- Accountability

Attributes of the ideal Construction Project Manager:

- Demonstrates superior work ethic.
- Possesses a "can do" and positive approach to work, always moving forward to success.
- Consistently challenges the status quo.
- Turns problems and issues into opportunities for success.

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EXHIBIT 2

COMPENSATION

Company will pay Employee at a base annual salary of seventy-five thousand Dollars ($75,000.00) per year, payable biweekly, minus appropriate Federal, state, city and other withholdings and deductions, according to the Company's normal payroll practices. Employee will be eligible for a compensation review at one year of employment, from the actual start date of August 14, 2023 or at the completion of the training. Additional amounts, if any, will be set forth on a separate Schedule attached hereto and incorporated into this Exhibit 2 by this reference.

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SCHEDULE 1

BONUS/COMMISSIONS

Company may pay Employee a bonus according to the Company's bonus plan, if any, or as otherwise determined in the sole direction of the Board of Directors of the Company. The Board expects that among the important factors it considers in determining the amount of any bonus will include, but not be limited to, the profitability of the Company and Employee's contributions to this profitability.

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EXHIBIT 2

BENEFITS

Summary of Benefits in which Employee may participate if Employee satisfies the eligibility and waiting period requirements:

- **Holiday Pay**. Up to 6 paid holidays per calendar year as set forth in the Company's Employee Handbook (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day).
- **Paid Time Off.** Up to 15 days (3-weeks) paid time off for the 1st calendar year.
- **Medical Benefits:** Health, dental and vision according to company policy and employee eligibility. 50% Company Paid (eligibility after 90 days)
- **401(k) Plan.** Up to 4% employer match (eligibility after 12 months).
- **Company Truck & Gas Card (Delivery TBD)**
- **Mobile Phone**
- **Lap Top Computer**

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SCHEDULE A

DISCLOSURE SCHEDULE

Except as set forth below: (i) Employee has not made or conceived of first reduced to practice alone or with others prior to this Agreement, any inventions or improvements relevant to the subject matter of this Agreement, and (ii) Employee has not brought and will not bring to the Company, and have not used and will not use in connection with the services he is providing under this Agreement, any materials or documents of any former employer or any other person or entity which are not generally available to the public. If nothing is set forth below, then the parties will presume the answer is "None" and no further disclosure is required.

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