

April 25, 2022

Brent Swadley Swadely's Foggy Bottom Kitchen, LLC 7156 NW 80th Street Oklahoma City, OK 73132

Dear Mr. Swadley:

This letter is to inform you that the Oklahoma Tourism and Recreation Department ("Department") is cancelling the Agreement entered into on March 4, 2020, between the Department and Swadley's Foggy Bottom Kitchen, LLC ("FBK"), effective immediately due to suspected fraudulent activity found through highly questionable billing, invoicing, and record keeping practices which the Department has been investigating for the past several months.

To affect the most efficient transition during this time you will cause the following to happen:

- Within the next forty-eight (48) hours:
 - Contact electrical and gas companies and have the electrical and gas services accounts for Beavers Bend and Robbers Cave locations transferred to the Department.
 - Any food spoilation or loss of inventory resulting from any stoppage of electrical service at either location due to any action or inaction on your part will be considered your financial responsibility.
 - Contact all security and alarm vendors for, but not limited to, Carbon Monoxide, fire, intruders, or any other service and have such accounts and services transferred to the Department.
 - Each FBK manager shall meet the local Park or Lodge Manager at the restaurant location at an agreed upon time and each FBK manager shall:
 - Hand over all keys, combinations, and security codes to the respective Park or Lodge Manager;
 - Provide the Park or Lodge Manager with all equipment passwords; and
 - Complete a walk through with the Manager to ensure everything is properly stored, and there is no equipment left running, unless such equipment is to prevent food spoilation.

- Cease all advertising campaigns regarding FBK locations in Oklahoma State Parks.
- You shall notify all of your suppliers to halt all future deliveries to these locations as they will be turned away. The Department will not accept any deliveries to the locations. This includes but should not be limited to suppliers of:
 - Food
 - Beverages
 - Wine, Beer, and any other alcohol
 - **■** CO2
 - Supplies
 - Equipment
 - Services
- Cancel all cable, internet, and streaming services at the FBK locations.
- Remove all information pertaining to Oklahoma State Parks from any and all websites, social media pages, and advertising owned, operated, or otherwise used by or for Swadley's Foggy Bottom Kitchen.
- All cash in the restaurants shall remain on premises and will be accounted for by the Department's Independent Audit Company.

CATERING

- Within the next seventy-two (72) hours:
 - All catering jobs which have been secured financially will either need:
 - to be fulfilled without the use of the restaurant facilities at the time of the contracted event; or
 - an issuance of a full refund of any monies paid and notified of cancellation.
 - Any catering that has not been secured with financial payments at the State Parks shall not occur and you shall provide notice to all unsecured catering orders.
 - Provide a list of all future catering jobs at Oklahoma State Park Locations to the Department's contact person below. Ensure the list includes the contact person and information of each job.
- Your rights to cater any events on State Park Property not currently under contract and financially secured are hereby revoked effective immediately.

- The Department has engaged its independent audit company to conduct a neutral final inventory of all of the restaurant's foods, supplies, and equipment and those will be provided to you upon their completion.
- Any employees having personal effects in the restaurant locations shall contact the Park or Lodge Manager to arrange a supervised pickup.
- Do not remove any of the signage in the lodges or parks. Park staff will properly remove them to storage or cover them as soon as possible.
- Please be advised that any destruction of data or records will be considered highly suspicious, and the Department will immediately notify the Oklahoma State Bureau of Investigation of any such suspicions or known occurrences.
- No FBK employees, agents, officers, or representatives are to appear on any State Park Property Restaurant location unannounced or unaccompanied. Any attempted unauthorized access to the restaurants will be considered trespass.
- Any costs incurred by FBK after the receipt of this letter, are the sole responsibility of Swadley's and Department shall not be responsible for such costs, which include and are not limited to:
 - Unemployment claims;
 - Workers compensation;
 - Unpaid taxes; and
 - Costs incurred due to the cancellation.
- All the FBK billboards with Oklahoma State Park locations on them shall be taken down as soon as possible, occurring no later than May 25, 2022.

Regarding the finances:

- No monies will be released by the Department until the Department has a true accounting and reconciliation of all monies already paid to Swadley's FBK.
- The Department strongly expects that the State Auditor's Forensic Audit and the audit being conducted by the Department's third-party audit firm will result in findings that unearned funds were improperly paid to FBK, either through fraud, mistake, or misrepresentation by FBK. Any funds that were improperly paid to FBK shall be accounted for prior to any additional payments being released by the Department.
- The Department shall not release any additional payments until the Forensic Audit is completed by the Oklahoma State Auditor's Office.

The Point of Contact for the Department upon receipt of this letter is:

Name: Ben Davis

Title: Deputy Executive Director

Phone: (405) 522-9585

Email: Ben.Davis@TravelOK.com

The Department will fully cooperate and aid the investigations being conducted by the Oklahoma State Bureau of Investigation and the State Auditor and is exploring options to recover any and all taxpayer funds that were improperly paid to FBK.

Jerry Winchester
Executive Director

Oklahoma Tourism and Recreation Department