E-FILED 2026 NOV 17 3:02 PM POLK - CLERK OF DISTRICT COURT

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

LANDUS COOPERATIVE, Plaintiff, v. MATTHEW CARSTENS, SHANDA CARSTENS, THE MATT & SHANDA CARSTENS FAMILY FOUNDATION, STEPHEN NIELSEN, and MATTHEW CHAMBERS. Defendants.	)	Case No. _____ **PETITION AT LAW**

Plaintiff Landus Cooperative, for its Petition against Defendants, alleges as follows:

INTRODUCTION

1. Landus Cooperative ("Landus") is an agricultural cooperative owned by more than 5,500 farmers across Iowa and surrounding states.

2. While serving as the President and Chief Executive Officer of Landus from 2020 to 2025, Defendant Matthew Carstens breached his fiduciary duties to Landus and unlawfully enriched himself and his family at Landus's expense. Landus's former Executive Vice President and General Counsel, Defendant Stephen Nielsen, and former Chair of its Board of Directors, Defendant Matthew Chambers helped Mr. Carstens carry out this scheme and deceived the Board of Directors ("Board"). Together these three Defendants intentionally kept the full Board from understanding key facts about Mr. Carstens's compensation and benefits while Defendants Mr. Carstens and Mr. Nielsen ordered employees to take numerous actions they knew were not authorized by the Board, including making unauthorized payments to Mr. Carstens or for his benefit, hiring full-time employees to serve the Carstens family in their personal matters, and even hiring as a Landus consultant the woman with whom Mr. Carstens was having an affair, paying her $280,000 without evidence of anything more than de minimis services rendered to Landus.

3. During his time as President and Chief Executive Officer, Mr. Carstens's base salary according to employment agreements drafted by Mr. Nielsen surged from $625,000 to more than $4.4 million per year, plus hundreds of thousands of dollars in various retention and performance bonuses. In addition, employment agreements drafted by Mr. Nielsen but never shown to nor approved by the full Board, committed Landus to pay $10 million for a house Mr. Carstens purchased in Florida and $3.5 million to build his primary residence in Grimes, Iowa.

4. A common mechanism Defendants Mr. Carstens and Mr. Nielsen used to carry out their scheme was as follows: Mr. Carstens would raise an issue in a Board meeting, Mr. Nielsen would include in the Board meeting minutes a very general description of the issue and discussion, and then Mr. Nielsen would order employees to do things far beyond what was authorized, or he would draft an amendment to Mr. Carstens's employment agreement that would stretch the Board's discussion or authorization beyond all recognition and Defendants Carstens, Nielsen, and Chambers would not present the amended employment agreement to the Board or discuss it with them.

5. For example, in a March 2024 Board meeting, concern was expressed for Mr. Carstens's and his wife's general well-being and the Board discussed ways to alleviate the stress on Mr. Carstens as CEO. The Board expressed support for Landus paying for people to help the Carstens when they would host Landus-related events at their Grimes, Iowa home. In the Board meeting minutes, Mr. Nielsen documented this as the Board having supported the Carstens "hiring more help." Unbeknownst to any Board member, Mr. Carstens then caused Landus to employ at least four full-time workers to serve his family at their homes and to serve as the Carstens family's personal wellness doctor. His wife, Defendant Shanda Carstens, proposed job titles such as "Personal Wellness Assistant" for these employees to, in her words, "avoid labeling them house manager or personal assistants." These Landus employees served the Carstens in ways that had no connection whatsoever to Landus or Mr. Carstens's ability to better serve as Landus's CEO. Instead, they cooked for the Carstens, cleaned the Carstens's home, did yard work at the Carstens's

home and, according to detailed daily checklists, laid out Mr. Carstens's robe and slippers and tucked his heated blanket into the side of his bed.

6. Defendants Mr. and Mrs. Carstens would send one or more of these personal assistants to their Landus-funded Florida home days in advance of their arrival, to buy groceries and alcohol paid for by Landus and to otherwise get the house ready for them, even when the trip was purely personal.

7. For example, Mr. and Mrs. Carstens decided to use the Landus corporate jet to fly their entire family from Iowa to Florida for a week-long celebration of their daughter's 21st birthday, over Labor Day 2024. Mr. and Mrs. Carstens ordered three of the Landus-paid personal assistants to go to Florida two days before the Carstens family arrived on the Landus jet, so they could buy food and alcohol (to be paid for by Landus) and get the Florida house ready. One personal assistant was required to chauffeur the Carstens children and their friends from bar to bar until 2:00 a.m. on the daughter's 21st birthday, for which the personal assistant was paid overtime by Landus. No Board member was ever made aware of any of these facts at the time.

8. Mr. Carstens also caused Landus to pay $904,000 to Defendant The Matt & Shanda Carstens Family Foundation (the "Foundation") for a "Performance Center" (also called the "barn") to be built on the Carstens family's residential property and where farmers could receive physical and mental wellness services. To build the barn, Mr. Carstens hired the contractor who was building his personal residence on the same property. In one instance, when the contractor sent two separate invoices for work on the barn and the Carstens's home, Mr. Carstens replied: "Can you combine these [invoices] and add $32K for the equipment to landscape and snow removal, all under the barn." The contractor did as requested, and Mr. Carstens then sent the combined invoice to Landus for payment to the Foundation. The Performance Center project was abandoned after Polk County denied a zoning variance, but the Foundation has not returned any of Landus's money.

9. Defendant Nielsen was Landus's Executive Vice President and General Counsel, and he led the Board to believe that Landus was his only client. However, Mr. Nielsen performed

legal work for Mr. Carstens personally, the Foundation, and other organizations affiliated with Landus.

10. Mr. Nielsen drafted every amendment to Mr. Carstens's employment agreement, and he divulged to Mr. Carstens the discussions from Board Executive Sessions, which are the Board's means of confidentially discussing sensitive issues, including oversight of the CEO, without the CEO hearing the conversation. When members of the Executive Committee, which typically consists of three members chosen by the full Board, asked to see the amendments to Mr. Carstens's employment agreements so they could understand his full compensation, Mr. Nielsen told them they did not need to see them. At every turn, Mr. Nielsen used the position of trust he maintained with the Board and their belief that he was acting in Landus's best interests to assist Mr. Carstens's misappropriation from Landus.

11. Defendant Chambers, the former Board Chair, told Board members who asked about Mr. Carstens's compensation that it was an "Executive Committee matter" and that the Board "did not need to worry about it."

12. The misconduct alleged in this Petition was facilitated by the Defendants' positions of trust and their concealment of material information from Landus's Board of Directors. Although the Board was informed of and approved certain business initiatives and compensation arrangements, it was deprived of material information concerning the Defendants' subsequent actions, undisclosed contractual commitments, and personal use of cooperative assets. Landus brings this action to recover losses resulting from conduct that was not knowingly authorized by its Board and to protect the interests of its farmer-owners.

PARTIES

13. Plaintiff Landus Cooperative is headquartered in Des Moines, Iowa. Landus is an agricultural cooperative of more than 5,500 farmer-owners across Iowa and surrounding states that provides comprehensive supply chain, grain, and agronomy solutions and connects local producers to global markets.

14. Defendant Matthew Carstens is a resident of Grimes, Iowa. He was the President and Chief Executive Officer of Landus from February 2020 until April 2025.

15. Defendant Shanda Carstens is a resident of Grimes, Iowa. She is Mr. Carstens's spouse.

16. Defendant The Matt & Shanda Carstens Family Foundation is located in Grimes, Iowa. It is a public charity with a stated mission of "supporting rural communities across the Midwest with a focus on rural vitality, public education, and empowering future generations in the Midwest."

17. Defendant Stephen Nielsen is a resident of Ankeny, Iowa. He was the Executive Vice President and General Counsel of Landus from April 2020 until April 2025.

18. Defendant Matthew Chambers is a resident of Audubon, Iowa. He is a Landus member and was Chair of the Landus Board of Directors from February 2023 until June 2025.

JURISDICTION AND VENUE

19. Jurisdiction and venue are appropriate in this Court because the matters complained of herein occurred in whole or in part in this judicial district, and the amount in controversy exceeds the value of claims that otherwise may be asserted in small claims court.

FACTS

I. Matthew Carstens

20. On February 15, 2020, the Landus Board of Directors ("Board") hired Mr. Carstens as Landus's President and Chief Executive Officer ("CEO").

21. Mr. Carstens had previously worked at another member-owned agricultural cooperative as a Senior Vice President.

22. Mr. Carstens was regarded as a charismatic leader who could easily captivate a room and get people to believe in a big, innovative idea. He credibly talked about his vision to transform Landus from a traditional Midwestern agricultural cooperative into a multi-faceted, innovative company.

23. As part of this shift, Mr. Carstens removed "Cooperative" from the Landus logo and all Landus branding, and would reprimand Landus employees for wearing merchandise that said, "Landus Cooperative."

24. Mr. Carstens's initial employment agreement ("Employment Agreement") was effective February 15, 2020, for a five-year term with an initial base salary of $625,000 per year and a 3% raise for each year of employment.

25. The Employment Agreement also contemplated bonuses of up to $325,000 in 2020 and $512,000 in 2021, which Mr. Carstens received. In addition, the Employment Agreement stated that if Mr. Carstens remained as Landus's CEO until August 31, 2025, he would be entitled to a $550,000 "fulfillment bonus."

26. Between February 15, 2020 when he signed the Employment Agreement and April 5, 2025 when he resigned, Mr. Nielsen drafted six amended employment agreements and two restated employment agreements for Mr. Carstens.

27. By the time of his resignation, Mr. Carstens's perks and benefits as indicated in his employment agreements and through his other actions included $4,414,880 per year in salary, up to $300,000 in performance-based incentive bonuses, tickets to ISU sporting events, a suite at Wells Fargo Arena, payments for his $10,000,000 home in Florida, $3,500,000 for the land and his newly constructed home in Grimes, Iowa, grossed-up payments to cover income taxes for payments to him for both residences, $904,000 paid to the Foundation to build a Performance Center that was never built, personal travel on a Landus-owned private plane, and at least four full-time personal assistants serving Mr. Carstens, his wife, his children, and their pets.

II. Stephen Nielsen

28. Mr. Carstens and Mr. Nielsen worked together at a prior employer, where Mr. Nielsen was General Counsel.

29. Mr. Carstens caused Landus to hire Mr. Nielsen as its General Counsel in April 2020.

30. Mr. Carstens promoted Mr. Nielsen to Executive Vice President and General Counsel in October 2020.

31. Throughout his Landus employment, Mr. Nielsen was an attorney licensed to practice in Iowa and was subject to The Iowa Rules of Professional Conduct, which are set forth in Chapter 32 of the Iowa Court Rules.

32. Landus was Mr. Nielsen's client throughout his Landus employment, from April 2020 until April 2025.

33. For the entire period of his employment from April 2020 until April 2025, Mr. Nielsen led the Landus Board of Directors to believe that Landus was his only client.

34. While employed full-time by Landus as its Executive Vice President and General Counsel, Mr. Nielsen provided legal services to other individuals and organizations, including Mr. Carstens and the Foundation.

35. Mr. Nielsen never disclosed to anyone on the Board that he represented Mr. Carstens, the Foundation, or any person or entity other than Landus, and never disclosed facts to the Board that would have put the Board on notice that he had any conflict of interest that could compromise his ability to zealously advocate for Landus or fulfill his duty of loyalty to Landus.

36. Landus Board Members trusted Mr. Nielsen, as an officer of the law and Landus's lawyer, believing he represented Landus and its best interests.

37. Mr. Nielsen required Board members to sign Non-Disclosure Agreements ("NDAs") in order to receive information that they were otherwise entitled to as Board members.

38. Landus Board Members trusted Mr. Nielsen, as an officer of the law and Landus's lawyer, and signed those agreements believing them to be required in order to get access to certain information.

39. As Landus's Executive Vice President and General Counsel, Mr. Nielsen was responsible for acting as the chief legal advisor to the Landus Executive Leadership Team ("ELT") and Board.

40. During his term of employment, Mr. Nielsen attended Landus Board meetings and kept Board meeting minutes, which became the official meeting minutes once approved by the Board.

41. Mr. Nielsen's duties included drafting and negotiating employment contracts on behalf of Landus.

42. Mr. Nielsen drafted all of the amendments to and restatements of Mr. Carstens's Employment Agreement.

43. Mr. Nielsen led the Board to believe that any employment contract he drafted or negotiated on behalf of Landus would be done in a manner consistent with Board meeting discussions and votes, and in Landus's best interests.

44. Contrary to the image he created for the Board and his legal and professional obligations, Mr. Nielsen's ultimate loyalty was to Mr. Carstens, even when Mr. Carstens's interests and Landus's interests were in conflict.

45. Evidence of Mr. Nielsen's loyalty to Mr. Carstens over Landus includes Mr. Carstens's employment agreements and amendments, which Mr. Nielsen drafted in a manner that was more favorable to Mr. Carstens and less favorable to Landus than the Board directed.

46. On or around April 4, 2025, as Mr. Carstens was being removed as CEO, Mr. Nielsen quit without disclosing his conflicts or material information about Mr. Carstens's misappropriation and violation of duties Mr. Carstens owed to Landus.

47. In a virtual meeting on or around April 4, 2025, Mr. Nielsen said to the Board, "if you are accepting Mr. Carstens's resignation, you are accepting mine," and his last words to the Board before abruptly leaving the virtual call were, "have a nice f*cking day."

48. Upon information and belief, Mr. Nielsen followed Mr. Carstens to yet another employer after quitting his job at Landus.

III. Board of Directors

49. The Landus Board typically consists of eleven members.

50. Any agricultural producer in good standing with the Landus cooperative is eligible to run for the Board.

51. A Board member term is three years, renewable up to four terms or 12 years of continuous service.

52. The Board's Nominations Committee is responsible for identifying candidates to run for the Board.

53. The Board's Executive Committee typically consists of the Board's three officers—Board Chairperson, Vice Chairperson and Board Secretary—who are elected by the full Board at the December annual Board meeting.

54. The Executive Committee serves as a primary advisory group and communication link between the CEO and the full Board. For example, the Director Handbook states, "The Executive Committee shall have and exercise the powers of the Board of Directors in the management of the business and affairs of the Cooperative in the interim between meetings of the Board. The Landus Board may appoint the executive committee to act as PRESIDENT/CEO review committee."

55. The full Board typically ends each Board meeting with an Executive Session where just the Board members meet to discuss sensitive or confidential matters including CEO oversight, though the Board sometimes invites guests to Executive Session such as the General Counsel.

56. In general, if the Board wants to share those Executive Session discussions with someone who was not in the room, the Board controls to whom and how the message is delivered.

57. Mr. Nielsen generally attended all or nearly all Landus Executive Sessions, purportedly to take minutes.

58. Mr. Carstens left the Board room for all or nearly all Landus Executive Sessions.

59. Unbeknownst to the Board, Mr. Nielsen often told Mr. Carstens what was discussed during these confidential Executive Sessions.

60. At the time Mr. Carstens and Mr. Nielsen were hired in spring 2020, Landus was an active participant in the Iowa Institute of Cooperatives (the "Institute"), which offered all new Board members training on fiduciary duties and governance.

61. Jim Carlson was Board Chair when Mr. Carstens was hired and until December 2020.

62. Mr. Carlson had encouraged Board members to speak up and ask questions.

63. Nate Stewart was Board Chair from December 2020 until February 2023.

64. Landus, like many agricultural cooperatives, experienced record profitability during the 2020 COVID-19 pandemic ("Pandemic"), achieving $20 million in profits, the highest since its formation in 2016.

65. Mr. Carstens took credit for all of the success Landus had during the Pandemic.

66. Mr. Carstens told Board Chair Stewart in 2021 and 2022 that he was receiving CEO offers from sizable companies in places like New York City.

67. Mr. Carstens told Mr. Stewart and the Board that if Landus wanted to keep him as CEO, they would need to increase his compensation and benefits.

68. In December 2020, December 2021, and December 2022 the full Board reviewed Mr. Carstens's performance and discussed Mr. Carstens's compensation package for the following year.

69. While Mr. Stewart was Board Chair, Mr. Nielsen drafted three amendments to Mr. Carstens's Employment Agreement, dated July 27, 2021, March 22, 2022, and December 6, 2022.

70. The full Board was not shown these amendments nor was it informed of the material changes reflected in those agreements.

71. As a result, the Board's discussions concerning compensation did not constitute informed approval of the undisclosed employment agreements.

72. In or around October 2022, Mr. Carstens and Mr. Nielsen caused Landus to cut ties with the Institute and to stop offering training to Board members.

73. Mr. Carstens and Mr. Nielsen told the Board the Institute was not worth the Board's time or money and that members did not need training.

74. Mr. Carstens and Mr. Nielsen knew that for many Landus Board members, this was their first time ever serving on a Board.

75. Mr. Chambers had never served on a Board prior to joining the Landus Board.

76. Mr. Carstens called Mr. Chambers in 2020 and asked him to run for an open Board position.

77. Mr. Chambers initially resisted, telling Mr. Carstens he did not want to run for the Board position.

78. Mr. Carstens pressured Mr. Chambers, telling Mr. Chambers he really wanted him on the Board and ultimately prevailed upon him to run.

79. Mr. Chambers was elected to the Landus Board in December 2020 and attended his first Board meeting in January 2021.

80. In 2022, Mr. Chambers was appointed Vice Chair of the Board.

81. Mr. Chambers took over as Board Chair in February 2023 and served until June 2025.

82. Upon information and belief, Mr. Chambers did not receive Board Chair training or any Board-related training after 2021.

83. When Board members asked Mr. Chambers about Board training, Mr. Chambers said he would look into it but did not report back.

84. While Mr. Chambers was Board Chair, Mr. Nielsen drafted two restatements of and three amendments to Mr. Carstens's Employment Agreement.

85. Starting in early 2023 when Mr. Chambers started his Board Chair tenure, information flow to Board members slowed and became more restricted.

86. Throughout Mr. Chambers's tenure, Board members were discouraged from asking questions or challenging Mr. Carstens.

87. Landus's governing documents assigned responsibility for identifying and selecting Landus Board nominees to the Board's Nominating Committee, which was appointed by the Board.

88. Notwithstanding the Nominating Committee's official role in identifying Board candidates, Mr. Carstens hand-picked candidates to run for Board seats.

89. Mr. Carstens and Mr. Nielsen intentionally prevented the Board and the ELT from having direct communication.

90. Mr. Carstens, Mr. Nielsen, and Mr. Chambers also took steps to keep critical information about Mr. Carstens's compensation and benefits from the full Board by telling the Board that those issues were being handled by the Executive Committee of the Board ("Executive Committee").

91. Mr. Carstens, Mr. Nielsen, and Mr. Chambers were the only ones who had access to information regarding the details of Mr. Carstens's compensation, and the level of information shared with the other members of the Executive Committee was not uniform or complete.

92. The Executive Committee from 2023 to 2025 was comprised of Mr. Chambers as Board Chair, Dan Reynolds, and Matt Showalter.

93. Mr. Carstens and Mr. Nielsen intentionally shielded Mr. Reynolds and Mr. Showalter from critical information about Mr. Carstens's compensation package.

94. In December 2023, Mr. Carstens's compensation package was not presented to the Board for approval.

95. From December 2023 until Mr. Carstens departed in April 2025, the Board was not given complete information regarding Mr. Carstens's full compensation and benefits.

96. On at least two occasions, a Board member at a Board meeting asked for information about Mr. Carstens's compensation.

97. On one of these occasions, Mr. Chambers responded that Mr. Carstens's compensation and benefits package was an "Executive Committee matter" and the Board "did not need to worry about it."

98. On the other occasion, Mr. Nielsen rejected a Board member's request related to Mr. Carstens's compensation and benefits and stated that the Board should not want to know that information.

99. Mr. Chambers often made decisions with Mr. Carstens and Mr. Nielsen that he purported to make on behalf of the entire Board.

100. Because Mr. Nielsen is a lawyer, Board members trusted him to assist, guide, and counsel the Board.

101. Board members also trusted that Mr. Nielsen was acting as Landus's lawyer and working to protect Landus's best interests.

IV. The Amendments to Matthew Carstens's Employment Agreements

102. Mr. Nielsen drafted an initial Amendment to Mr. Carstens's Employment Agreement, dated July 27, 2021 ("First Amendment").

103. The First Amendment increased Mr. Carstens's annual base salary from $675,000 to $1,000,000 per year, a 48.15% increase, and provided for a performance-based incentive bonus of up to $150,000 per year.

104. The First Amendment stated that Landus would compensate Mr. Carstens for the actual cost of four tickets for Mr. Carstens to Iowa State University ("ISU") football, men's basketball, wrestling, volleyball, and gymnastics sporting events, referring to it as a "reimbursement."

105. The First Amendment also stated that Landus would compensate Mr. Carstens for six tickets to events at Wells Fargo Arena ("Wells Fargo"), referring to it as a "reimbursement."

106. Landus treated the ISU and Wells Fargo tickets as a reimbursement for a business expense for Mr. Carstens.

107. Mr. Carstens gave the Board and the ELT the impression that the ISU and Wells Fargo tickets would be used for Landus business.

108. Mr. Carstens stated he intended to use the ISU and Wells Fargo tickets to entertain customers and farmers.

109. However, the ISU and Wells Fargo tickets were used almost exclusively for Mr. Carstens's personal benefit.

110. From July 2021 until March 2022, Mr. Carstens's compensation package totaled $1,000,000 per year in base salary, up to $150,000 in performance-based incentive bonuses, and tickets to ISU and Wells Fargo events.

111. During the March 22, 2022 Board meeting, minutes indicate that during Executive Session, "The Board then discussed the concept of amending Carstens' Employment Agreement (Second Amendment as presented to the Board) as part of a ten-year 'golden handcuffs' plan."

112. Mr. Nielsen then drafted another Amendment to Mr. Carstens's Employment Agreement, dated March 22, 2022 ("Second Amendment").

113. The Second Amendment Mr. Nielsen drafted provided that, contingent upon and in exchange for Mr. Carstens staying at Landus for the next 10 years, Landus would pay up to $4,100,000 for Mr. Carstens to "obtain[] a residence in Florida to entertain customers, reward employees, and otherwise benefit Landus" ("the $4.1MM Florida House").

114. From March until December 2022, Mr. Carstens's compensation package totaled $1,000,000 per year in base salary, up to $150,000 in performance-based incentive bonuses, tickets to ISU and Wells Fargo events, and the $4.1MM Florida House.

115. The December 5, 2022 Board meeting minutes indicate that the Board discussed during Executive Session, "The Board had a robust discussion around proper compensation for Carstens. The Executive Committee, on their own initiative, met with Carstens and discussed increased compensation to keep Carstens at Landus, after exploring the gross sales and CEO compensation for other companies close to the size of Landus. Two options were discussed with Carstens, and the Board wanted to make it crystal clear to Matt and Shanda Carstens that the Board does not expect them to entertain farmer-owners or employees at their new Grimes home that is under construction." The minutes state that the Board approved "Option #2" which was not otherwise defined or explained within the minutes.

116. Mr. Nielsen drafted another Amendment to Mr. Carstens's Employment Agreement, dated December 6, 2022 ("Third Amendment"). The Third Amendment stated that Landus would increase Mr. Carstens's base salary from $1,000,000 to $1,700,000 per year, a 70% increase, and increase his performance-based incentive bonus from a maximum of $150,000 per year to $300,000 per year. The tickets and $4.1MM Florida House benefits remained in place.

117. The Third Amendment stated that Landus would also pay up to $3,500,000 for Mr. and Mrs. Carstens to buy land a build a new home in Grimes, Iowa ("the $3.5MM Grimes House") contingent on Mr. Carstens remaining Landus's CEO for the next five years, stating "As an example for clarity, if Carstens is no longer the President/CEO at Landus as of March 1, 2025 then the remaining balance of $1,400,000 will not be paid by Landus, and that balance will be the sole responsibility of Carstens to pay back to Landus in full," with reference to the following schedule:

Thus, the approximate remaining balances of the mortgage payments, in the event Carstens is no longer full-time employed at Landus, shall be as follows:

DATE	PAYMENT MADE	REMAINING BALANCE
April 1, 2023	$700,000.00	$2,800,000.00
April 1, 2024	$700,000.00	$2,100,000.00
April 1, 2025	$700,000.00	$1,400,000.00
April 1, 2026	$700,000.00	$700,000.00
April 1, 2027	$700,000.00	$0

118. Mr. Carstens was no longer employed by Landus as of April 4, 2025.

119. Even though the Third Amendment contemplated that payments would be made over a four-year period, Mr. Carstens caused Landus to pay the entire $3.5 million in or around August 2023, within the first year after construction began.

120. The Third Amendment also indicated that Landus would "gross-up" Mr. Carstens's compensation for the $4.1MM Florida House and the $3.5MM Grimes House to cover Mr. Carstens's income taxes owed on those payments.

121. Finally, the Third Amendment provided that if Mr. Carstens departed Landus for any reason, Landus would pay for Mr. Carstens's and his spouse's health insurance for an additional 10 years post-departure.

122. Upon information and belief, the Board never discussed covering Mr. Carstens's health insurance post-departure.

123. At this point, Mr. Carstens's compensation package totaled $1,700,000 per year in base salary, up to $300,000 in performance-based incentive bonuses, tickets to ISU and Wells Fargo events, the $4.1MM Florida House, the $3.5MM Grimes House, and grossed-up payments for both residences.

124. On February 7, 2023, Mr. Nielsen executed a new employment agreement to consolidate Mr. Carstens's original Employment Agreement, First Amendment, Second Amendment, and Third Amendment (the "February 2023 Employment Agreement").

125. In addition to all the perks contained in Mr. Carstens's prior employment agreements, the February 2023 Employment Agreement caused Landus to reimburse Mr. Carstens for a suite at Wells Fargo Arena.

126. Nothing in Board meeting minutes from that period suggests that the Board discussed a new employment agreement or new compensation or benefits for Mr. Carstens.

127. On May 23, 2023, Mr. Nielsen executed yet another Employment Agreement for Mr. Carstens (the "May 2023 Employment Agreement").

128. The May 2023 Employment Agreement stated that Landus would assist Mr. Carstens with "obtaining a [new] residence in Florida to entertain customers, reward employees, and otherwise benefit Landus," this time up to $10,000,000 for Mr. Carstens to purchase the house located at 32 Gulf Blvd., Indian Rocks Beach, Florida 33785 (the "$10MM Florida House"). This would replace the $4.1MM Florida House.

129. At around this time, Mr. Carstens had called Mr. Chambers and told him that he had been approached by a realtor about buying a bigger Florida house that would be better for entertaining.

130. According to the May 2023 Employment Agreement, the payments for the $10MM Florida House were contingent on Mr. Carstens remaining Landus's CEO for 12 years, with the remaining balance the sole responsibility of Mr. Carstens to pay back to Landus on the following schedule:

Thus, the approximate remaining balances of the mortgage payments, in the event Carstens is no longer full-time employed at Landus, shall be as follows:

DATE	PAYMENT MADE	REMAINING BALANCE
April 1, 2022	$833,333.33	$9.166,666.67
April 1, 2023	$833,333.33	$8,333,333.34
April 1, 2024	$833,333.33	$7,500,000.01
April 1, 2025	$833,333.33	$6,666,666.68
April 1, 2026	$833,333.33	$5,833,333.35
April 1, 2027	$833,333.33	$5,000,000.02
April 1, 2028	$833,333.33	$4,166,666.69
April 1, 2029	$833,333.33	$3,333,333.36
April 1, 2030	$833,333.33	$2,500,000.03
April 1, 2031	$833,333.33	$1,666,666.70
April 1, 2032	$833,333.33	$ 833,333.37
April 1, 2033	$833,333.33	$ 0.00

131. At this point, Mr. Carstens's compensation package totaled $1,700,000 per year in base salary, up to $300,000 in performance-based incentive bonuses, tickets to ISU sporting events, a suite at Wells Fargo Arena, the $10MM Florida House, the $3.5MM Grimes House, and grossed-up payments for both residences.

132. The full Board did not know about and was not presented with the May 2023 Employment Agreement.

133. Mr. Carstens did not tell anyone on the Board that he had made an offer on the $10MM Florida House until after he had done so.

134. The $10MM Florida House was purchased on June 9, 2023.

V. The Matt & Shanda Carstens Family Foundation

135. On November 15, 2023, Mr. Carstens and his wife, Shanda Carstens, incorporated "The Matt & Shanda Carstens Family Foundation" as an Iowa nonprofit (the "Foundation").

136. The Foundation received its determination letter from the Internal Revenue Service ("IRS") on April 18, 2024.

137. The determination letter concluded that the Foundation qualified as a public charity described in Section 170(b)(1)(A)(vi) of the Internal Revenue Code of 1986, as amended (the "Code"), retroactive to its November 15, 2023 formation date.

138. One of the Foundation's key initiatives was constructing and operating a "performance center," also called "the barn" ("Performance Center"), which Mr. and Mrs. Carstens intended to construct on their personal property in Grimes, Iowa.

139. The Carstens said the Performance Center would benefit Landus employees and farmers by offering them use of the Performance Center's sauna, yoga room, spa, men's and women's locker rooms, and a kitchen (and more), and a space with the ability to host trainings, seminars, and other wellness-related events.

a. The Performance Center

140. Mr. Nielsen drafted another amendment to Mr. Carstens's employment agreement, signed January 4, 2024 (the "Fourth Amendment").

141. The Fourth Amendment caused Landus to pay $1,000,000 to the Foundation in connection with the construction of the Performance Center and an additional $1,000,000 personally to the Carstens family for the operation of the Performance Center.

142. The Fourth Amendment reads, in relevant part:

> The parties agree to augment [Mr. Carstens's] ability to remain employed at Landus for the next five (5) years and assist [Mr. Carstens] in constructing a 'Performance Center' [] near his residence in Grimes, Iowa to allow 17-20 people at a time come in for focused training that includes biometrics (blood) screening, sleep training, how to eat better, individual and team activities, and more, to otherwise benefit Landus and the individuals. [Mr. Carstens] agrees to utilize the [Performance Center] for company business and not to charge Landus anything for any such use, other than to seek reimbursement for reasonable speaker fees, food and beverages served on company business at the [Performance Center]. Contingent on [Mr. Carstens] remaining a full-time employee as President/CEO at Landus for the next five (5) years, Landus agrees to pay $1,000,000 to the [Foundation] and an additional $1,000,000 to [Mr. Carstens] personally for the land, utilities, etc. capped at $2,000,000.00 (total).

143. The Carstens planned to construct the Performance Center on their land in Grimes, Iowa.

144. Mr. Carstens hired contractor John Larson of J. Larson Homes to construct the Performance Center.

145. J. Larson Homes was simultaneously constructing the Performance Center and Mr. Carstens's personal residence.

146. Mr. Larson billed Mr. Carstens for construction of both the Grimes, Iowa home and the Performance Center, by preparing invoice spreadsheets or "draws," which included: (1) a description of the work performed, (2) the cost associated with each work task performed, and (3) the total amount owed ("Invoices").

147. Mr. Larson sent the Invoices to Mr. Carstens, who forwarded them to Landus's then-Chief Financial Officer ("CFO").

148. Mr. Carstens instructed the CFO to facilitate the payment from Landus to the Foundation, so that the Foundation could pay Mr. Larson.

149. On November 9, 2023, Mr. Carstens emailed the CFO an Invoice totaling $515,506.18 for items including "ground," "dirt work," "concrete and concrete prep," and "clearing and grubbing" and instructed the CFO to pay the Foundation.

150. The CFO then caused Landus to wire the Foundation $600,000.

151. On December 18, 2023, Mr. Larson emailed Mr. Carstens two invoices: one for work performed on the Performance Center and one for work performed on the $3.5MM Grimes House—Mr. Carstens's personal residence.

152. The Invoice for the Performance Center totaled $99,760.65.

153. The Invoice for the $3.5MM Grimes House totaled $68,787.37.

154. Mr. Carstens instructed the CFO to transfer the total amount for ***both*** Invoices from Landus to the Foundation bank account.

155. This was four months after the CFO had instructed Landus accounting staff to short-pay the J. Larson Homes Invoice from August 2023 because Landus had hit the $3.5 million cap on payments for the $3.5MM Grimes House.

156. Nevertheless, the next day, December 19, 2023, the CFO caused Landus to wire the Foundation $170,000.

157. On January 16, 2024, Mr. Larson emailed Mr. Carstens two more Invoices, one for work performed on the Performance Center and one for work performed on the $3.5MM Grimes House.

158. The Invoice total for the Performance Center was $42,048.

159. The Invoice total for the $3.5MM Grimes House was $19,040.

160. Mr. Carstens responded to Mr. Larson and said, "Can you combine these [Invoices] and add $32K for the equipment to landscape and snow removal, all under the barn."

161. Mr. Larson combined the Invoices and sent Mr. Carstens an updated Invoice making it appear as though all the construction costs were associated with the Performance Center.

162. The invoice total was $103,748.51.

163. On January 19, 2024, Mr. Carstens emailed the CFO the combined Invoice and instructed her to transfer the amount to the Foundation bank account.

164. The CFO then caused Landus to wire the Foundation $110,000.

165. At the same time Mr. Carstens caused Landus to send money to the Foundation for construction-related costs for the Performance Center, the Foundation had to request a variance to the Polk County Zoning Ordinance (the "Ordinance") to allow construction of the Performance Center on the Carstens's residential property.

166. The Ordinance imposed two hurdles to the Foundation constructing the Performance Center on the Carstens's residential property: (1) any proposed "accessory building" to the residential property (the Performance Center) must be for personal use only and could not be used for business purposes, and (2) any accessory building to a residential property must be within 150 feet of the main structure.

167. The Performance Center was, at least as advertised in public-facing documents and represented to the Landus Board, supposed to be open to the public for public benefit, not personal use.

168. Additionally, Mr. Larson was planning to place the Performance Center 420 feet from the main structure and had already begun to prepare the site when a neighbor challenged the construction.

169. The Foundation and Mr. Larson filed for a variance to the Ordinance.

170. On January 16, 2024, the Polk County Board of Adjustment heard the Foundation's variance application and denied it in-person at the Polk County Board Meeting.

171. On January 19, 2024, Polk County sent a letter confirming denial of the variance application—the same day Mr. Carstens emailed the Invoice for $103,748.51 to the CFO instructing her to cause Landus to pay the Foundation for costs allegedly associated with constructing the Performance Center.

172. Despite Polk County stopping construction of the Performance Center in January 2024, Mr. Carstens caused Landus to wire the Foundation money for construction work allegedly related to the Performance Center through February 2024.

173. On February 10, 2024, Mr. Carstens sent the CFO an Invoice purportedly for the Performance Center totaling $19,084.21 for excavation, goods and services, concrete, permits and licenses, exterior doors and windows, subcontractor fees, and builder fees and instructed her to pay the Foundation.

174. The CFO then caused Landus to wire the Foundation $20,000.

175. Mr. Carstens and Mr. Nielsen also caused Landus to pay the legal fees of the lawyers who assisted the Foundation with the Polk County variance application, which totaled $3,771.25.

176. Mr. Carstens caused the CFO to wire the Foundation $4,000.

177. In total, Mr. Carstens caused Landus to pay $904,000 to the Foundation between December 2023 and February 2024.

178. Plaintiff does not know whether the Foundation paid J. Larson Homes or any of the invoices submitted to support payment to the Foundation.

179. The only individuals at Landus who saw the Invoices from Mr. Larson were Mr. Carstens, Mr. Nielsen, the CFO, and Landus's accounting staff who was instructed by the CFO to facilitate payments from Landus to the Foundation.

180. The CFO approved and facilitated payments from Landus to the Foundation (in amounts greater than the Invoice amounts) because: (1) Mr. Carstens told the CFO that the Board had approved payments of up to $1,000,000 for constructing the Performance Center and $1,000,000 to Mr. Carstens personally, and (2) Mr. Carstens instilled in the CFO a fear of being fired at the same time he instructed the CFO to make the payments.

181. Following Polk County's denial of the variance application, and based on Mr. Nielsen's legal advice, the Foundation decided to wait and re-file the variance request in December 2024.

182. Mr. Nielsen did not disclose to the Board that he had provided legal advice to the Foundation.

183. On Saturday, December 7, 2024, Mr. Nielsen emailed Mr. and Mrs. Carstens about the plan to submit the variance request paperwork: "Matt & Shanda – I've connected [two outside lawyers] today, and asked them to connect early this week to complete the paperwork and get it filed for us. Also FYI [the Landus employee assisting with the Foundation] called me yesterday and had some questions regarding the performance center . . . . She seemed a bit skeptical about this project, and frankly the conversation was a little bit contentious as she asked how much the Landus Board had approved $ for this, and how much had already been spent. I referred her to [the CFO] on that latter question. Not a big deal and [the questioning employee] and I are fine, just wanted you both to know she is poking around and asking a lot of questions. . . ."

184. Mr. Nielsen did not disclose to the Board that he was coordinating outside counsel for the Foundation.

185. Mr. Nielsen refused to answer the employee's questions about Board authority for or spending on the Performance Center.

186. On December 16, 2024, outside lawyers representing the Foundation filed an appeal with Polk County.

187. The Foundation withdrew the appeal in January 2025.

188. The Performance Center was never built, and no meaningful work on the Performance Center was ever completed, despite invoices that Landus paid that suggested they were for construction of the Performance Center building.

189. Mr. Carstens, Mr. Nielsen, and Mr. Chambers raised the idea and proposed funding structure for the Performance Center to the Board at the very end of the October 24, 2023 Board Meeting, late at night, in the middle of harvest season.

190. Mr. Carstens, Mr. Nielsen, and Mr. Chambers impressed upon the Board that they needed to approve the initiative right away, because construction on the Performance Center had already started.

191. The October 24, 2023 Board meeting minutes indicate that the Board discussed the Performance Center in context of a CapEx approval. The summary of the Performance Center discussion is: "The concept is to have 17-20 people at a time come in for focused training that includes biometrics (blood) screening, sleep training, how to eat better, individual and team activities, and more. This will be added to Carstens' employment contract and he will need to stay here for the full five (5) years in order to keep the facility. The construction schedule will be finished around May 2024. The proposal is: Carstens Family Foundation, $1,000,000. Matt Carstens (land, utilities etc.), $1,000,000. Total = $2,000,000."

192. The Board's approval was based on representations from Mr. Carstens and Mr. Nielsen that the Performance Center would be constructed and made available for legitimate Landus business purposes.

193. The Foundation's use of the funds donated by Landus for the Performance Center was materially different from what was presented to the Board and ultimately approved by the Board.

194. Mr. Carstens submitted the first Performance Center-related Invoice to the CFO just two weeks after the Board approved the project.

195. The Board did not authorize the use of Performance Center-related funds to pay expenses associated with the $3.5MM Grimes House and did not approve invoices disguising personal expenses as Performance Center costs.

196. The Board did not have visibility into: (1) the alleged construction of the Performance Center; (2) the Invoices prepared by Mr. Larson; (3) the variance application with Polk County and the issues associated with the Ordinance; or (4) the payments Mr. Carstens caused Landus to make to the Foundation.

197. Board members asked Mr. Carstens at various points for information about the status of the Performance Center building project.

198. For example, at a Board meeting in August 2024 Board member Lynn Barry asked about the status of the Performance Center.

199. After Mr. Barry asked Performance Center-related questions, Mr. Carstens told Mr. Chambers, Mr. Showalter, and Mr. Reynolds that he wanted Mr. Barry kicked off the Board.

200. Mr. Chambers pulled Mr. Barry aside after the Board meeting and reprimanded him for asking about the status of the Performance Center.

201. Board members who asked questions like this were often reprimanded by Mr. Carstens, Mr. Nielsen, and/or Mr. Chambers for doing so.

202. After Polk County's denial of the variance necessary to construct the Performance Center, Mr. Carstens abandoned the idea for the Performance Center and called Mr. Chambers to notify him that there was $700,000 left in the Foundation bank account.

203. Mr. Carstens told Mr. Chambers that Mr. Nielsen had found a way to make the payments "above board," so the Foundation could keep the money.

204. The Foundation never returned any money to Landus, despite the fact that those payments were donations made to a public charity intended to be used for a specific purpose.

205. The Foundation's 2023 tax return reports $770,000 in contributions, gifts, and grants.

206. The Foundation's 2023 tax return further states that the Foundation spent $530,000 on the Performance Center and had "net assets without donor restrictions" of $237,000 at the end of 2023.

207. The Foundation's 2024 tax return indicates that the Foundation spent $341,381 on construction-related costs for building the Performance Center, but also noted the Foundation was reviewing its construction expenses paid in 2023 and 2024 to ensure they are correctly reported.

VI. The Corporate Plane

208. In April 2023, Mr. Carstens proposed to the Board that Landus purchase one-tenth of a private airplane to be used for "CEO-only and Board-only flights."

209. Then in August 2024, Mr. Carstens presented the Board with plans to cause Landus to purchase 100 percent of a used airplane.

210. The Board approved after Mr. Carstens promised the plane would be used for Landus business purposes—not Mr. Carstens's personal use.

211. The flight manifests for the Landus corporate plane show Mr. Carstens and his family, along with friends of the Carstens family, used the Landus airplane on a regular basis.

212. Using data from the manifests, flights where Mr. Carstens and his family use the Landus corporate plane are summarized here:

Date	Origin Location	Destination Location	Passengers
August 28, 2023	Westhampton Beach, NY	Rochester, MN	Matt Carstens Shanda Carstens
December 19, 2023	Des Moines, IA	Teterboro, NJ	Matt Carstens Shanda Carstens Claire Carstens Camden Carstens Jaden Johnson Carolyne Carstens

January 14, 2024	Des Moines, IA	St. Petersburg, FL	Matt Carstens Maggie Gate McGrath Shanda Carstens Carolyne Carstens
March 17, 2024	St. Petersburg, FL	Des Moines, IA	Matt Carstens Shanda Carstens Claire Carstens Jaden Johnson Camden Carstens
June 30, 2024	Des Moines, IA	St. Petersburg, FL	Matt Carstens Shanda Carstens Camden Carstens Jaden Johnson Claire Carstens Maggie Gate McGrath Carolyne Carstens
July 12, 2024	St. Petersburg, FL	Des Moines, IA	Matt Carstens Shanda Carstens L.M.
August 29, 2024	Des Moines, IA	St. Petersburg, FL	Matt Carstens Shanda Carstens Claire Carstens Carolyne Carstens Zachary Stewart Camden Carstens Maggie Gate McGrath
September 6, 2024	St. Petersburg, FL	Des Moines, IA	Matt Carstens Shanda Carstens L.M.
November 26, 2024	Des Moines, IA	Teterboro, NJ	Matt Carstens Shanda Carstens Camden Carstens Claire Carstens Carolyne Carstens
November 28, 2024	Teterboro, NJ	Des Moines, IA	Matt Carstens Shanda Carstens Camden Carstens Claire Carstens Carolyne Carstens
March 9, 2025	St. Petersburg, FL	Des Moines, IA	Matt Carstens Shanda Carstens Camden Carstens Claire Carstens Carolyne Carstens
March 12, 2025	Des Moines, IA	St. Petersburg, FL	Matt Carstens Carolyne Carstens
March 13, 2025	St. Petersburg, FL	Des Moines, IA	Matt Carstens Carolyne Carstens

213. On June 30, 2024, the Carstens family, along with several family friends, traveled from Des Moines, Iowa to St. Petersburg, Florida.

214. A Landus-branded itinerary labeled "Carstens Family Vacation in FL" indicates the Carstens family planned to be on vacation in Florida from June 30, 2024 to July 7, 2024.

215. The itinerary includes beach days, dinners, trips to Epcot, shopping, and more from June 30, 2024 through July 7, 2024.

216. The itinerary does not list any business meetings or Landus-related events.

217. Mr. Carstens and Mrs. Carstens used the Landus corporate plane to fly themselves and one of the Carstens's Personal Assistants back to Iowa on July 12, 2024.

218. A true and correct copy of the Carstens family vacation itinerary is attached as **Exhibit A**.

219. On August 29, 2024, the Carstens family, along with several family friends, again traveled from Des Moines, Iowa to St. Petersburg, Florida on the Landus corporate plane.

220. A Landus-branded itinerary details a week of events from Thursday, August 29 through Friday, September 6, 2024, to celebrate Mr. Carstens's daughter's 21st birthday. A true and correct copy of the 21st birthday itinerary is attached as **Exhibit B**.

221. In November 2024, the Carstens family used the Landus plane to fly to New York City over Thanksgiving weekend (*see supra* flights from Des Moines, Iowa to Teterboro, New Jersey on November 26 and November 28, respectively).

222. Upon information and belief, the Carstens family went to the Macy's Holiday Parade, attended several Broadway shows, stayed at an upscale hotel, and shopped at luxury designer stores while they were in New York.

223. The CFO questioned Mr. Carstens on the business purpose for the flight to New York City because the flight manifest indicated that the only passengers on board were the Carstens family.

224. The CFO told Mr. Carstens she believed this was a personal trip for his family.

225. Mr. Carstens "insisted" it was a business trip and stated he was "meeting with people the whole time" he was in New York.

226. In January 2025, in response to public scrutiny of his use of the plane, Mr. Carstens denied to Landus employees on a company call that Landus owned a corporate plane and that, "when I travel privately, it's for efficiency."

227. The written talking points from the January 2025 companywide meeting deny Landus's ownership of the plane and deny that Mr. Carstens traveled privately for personal vacations.

VII. Shanda Carstens

228. As of March 2024, Mr. Carstens's compensation and perks included $1,700,000 per year in base salary, up to $300,000 in performance-based incentive bonuses, tickets to ISU sporting events, a suite at Wells Fargo Arena, payments for the $10MM Florida House, payments for the $3.5MM Grimes House, grossed-up payments for both residences, $904,000 in payments to the Foundation, and personal travel for himself and his family on the private plane Mr. Carstens had caused Landus to purchase.

229. In March 2024, the Board discussed that there were "many things going on" and "concern was expressed about Matt & Shanda's health and wellbeing."

230. Minutes from that Board meeting state that the Board supported the Carstens "hiring more help."

231. Board members understood "more help" to mean part-time help at Landus-related events hosted at the $3.5MM Grimes House.

232. On April 12, 2024, Mrs. Carstens responded to a Care.com posting by a woman who was offering part-time cleaning services.

233. Mrs. Carstens's message to the woman said:

> [] I'm reaching out to you to see if you'd have any interest in doing a phone interview. I'm looking for some ***part time personal assistant work*** that is non traditional hours, so evenings, weekends and any summer help. We live in Grimes. My husband is a CEO of an agricultural company and we just launched our family foundation in November. We keep very busy schedules. You'd be working with a team that supports our schedules. Please let me know if you're interested and when you'd have time to visit. Thank you[.]

(emphasis added).

234. The woman responded to Mrs. Carstens's message stating that she was interested, after which she was interviewed by Mr. Carstens, Mrs. Carstens, and three then-current Landus employees.

235. Following the interviews, the woman was offered a ***full-time*** position as a Landus employee ("Personal Assistant 1").

236. In connection with the job offer, Personal Assistant 1 received a Landus employee packet, including a benefits package.

237. Personal Assistant 1 was paid hourly, at a rate of $25 per hour plus time and a half for any overtime hours worked in a week.

238. On April 20, 2024, Mrs. Carstens emailed Mr. Carstens and three of their Landus-paid personal assistants and wondered, "I was thinking about the ***personal support staff*** coming on board and what their best titles might be." (emphasis added).

239. Mrs. Carstens decided to give these full-time employees the following titles: Personal Coordinator, Personal Wellness Assistant, Wellness Support Staff, and Personal Wellness Intern, instead of calling them what they were, the Carstens's Personal Assistants.

240. The Carstens's Personal Assistants worked full time, serving the Carstens family whenever and however requested.

241. The Personal Assistants' tasks included, but were not limited to: dog sitting; picking up after the dog; cleaning cat litter; watering flowers; cleaning the Carstens's houses; fluffing pillows; maintaining the pool area; power-washing the garage, driveway, and pool deck; taking out trash; spraying weeds; mowing the yard; filling the cars with gas; grocery shopping; preparing and cooking meals; and traveling with the Carstens family to Florida to provide support while the Carstens traveled.

242. The Personal Assistants had a different checklist for every day of the week.

243. The checklists were saved on the Carstens family Google Drive.

244. Tuesday was "salmon day," which meant the personal assistants were required to pick up salmon from a particular grocery store and then prepare the salmon in a particular way for the Carstens.

245. Wednesday was "mowing day."

246. Friday was "cleaning day."

247. There were both weekday and weekend checklists.

248. There were also additional, separate checklists for hosting activities, checklists for pool parties, and checklists for Landus-related events.

249. A true and correct copy of the Carstens's Personal Assistants' "Saturday Checklist" is attached as **Exhibit C**.

250. The Saturday Checklist includes, but is not limited to, the following tasks:

- Place Shanda's shot, ritz crackers and ginger ale (mini can) on the table between the recliners in the bedroom;
- Make sure all cushions are fluffed – living room, bar, patio;
- Turn down bed in master bedroom – place Matt's robe at the end side of his bed and his slippers on the floor by the robe;
- Make sure Matt's side of the heated blanket is tucked in;
- Hang up Shanda's clothes on the closet stool;
- Make sure there is tea in the refrigerator for Matt.

251. Personal Assistant 1 worked, on average, 60 hours per week.

252. All of the Carstens's Personal Assistants' time, including overtime, was paid for by Landus.

253. The Carstens's Personal Assistants would travel with the Carstens family to Florida to perform tasks at the Florida home.

254. Personal Assistant 1 and two other Personal Assistants traveled to Florida in connection with Mr. Carstens's daughter's 21st birthday celebration.

255. The three Personal Assistants traveled to Florida two days before the birthday celebrations to "prep the house" for the birthday celebrations, including cleaning the inside and outside of the home and purchasing all the food and alcohol for the weekend.

256. Landus paid for these 21st birthday party expenses, including travel expenses for the Carstens family's and the Carstens's Personal Assistants, food and beverage for everyone, hourly and overtime pay for the three Personal Assistants, and more.

257. Personal Assistant 1 worked approximately 80 hours that week, including working all day at the $10MM Florida House preparing meals, cleaning, etc., and then working until 2:00 a.m. driving the Carstens children and their friends to and from the bars to celebrate Mr. Carstens's daughter's 21st birthday.

258. The Board had discussed and supported the Carstens hiring ***part-time*** help to support ***Landus-related events*** hosted at Landus's offices or at the Carstens's $3.5MM Grimes House.

259. The Board members did not authorize or have any knowledge of Mr. Carstens (or Mrs. Carstens) hiring several full-time employees to perform personal tasks such as placing Mr. Carstens's slippers and robe in a specific place and tucking his heated blanket into the side of his bed.

260. In just one example of how the ELT was kept in the dark and lied to about Board decisions, those Landus employees responsible for approving Personal Assistants' timesheets were told by Mr. Carstens that the Board approved Landus hiring these Personal Assistants.

261. Mr. Carstens did not disclose to anyone on the Board that he had caused Landus to spend significant sums on compensation for the Carstens's Personal Assistants.

262. In mid-2024, as Mr. Carstens continued to cause Landus to pay a small army of full-time Personal Assistants to fluff Mr. Carstens's pillows, tuck his heated blanket into his bed, and lay out his slippers and robe, Landus's financials started to trend downward.

VIII. The End of Matthew Carstens's and Stephen Nielsen's Landus Employment

263. By December 2024, Landus was experiencing financial strain and Mr. Carstens was under pressure to cut costs for Landus.

264. Also at this time, a number of Twitter users started raising questions about Mr. Carstens, his family, and other Landus employees.

265. In December 2024, Mr. Carstens decided that Landus would lay off 10% of its workforce and announced the layoffs in January 2025.

266. That same month, Mr. Carstens sought to increase his own compensation and benefits.

267. As of January 2025, Mr. Carstens's compensation and benefits included $1,700,000 per year in base salary, up to $300,000 in performance-based incentive bonuses, tickets to ISU sporting events, a suite at Wells Fargo Arena, payments for the $10MM Florida House, payments for the $3.5MM Grimes House, grossed-up payments for both residences, $904,000 paid to the Foundation, personal travel on a Landus-owned private plane, and at least four full-time Personal Assistants working for Mr. Carstens and his family.

268. On or around January 22, 2025, Mr. Nielsen drafted another Amendment to Mr. Carstens's Employment Agreement ("Fifth Amendment").

269. Mr. Carstens convinced Mr. Chambers that it would be better to have more "transparency" in his employment contract.

270. The Fifth Amendment increased Mr. Carstens's base salary to $2,414,880 per year.

271. In addition to the salary increase, the Fifth Amendment eliminated provisions from the May 2023 Employment Agreement regarding the $10MM Florida House and the $3.5MM Grimes House as well as the language in the Fourth Amendment regarding the Performance Center.

272. Eliminating the provisions related to the houses meant that the operative Employment Agreement no longer addressed on its face what Mr. Carstens's obligations would be to pay Landus back for any outstanding mortgage payments if he ceased employment at Landus.

273. The Fifth Amendment stated that the "golden handcuffs" concept (*i.e.*, the retention and repayment obligations) set forth in the 2023 Employment Agreement was also abandoned.

274. On January 22, 2025, Mr. Nielsen emailed Mr. Carstens and the Executive Committee members Mr. Chambers, Mr. Reynolds, and Mr. Showalter a draft of the Fifth Amendment and asked for the Executive Committee's approval.

275. Mr. Nielsen advised the Executive Committee that the Fifth Amendment was a beneficial arrangement for Landus because it "combined and simplified" the terms for the payments on Mr. Carstens's residences.

276. Mr. Nielsen did not advise the Executive Committee that previous employment agreements and amendments included retention requirements for Mr. Carstens that would have protected Landus in the event Mr. Carstens left the cooperative and which were removed in this draft Fifth Amendment. To the contrary, Mr. Nielsen assured the Executive Committee that "[b]asically, the document remains the same [as previous agreements]."

277. Mr. Chambers was on family vacation on a remote island in Curaçao with limited cell service, but he provided written approval for the Fifth Amendment without reviewing the agreement in detail.

278. Mr. Chambers did not discuss the Fifth Amendment with Mr. Reynolds or Mr. Showalter.

279. Despite that Mr. Reynolds's electronic signature appears on the Fifth Amendment, Mr. Reynolds did not give permission for his electronic signature to be used on this document.

280. Mr. Nielsen nevertheless applied Mr. Reynolds's electronic signature to the document.

281. At this point, Mr. Carstens's compensation and benefits included $2,414,880 per year in base salary, up to $300,000 in performance-based incentive bonuses, tickets to ISU sporting events, a suite at Wells Fargo Arena, payments for the $10MM Florida House, payments for the $3.5MM Grimes House, grossed-up payments for both residences, $904,000 paid to the Foundation, personal travel on a Landus-owned private plane, and at least four full-time personal assistants working for Mr. Carstens and his family.

282. On or around March 29, 2025, Mr. Nielsen drafted another amendment to Mr. Carstens's employment agreement ("Sixth Amendment").

283. The Sixth Amendment provided Mr. Carstens a $4,414,880 total salary.

284. The Sixth Amendment also provided a $550,00 Fulfillment Bonus if Mr. Carstens stayed at Landus through March 8, 2025 (a date which had already passed before the Sixth Amendment was even drafted).

285. The Executive Committee met virtually on Saturday, March 29, 2025 to discuss the Sixth Amendment and there was significant confusion and frustration amongst the Executive Committee because they did not know what Mr. Carstens's full compensation package was prior to the Sixth Amendment.

286. Executive Committee members did not understand what they were potentially approving, or what was changing from prior agreements.

287. Executive Committee members asked Mr. Nielsen to see all of Mr. Carstens's Employment Agreement Amendments so they could understand his full compensation package.

288. Mr. Nielsen replied that they did not need to review prior agreements and advised them that the Sixth Amendment was in Landus's best interests.

289. Mr. Reynolds's signature appears on the face of the Sixth Amendment, but he did not provide Mr. Nielsen with permission to use his signature.

290. Landus records include what appears to be an email sent from Mr. Reynolds's official Landus email account to Mr. Nielsen authorizing Mr. Nielsen to use his signature. Upon information and belief, this email was not sent by Mr. Reynolds.

291. Upon information and belief, Mr. Nielsen affixed Mr. Chambers's and Mr. Reynolds's signatures to the Sixth Amendment.

292. Mr. Nielsen emailed the Sixth Amendment to Landus's HR team and requested that they enter an effective date of March 17, 2025 (12 days prior to him drafting the Sixth Amendment and 12 days prior to the Executive Committee meeting to discuss the Sixth Amendment) so that Mr. Carstens's next paycheck would reflect his new salary.

293. Landus pays bi-weekly, and if the HR system entered the effective date of March 29, Mr. Carstens's paycheck would not reflect the change until the next pay cycle on April 18, 2025.

294. Mr. Carstens received a paycheck on April 4, 2025 for $97,982.59.

295. By late March 2025, tensions at Landus were high, particularly between Mr. Carstens and the rest of Landus's management and the Board.

296. Board members and executives other than Mr. Carstens and Mr. Nielsen were beginning to speak directly to one another about Mr. Carstens.

297. During these discussions, a senior executive at Landus who is a trained lawyer concluded that Landus's interests were at odds with the interests of the Carstens family.

298. This executive called Mr. Nielsen and said that they all needed to be careful because it seemed clear that Mr. Carstens's interests were in conflict with Landus's interests and they were ethically obligated as Landus's lawyers to act on Landus's behalf.

299. In a virtual meeting in March 2025 with Mr. Nielsen, the Carstens family, and an outside PR team, the senior executive texted Mr. Nielsen and said Mr. Carstens's and Landus's interests did not align, and they needed to act for Landus or step aside.

300. Mr. Nielsen did not respond to the text and did not say anything at the meeting.

IX. Mr. Carstens's Girlfriend Hired as an Independent Contractor

301. In March 2025, as scrutiny of Mr. Carstens increased and rumors about him swirled online, Mr. Carstens admitted to the Board that he had an extramarital affair.

302. Mr. Carstens had caused Landus on or around October 5, 2020 to hire as an independent contractor the person with whom he was having an affair.

303. That person had formed a limited liability company (the "LLC") that contracted with Landus to provide services on an hourly basis.

304. Mr. Nielsen drafted the independent contractor agreement between Landus and the LLC (the "Independent Contractor Agreement").

305. The Independent Contractor Agreement provided that Landus would pay the LLC $33.65 per hour for services performed for Landus.

306. The Independent Contractor Agreement also stated that the LLC would provide Landus with "a written weekly progress report the Monday following last day of the previous week, which shall include a reasonably detailed written description of the tasks performed and hours worked."

307. Upon information and belief, the LLC did not provide the required weekly reports.

308. On June 1, 2021, Mr. Nielsen drafted an amendment to the Independent Contractor Agreement ("First Amendment to the Independent Contractor Agreement").

309. The First Amendment to the Independent Contractor Agreement stated that the LLC would work a minimum of 40 hours per week.

310. The First Amendment to the Independent Contractor Agreement also increased the LLC's compensation to $36.06 per hour.

311. The LLC was paid a total of $180,000 for 40 hours of work per week from October 5, 2020 until the end of the independent contractor relationship on March 31, 2023.

312. No one at Landus has been able to confirm that the LLC performed any services of value to Landus beyond a de minimis data migration effort.

313. Despite being an independent contractor, the LLC was paid a $100,000 severance.

314. In total, the LLC was paid $280,000 between October 5, 2020 and May 23, 2023.

315. Mr. Carstens never disclosed to the Board the Independent Contractor Agreement or the facts of that independent contractor relationship, including that he had caused Landus to pay $280,000 to that contractor.

316. Mr. Carstens never disclosed to anyone on the Board that the Independent Contractor Agreement existed or the facts of that independent contractor relationship, including that he had caused Landus to pay $280,000 to that contractor.

X. Matthew Carstens's Separation and Severance Agreement

317. Mr. Carstens resigned on April 4, 2025, from his role as Landus's President and CEO.

318. Landus and Mr. Carstens entered into a Separation and Severance Agreement and Mutual Release on June 5, 2025 (the "Carstens Severance Agreement").

319. Mr. Chambers managed the severance negotiations for Landus.

320. Mr. Chambers sought assistance from outside counsel to document in a severance agreement what Mr. Chambers described as severance positions the Board had discussed and approved. Mr. Chambers did not ask or authorize outside counsel to enter into substantive direct negotiations with Mr. Carstens or to communicate with the full Board about the provisions.

321. Under the Carstens Severance Agreement, Landus agreed to provide Mr. Carstens with $1,500,000 in exchange for, among other things, a release of claims by Mr. Carstens against Landus.

322. The Carstens Severance Agreement purported to release Mr. Carstens from claims, whether known or unknown, that had accrued on or before the effective date and arose within the scope of Mr. Carstens's employment.

323. Shortly before finalization, one Board member happened to be in a conversation about the Foundation that led the Board member to request that Foundation-related claims be expressly reserved.

324. The Carstens Severance Agreement expressly excluded from the release any claims arising from or relating to the activities and operation of the Foundation or Landus's contributions to the Foundation.

325. The Board relied on Mr. Chambers to work with outside counsel to provide maximum protection for Landus in the Carstens Severance Agreement.

326. Outside counsel believed that the Carstens Severance Agreement reflected the informed positions of the Board.

327. When Landus entered into the Carstens Severance Agreement, Landus and its Board did not know the full extent to which Mr. Carstens had used his position as CEO and Landus's assets for the personal benefit of himself and his family.

328. Among other things, Landus and its Board did not know the extent to which Mr. Carstens had caused Landus to pay Personal Assistants to perform personal household services for the Carstens family; submitted false or ineligible invoices from his contractor; used the Landus-funded aircraft for personal and family travel; and caused Landus to pay expenses associated with purely personal family activities.

329. Mr. Carstens knew these facts. He personally directed, participated in, or benefited from the conduct and expenditures described above.

330. Before Landus executed the Carstens Severance Agreement, Mr. Carstens did not disclose these material facts to Landus or its Board and instead continued to conceal the nature and extent of his use of Landus assets for personal purposes.

331. As Landus's President and CEO during the period in which this misconduct occurred, Mr. Carstens owed Landus fiduciary duties of loyalty, candor, and disclosure. Those duties required Mr. Carstens to disclose material facts concerning his personal use of Landus assets and transactions in which his personal interests conflicted with those of Landus.

332. Mr. Carstens concealed these facts knowing that Landus was considering the terms on which his employment would end and the claims Landus would release, and intending that Landus enter into the Carstens Severance Agreement without knowing the true nature and extent of his conduct.

333. The facts concealed by Mr. Carstens were material to Landus's decision whether to enter into the Severance Agreement, what consideration to provide Mr. Carstens, and whether to release claims against him.

334. Landus entered into the Carstens Severance Agreement and granted Mr. Carstens the release without knowledge of the material facts Mr. Carstens had concealed.

335. Had Landus known the true nature and extent of Mr. Carstens's conduct, Landus would not have entered into the Carstens Severance Agreement and released its claims against Mr. Carstens on the terms contained in the Carstens Severance Agreement.

336. As a result of Mr. Carstens's fraudulent concealment, Landus provided Mr. Carstens with $1,500,000, granted him the release, and suffered damages in an amount to be proven at trial.

XI. Stephen Nielsen's Severance Agreement

337. Mr. Nielsen resigned as Landus's Executive Vice President and General Counsel on April 4, 2025.

338. On May 9, 2025, Landus and Mr. Nielsen entered into a Severance Agreement and General Release dated May 9, 2025 (the "Nielsen Severance Agreement").

339. As with the Carstens Severance Agreement, Mr. Chambers sought assistance from outside counsel to document in the Nielsen Severance Agreement what Mr. Chambers described as severance positions the Board had discussed and approved. Mr. Chambers did not ask or authorize outside counsel to enter into substantive direct negotiations with Mr. Nielsen or to communicate with the full Board about the provisions.

340. Under the Nielsen Severance Agreement, Landus agreed to provide Mr. Nielsen with $550,000 in total value ($504,000 in cash, and transfer ownership of a $46,000 Chevy Silverado Truck to Mr. Nielsen) in exchange for, among other things, a release of claims by Mr. Nielsen against Landus.

341. The Nielsen Severance Agreement purported to release Mr. Nielsen from claims, whether known or unknown, that had accrued on or before the effective date and arose within the scope of Mr. Nielsen's employment.

342. When Landus entered into the Nielsen Severance Agreement, Landus and its Board did not know the full extent to which Mr. Nielsen had used his position as Executive Vice President and General Counsel to allow Mr. Carstens to personally benefit and use Landus's assets for personal gain.

343. Among other things, Landus and its Board did not know the full extent to which Mr. Nielsen had placed Mr. Carstens's personal interests ahead of Landus's interests as he kept Board minutes, drafted Employment Agreements and Amendments between Landus and Mr. Carstens, and instructed employees to take actions that favored Mr. Carstens at Landus's expense on the claimed basis that they were authorized by the Board.

344. Mr. Nielsen knew these facts. He personally directed and participated in the conduct described above.

345. Before Landus executed the Nielsen Severance Agreement, Mr. Nielsen did not disclose these material facts to Landus or its Board and instead continued to conceal the nature and extent of his actions, including the fact that he assisted Mr. Carstens in obtaining compensation and benefits without proper Board oversight or approval.

346. As Landus's Executive Vice President and General Counsel during the period in which this misconduct occurred, Mr. Nielsen owed Landus fiduciary duties of loyalty, candor, and disclosure.

347. As Landus's Executive Vice President and General Counsel, Mr. Nielsen was an attorney representing Landus, and he indicated that Landus was his only client. Mr. Nielsen was required to act in Landus's best interests and to place Landus's interests ahead of the personal interests of Mr. Carstens or any other officer or director.

348. Mr. Nielsen concealed these facts knowing that Landus was considering the terms on which his employment would end and the claims Landus would release, and intending that Landus enter into the Nielsen Severance Agreement without knowing the true nature and extent of his conduct.

349. The facts concealed by Mr. Nielsen were material to Landus's decision whether to enter into the Nielsen Severance Agreement, what consideration to provide Mr. Nielsen, and whether to release claims against him.

350. Landus entered into the Nielsen Severance Agreement and granted Mr. Nielsen the release without knowledge of the material facts Mr. Nielsen had concealed.

351. Had Landus known the true nature and extent of Mr. Nielsen's conduct, Landus would not have entered into the Nielsen Severance Agreement and released its claims against Mr. Nielsen on the terms contained in the Nielsen Severance Agreement.

352. As a result of Mr. Nielsen's fraudulent concealment, Landus provided Mr. Nielsen with $504,000 in cash and a $46,000 vehicle, granted him the Release, and suffered damages in an amount to be proven at trial.

COUNT I – BREACH OF FIDUCIARY DUTY

(Against Defendant Matthew Carstens)

353. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

354. As Landus's President and CEO, Mr. Carstens owed fiduciary duties to Landus, including duties of loyalty, good faith, and candor. Those duties required Mr. Carstens to act in Landus's best interests, disclose material conflicts of interest and other material information to the Board, refrain from self-dealing, and refrain from using Landus's property and assets for his own personal benefit or the benefit of his family.

355. Mr. Carstens breached those duties in connection with the Foundation. Among other things, Mr. Carstens caused Landus to transfer $904,000 to the Foundation for the Performance Center; caused Landus funds designated for the Performance Center to be used to pay expenses associated with his personal residence; directed that expenses associated with his personal residence be combined with Performance Center expenses and presented to Landus as Performance Center expenses; continued to cause Landus to make payments relating to the Performance Center after Polk County denied the required zoning variance; concealed material information concerning the Performance Center and the use of Landus's funds from the Board; and caused or permitted the Foundation to retain Landus's money after the Performance Center was abandoned and never built.

356. Mr. Carstens further breached his fiduciary duties by using his position and authority at Landus to obtain personal benefits for himself and his family at Landus's expense.

Among other things, Mr. Carstens caused Landus employees to work as full-time household staff for his family; used Landus-funded aircraft for personal and family travel; caused Landus employees and assets to be used for personal family events and vacations; caused Landus to pay personal and family expenses; caused Landus to pay $280,000 to an LLC formed by a woman with whom he was having an extramarital affair even though Landus has been unable to confirm the services performed in exchange for those payments; and caused Landus to incur compensation and benefits for him without full disclosure to, and in numerous instances without approval by, the Board.

357. Mr. Carstens also breached his fiduciary duties by concealing material information from the Board concerning his compensation, benefits, use of Landus assets, personal conflicts of interest, and transactions in which he or his family had a personal financial interest, thereby preventing the Board from exercising informed and independent oversight over Mr. Carstens and Landus's assets.

358. Mr. Carstens's use of Landus funds, employees, property, and authority for the personal benefit of himself and his family was undertaken for personal purposes adverse to Landus's interests and was outside the scope of the duties Landus employed him to perform as its President and CEO.

359. The Carstens Severance Agreement between Landus and Mr. Carstens expressly excludes claims arising out of or related to the activities and operation of the Foundation and Landus's contributions to the Foundation. The Carstens Severance Agreement also applies only to claims arising within the scope of Mr. Carstens's employment and therefore does not release claims based on Mr. Carstens's conduct undertaken outside the scope of his employment for the personal benefit of himself and his family.

360. All of Mr. Carstens's conduct described in this claim fell outside the scope of his employment.

361. As a direct and proximate result of Mr. Carstens's breaches of fiduciary duty, Landus suffered damages in an amount to be proven at trial.

362. Landus is entitled to recover the damages caused by Mr. Carstens's breaches of fiduciary duty, disgorgement of the compensation and other benefits obtained as a result of those breaches, restitution of Landus funds and property wrongfully used for Mr. Carstens's personal benefit, and such other legal and equitable relief as the Court deems appropriate.

COUNT II – BREACH OF FIDUCIARY DUTY

(Against Defendants Stephen Nielsen and Matthew Chambers)

363. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

364. As Landus's Executive Vice President and General Counsel, Mr. Nielsen owed fiduciary duties to Landus, including duties of loyalty, good faith, candor, and confidentiality. As Landus's General Counsel, Mr. Nielsen was an attorney representing Landus. Mr. Nielsen was required to act in Landus's best interests and to place Landus's interests ahead of the personal interests of Mr. Carstens or any other officer or director.

365. Mr. Nielsen repeatedly breached those duties by placing Mr. Carstens's personal interests ahead of Landus's interests. Among other things, Mr. Nielsen disclosed to Mr. Carstens confidential discussions that occurred during Board executive sessions held outside Mr. Carstens's presence; drafted repeated amendments and restatements of Mr. Carstens's employment agreement without ensuring that the Board received complete and accurate information concerning Mr. Carstens's compensation and benefits; helped restrict information concerning Mr. Carstens's compensation and benefits from the full Board; and assisted Mr. Carstens in obtaining compensation and benefits that put the company at a financial disadvantage without proper Board oversight or approval.

366. Mr. Nielsen further breached his fiduciary duties in connection with the Performance Center and the Foundation by assisting Mr. Carstens with transactions in which Mr. Carstens and his family had personal financial interests, causing Landus to pay legal fees incurred by the Foundation, and failing to provide the Board with complete information concerning the status of the Performance Center and the use of Landus funds.

367. Mr. Nielsen also breached his fiduciary duties in connection with the Sixth Amendment. When members of the Executive Committee asked to see the prior amendments so they could understand Mr. Carstens's complete compensation package, Mr. Nielsen responded that the Board did not need to know this information. Mr. Nielsen thereafter affixed Mr. Reynolds's signature to the Sixth Amendment even though Mr. Reynolds had not authorized Mr. Nielsen to use his signature or approved the Sixth Amendment.

368. All of Mr. Nielsen's conduct described in this claim fell outside the scope of his employment.

369. As Chair and a member of Landus's Board of Directors, Mr. Chambers owed fiduciary duties to Landus, including duties of loyalty, good faith, candor, and due care. Mr. Chambers was required to exercise his authority in the interests of Landus and its farmer-members rather than for his own personal benefit or the benefit of Mr. Carstens.

370. Mr. Chambers repeatedly breached those duties by helping Mr. Carstens and Mr. Nielsen restrict the flow of material information to the Board, preventing the full Board from exercising informed and independent oversight of Mr. Carstens, discouraging Board members from questioning or challenging Mr. Carstens, and approving or facilitating transactions benefiting Mr. Carstens without adequate review by the Board or Executive Committee.

371. Among other things, when Board members sought information concerning Mr. Carstens's compensation, Mr. Chambers told them that it was an "Executive Committee matter" and that the Board "did not need to worry about it." Mr. Chambers also reprimanded Board members who questioned Mr. Carstens, including a director who asked about the status of the Performance Center after Landus had approved substantial payments relating to that project.

372. The breaches of fiduciary duty by Mr. Nielsen and Mr. Chambers enabled Mr. Carstens to obtain compensation and personal benefits, use Landus funds and assets for personal purposes, and conceal material information from the Board that the Board needed to fulfill its oversight responsibilities.

373. As a direct and proximate result of Mr. Nielsen's and Mr. Chambers's breaches of fiduciary duty, Landus suffered damages in an amount to be proven at trial.

374. Landus is entitled to recover all damages caused by Mr. Nielsen's and Mr. Chambers's breaches of fiduciary duty, disgorgement of compensation and other benefits obtained as a result of those breaches, and such other legal and equitable relief as the Court deems appropriate.

COUNT III – FRAUD AND FRAUDULENT CONCEALMENT

(Against Defendants Matthew Carstens and Stephen Nielsen)

375. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

376. Mr. Carstens and Mr. Nielsen knowingly made false representations to Landus and concealed material facts concerning transactions in which Mr. Carstens had a personal financial interest. Mr. Carstens and Mr. Nielsen knew the information they concealed was material to the Board's oversight of Mr. Carstens and to Landus's decisions concerning the payment of its funds and the provision of compensation and benefits to Mr. Carstens.

377. Mr. Carstens and Mr. Nielsen each owed Landus fiduciary duties that required them to disclose material information concerning Mr. Carstens's compensation, benefits, conflicts of interest, and use of Landus funds and assets. Mr. Nielsen also owed Landus duties of candor and disclosure as Landus's Executive Vice President and General Counsel.

378. Mr. Carstens committed fraud in connection with payments to the Foundation for the Performance Center. On January 16, 2024, the contractor constructing both the Performance Center and Mr. Carstens's personal residence sent Mr. Carstens separate invoices for the two projects. Mr. Carstens instructed the contractor to combine the invoices and to include additional landscaping and snow-removal equipment "all under the barn," referring to the Performance Center. The contractor then prepared a combined invoice that made expenses associated with Mr. Carstens's personal residence appear to be Performance Center expenses.

379. Mr. Carstens knowingly submitted the combined invoice to Landus as support for a payment to the Foundation even though he knew that the invoice included expenses associated with his personal residence and that the Foundation was not entitled to receive Landus funds to pay those expenses.

380. Landus relied on the combined invoice and Mr. Carstens's representation that the invoiced amounts were properly payable in connection with the Performance Center. At Mr. Carstens's direction, Landus caused $110,000 to be wired to the Foundation.

381. Mr. Carstens and Mr. Nielsen also knowingly concealed material information concerning Mr. Carstens's compensation and benefits from the Board. Among other things, they failed to provide the Board with copies of amendments and restatements of Mr. Carstens's employment agreement, concealed the full extent of Mr. Carstens's compensation package, and represented to Landus personnel that compensation, benefits, and other initiatives for Mr. Carstens had received Board approval when they had not.

382. The concealment included the May 2023 Employment Agreement, drafted by Mr. Nielsen, which committed Landus to provide $10 million for Mr. Carstens's Florida residence even though the Board was not provided a copy of the agreement and did not vote to approve it.

383. Mr. Carstens and Mr. Nielsen knew that the undisclosed information concerning Mr. Carstens's compensation and benefits was material to the Board and deliberately withheld that information so that Mr. Carstens could obtain compensation and benefits without informed and independent Board review.

384. Mr. Nielsen further participated in deception concerning the Fifth Amendment, telling the Executive Committee that the amendment was basically the same as previous agreements when it purported to fundamentally change Landus's ability to be repaid by Mr. Carstens for amounts related to the $3.5MM Grimes House and $10MM Florida House if he left employment with Landus in 2025, which he knew at that time was likely.

385. Mr. Nielsen affixed Mr. Reynolds's signature to the Fifth Amendment without authorization from Mr. Reynolds.

386. Mr. Nielsen further participated in the deception concerning the Sixth Amendment. When members of the Executive Committee asked Mr. Nielsen to provide the prior amendments so they could determine Mr. Carstens's existing compensation before considering another increase, Mr. Nielsen responded that they did not need to know that information. Mr. Nielsen thereafter affixed Mr. Reynolds's signature to the Sixth Amendment even though Mr. Reynolds had not authorized Mr. Nielsen to use his signature and had not approved the Sixth Amendment, thereby making the document appear to have received approval that it had not received.

387. Because Mr. Carstens and Mr. Nielsen were fiduciaries of Landus, and because Mr. Nielsen was Landus's Executive Vice President and General Counsel, Landus and its Board were justified in relying on them to provide complete and truthful information concerning Mr. Carstens's compensation, benefits, conflicts of interest, and transactions involving Landus funds.

388. Mr. Carstens and Mr. Nielsen intended that Landus and its Board act without knowledge of the facts they concealed and rely on the false and incomplete information they provided. Their concealment prevented the Board from exercising informed oversight and caused Landus to pay or incur compensation, benefits, and other expenses that it would not have paid or incurred had the material facts been disclosed.

389. All of Mr. Nielsen's and Mr. Carstens's conduct described in this claim fell outside the scope of their employment.

390. The fraudulent conduct described above was undertaken for the personal benefit of Mr. Carstens and contrary to Landus's interests and therefore was outside the scope of Mr. Carstens's employment.

391. As a direct and proximate result of Mr. Carstens's and Mr. Nielsen's fraud and fraudulent concealment, Landus suffered damages in an amount to be proven at trial.

392. Landus is entitled to recover all damages caused by Mr. Carstens's and Mr. Nielsen's fraud and fraudulent concealment, together with punitive damages and such other legal and equitable relief as the Court deems appropriate.

COUNT IV – FRAUDULENT CONCEALMENT

(Against Defendant Matthew Chambers)

393. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

394. Mr. Chambers knowingly made false representations to Landus and concealed material facts concerning transactions in which Mr. Carstens had a personal financial interest. Mr. Chambers knew the information he concealed was material to Landus's decisions concerning the payment of its funds and the provision of compensation and benefits to Mr. Carstens.

395. Mr. Chambers owed Landus fiduciary duties that required him to disclose material information concerning Mr. Carstens's compensation, benefits, conflicts of interest, and use of Landus funds and assets.

396. Mr. Chambers knowingly concealed from the Board material information concerning Mr. Carstens's compensation and benefits as described in various employment agreements and amendments. Among other things, he failed to provide the Board with copies of amendments and restatements of Mr. Carstens's employment agreement and concealed the full extent of Mr. Carstens's compensation package.

397. Mr. Chambers participated in deception concerning the Fifth Amendment and Sixth Amendment, by maintaining his position of control over the Executive Committee and giving his authorization to sign those amendments knowing they were not in the best interests of Landus and that Mr. Nielsen had a conflict of interest when he was advising the Executive Committee that these amendments were beneficial to Landus.

398. Mr. Chambers participated in deception in his role managing Landus's severance negotiations with Mr. Carstens and Mr. Nielsen. Mr. Chambers sought assistance from outside counsel to document in the Nielsen Severance Agreement and Carstens Severance Agreement what Mr. Chambers described as severance positions the Board had discussed and approved, knowing that the positions he described to counsel were not approved by the Board. Mr. Chambers

did not ask or authorize outside counsel to enter into substantive direct negotiations with Mr. Nielsen or Mr. Carstens or to communicate with the full Board about the provisions.

399. Because Mr. Chambers was a fiduciary of Landus, Landus and its Board were justified in relying on him to provide complete and truthful information concerning Mr. Carstens's compensation, benefits, Mr. Nielsen's conflicts of interest, and transactions involving Landus funds.

400. Mr. Chambers intended that Landus and its Board and the rest of the Executive Committee act without knowledge of the facts he concealed and rely on the false and incomplete information he provided. His concealment prevented the Board from exercising informed oversight and caused Landus to pay or incur compensation, benefits, and other expenses that it would not have paid or incurred had the material facts been disclosed.

401. The fraudulent conduct described above was undertaken contrary to Landus's interests and therefore was outside the scope of Mr. Chambers's duties as a Board member and Board Chair.

402. As a direct and proximate result of Mr. Chambers's fraudulent concealment, Landus suffered damages in an amount to be proven at trial.

403. Landus is entitled to recover all damages caused by Mr. Chambers's fraudulent concealment, together with punitive damages and such other legal and equitable relief as the Court deems appropriate.

COUNT V – AIDING AND ABETTING BREACH OF FIDUCIARY DUTY

(Against Defendants Stephen Nielsen, Matthew Chambers, and Shanda Carstens)

404. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

405. As alleged above, Mr. Carstens owed fiduciary duties to Landus and repeatedly breached those duties by using his position and authority for his own personal benefit and the benefit of his family, concealing material information from the Board, and causing Landus funds, employees, and other assets to be used for purposes adverse to Landus's interests.

406. Mr. Nielsen, Mr. Chambers, and Mrs. Carstens knew that Mr. Carstens owed fiduciary duties to Landus and knew of the conduct constituting his breaches of those duties.

407. Mr. Nielsen knowingly and substantially assisted Mr. Carstens's breaches of fiduciary duty. Among other things, Mr. Nielsen drafted repeated amendments and restatements of Mr. Carstens's employment agreement; helped conceal Mr. Carstens's compensation and benefits from the full Board; disclosed confidential Board executive-session discussions to Mr. Carstens; assisted Mr. Carstens in obtaining compensation and benefits without informed Board oversight; assisted Mr. Carstens with transactions involving the Foundation and Performance Center; caused Landus to pay legal expenses incurred by the Foundation; and affixed Mr. Reynolds's signature to the Fifth Amendment and Sixth Amendment without authorization.

408. All of Mr. Nielsen's conduct described in this claim fell outside the scope of his employment.

409. Mr. Chambers likewise knowingly and substantially assisted Mr. Carstens's breaches of fiduciary duty. Among other things, Mr. Chambers helped restrict material information concerning Mr. Carstens's compensation and benefits from the full Board; discouraged and reprimanded directors who questioned or challenged Mr. Carstens; approved or facilitated transactions benefiting Mr. Carstens without adequate review by the Board or Executive Committee; and used his position as Board Chair to prevent meaningful and independent Board oversight of Mr. Carstens.

410. Mrs. Carstens knowingly and substantially assisted Mr. Carstens's breaches of fiduciary duty by helping him use Landus employees and assets for the personal benefit of the Carstens family. Among other things, Mrs. Carstens recruited and helped select Landus-paid employees to serve as household staff for the Carstens family, directed their work, and proposed job titles for those employees "to avoid labeling them house manager or personal assistants."

411. Mrs. Carstens knew that the household staff were Landus employees paid by Landus and nevertheless caused or permitted them to perform extensive personal services for her

and her family, including cooking, cleaning, yard work, pet care, household maintenance, personal errands, and support for family vacations and celebrations.

412. Mrs. Carstens also participated in the use of Landus-paid household staff and other Landus resources in connection with the Carstens family's personal activities, including the family's Florida vacation and their daughter's 21st birthday celebration.

413. The assistance provided by Mr. Nielsen, Mr. Chambers, and Mrs. Carstens enabled and substantially contributed to Mr. Carstens's breaches of fiduciary duty and the resulting misuse of Landus funds, employees, property, and other assets.

414. As a direct and proximate result of Defendants' aiding and abetting of Mr. Carstens's breaches of fiduciary duty, Landus suffered damages in an amount to be proven at trial.

415. Landus is entitled to recover all damages caused by Defendants' conduct, together with disgorgement and restitution of benefits wrongfully obtained and such other legal and equitable relief as the Court deems appropriate.

COUNT VI – UNJUST ENRICHMENT AND RESTITUTION

(Against Defendants Matthew Carstens, Shanda Carstens, and The Matt & Shanda Carstens Family Foundation)

416. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

417. Landus conferred substantial financial and other benefits on Mr. Carstens, Mrs. Carstens, and the Foundation, and each Defendant knowingly accepted and retained those benefits.

418. Mr. Carstens received benefits at Landus's expense that were not earned, authorized, or provided for legitimate Landus purposes. Among other things, Mr. Carstens received the personal use of Landus-paid household staff, Landus-funded aircraft and travel, payments and expenditures for personal and family activities, and compensation and other benefits obtained without full and informed Board approval.

419. Mrs. Carstens likewise received substantial benefits at Landus's expense. Among other things, Landus paid employees to perform household and personal services for her and her

family, including cooking, cleaning, yard work, pet care, errands, household maintenance, and support for family vacations and celebrations. Mrs. Carstens knew that these workers were Landus employees paid by Landus and personally directed and benefited from their work.

420. The Foundation received $904,000 from Landus for the Performance Center. The Performance Center was never built. After the project was abandoned, the Foundation retained Landus funds that had been provided for the Performance Center and did not return those funds to Landus.

421. The Foundation also received Landus funds based on invoices that included expenses associated with Carstens's personal residence rather than the Performance Center. The Foundation was not entitled to retain Landus funds used to pay expenses associated with the Carstens family's personal residence.

422. Defendants knew of and accepted the benefits described above. Under the circumstances alleged in this Petition, it would be inequitable and unjust for Defendants to retain those benefits at Landus's expense.

423. Landus is entitled to restitution and disgorgement in an amount equal to the value of the benefits unjustly received and retained by Defendants, together with prejudgment interest and such other legal and equitable relief as the Court deems appropriate.

COUNT VII – CONVERSION

(Against Defendants Matthew Carstens and The Matt & Shanda Carstens Family Foundation)

424. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

425. Landus transferred specific and identifiable funds to the Foundation for the stated purpose of constructing and operating the Performance Center.

426. Mr. Carstens exercised dominion and control over those funds. Among other things, Mr. Carstens directed when and how Landus transferred money to the Foundation, directed payments purportedly associated with construction of the Performance Center, and caused Landus funds to be transferred to the Foundation for expenses associated with his personal residence.

427. In December 2023, Mr. Carstens caused Landus to transfer funds to the Foundation to pay both Performance Center expenses and expenses associated with Mr. Carstens's personal residence.

428. In January 2024, Mr. Carstens directed the contractor constructing the Performance Center and his personal residence to combine separate invoices and include additional expenses "all under the barn," thereby making personal-residence expenses appear to be Performance Center expenses. Mr. Carstens then submitted the combined invoice to Landus and caused Landus to wire $110,000 to the Foundation.

429. Mr. Carstens knew that Landus's funds were not authorized to pay construction and other expenses associated with his personal residence.

430. The Foundation received and exercised dominion and control over the Landus funds transferred at Mr. Carstens's direction, including funds transferred for expenses associated with Mr. Carstens's personal residence.

431. The Performance Center was never built. After the project was abandoned, Mr. Carstens informed Mr. Chambers that approximately $700,000 remained in the Foundation's bank account. The Foundation nevertheless retained Landus's funds and has not returned any of them to Landus.

432. By causing Landus funds to be used for purposes for which they were not authorized and by retaining funds after the Performance Center was abandoned, Mr. Carstens and the Foundation exercised dominion and control over Landus's property in a manner inconsistent with Landus's rights.

433. All of Mr. Carstens's conduct described in this claim fell outside the scope of his employment.

434. To the extent the converted funds remain identifiable or traceable, Landus has a right to possession of those funds superior to any right of Mr. Carstens or the Foundation to retain them.

435. As a direct and proximate result of Mr. Carstens's and the Foundation's conversion, Landus suffered damages in an amount to be proven at trial.

436. Landus is entitled to recover the value of the property converted by Mr. Carstens and the Foundation, together with prejudgment interest, the imposition of a constructive trust or other equitable relief over identifiable or traceable proceeds, and such other relief as the Court deems appropriate.

COUNT VIII – CONVERSION

(Against Defendants Matthew Carstens and Shanda Carstens)

437. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

438. Mr. and Mrs. Carstens caused Landus to hire numerous full-time Personal Assistants as described herein.

439. Mr. and Mrs. Carstens knew that Landus's funds were not authorized to pay these Personal Assistants for the services and in the amounts that they were paid.

440. The services of the Personal Assistants benefited Mr. and Mrs. Carstens and their children in their personal capacities, not Landus.

441. Mr. and Mrs. Carstens retained the benefit of these services and never disclosed these benefits to the Board.

442. By causing Landus funds to be used for purposes for which they were not authorized, Mr. and Mrs. Carstens exercised dominion and control over Landus's property in a manner inconsistent with Landus's rights.

443. All of Mr. Carstens's conduct described in this claim fell outside the scope of his employment.

COUNT IX – FRAUDULENT INDUCEMENT

(Against Defendant Stephen Nielsen)

444. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

445. Before Landus entered into the Nielsen Severance Agreement, Mr. Nielsen knowingly concealed material facts concerning his knowing and, in many instances, concerted acts that allowed Mr. Carstens to use Landus funds, employees, property, and other assets for the personal benefit of himself and his family, including material facts concerning the nature and extent of that conduct.

446. Mr. Nielsen had a duty to disclose those facts to Landus and its Board by virtue of his position as Landus's General Counsel, his fiduciary duties to Landus, and his superior knowledge of his own conduct and Mr. Carstens's use of Landus assets.

447. Mr. Nielsen concealed those facts with knowledge of their materiality and with the intent that Landus enter into the Nielsen Severance Agreement and grant him a release without discovering the true nature and extent of his conduct.

448. All of Mr. Nielsen's conduct described in this claim fell outside the scope of his employment.

449. The Landus directors and other decisionmakers who authorized the Nielsen Severance Agreement did not know the material facts Mr. Nielsen concealed when they authorized Landus to enter into the Nielsen Severance Agreement.

450. Had those facts been disclosed, Landus would not have entered into the Nielsen Severance Agreement on the terms it did or granted Mr. Nielsen the release.

451. Landus justifiably relied on Mr. Nielsen to disclose material facts that he was obligated to disclose before Landus entered into the Nielsen Severance Agreement.

452. Mr. Nielsen's fraudulent concealment directly and proximately caused damage to Landus, including $550,000, in an amount to be proven at trial.

453. To the extent the Court determines that the Nielsen Severance Agreement would otherwise bar any claim asserted in this action, Landus is entitled to damages and to rescission or avoidance of the Nielsen Severance Agreement, and such other legal or equitable relief as the Court deems appropriate.

COUNT X – FRAUDULENT INDUCEMENT

(Against Defendant Matthew Carstens)

454. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

455. Before Landus entered into the Carstens Severance Agreement, Mr. Carstens knowingly concealed material facts concerning his use of Landus funds, employees, property, and other assets for the personal benefit of himself and his family, including material facts concerning the nature and extent of that conduct.

456. Mr. Carstens had a duty to disclose those facts to Landus and its Board by virtue of his position as Landus's President and CEO, his fiduciary duties to Landus, and his superior knowledge of his own conduct and use of Landus assets.

457. Mr. Carstens concealed those facts with knowledge of their materiality and with the intent that Landus enter into the Severance Agreement and grant him a release without discovering the true nature and extent of his conduct.

458. The Landus directors and other decisionmakers who authorized the Carstens Severance Agreement did not know the material facts Mr. Carstens concealed when they authorized Landus to enter into the Carstens Severance Agreement.

459. All of Mr. Carstens's conduct described in this claim fell outside the scope of his employment.

460. Had those facts been disclosed, Landus would not have entered into the Carstens Severance Agreement on the terms it did or granted Mr. Carstens the release.

461. Landus justifiably relied on Mr. Carstens to disclose material facts that he was obligated to disclose before Landus entered into the Carstens Severance Agreement.

462. Mr. Carstens's fraudulent concealment directly and proximately caused damage to Landus, including $1,500,000, in an amount to be proven at trial.

463. To the extent the Court determines that the Carstens Severance Agreement would otherwise bar any claim asserted in this action, Landus is entitled to damages and to rescission or

avoidance of the Carstens Severance Agreement, and such other legal or equitable relief as the Court deems appropriate.

COUNT XI – CIVIL CONSPIRACY

(Against Defendants Matthew Carstens, Shanda Carstens, and Stephen Nielsen)

464. Landus incorporates by reference the preceding paragraphs as though fully set forth herein.

465. Defendants Matthew Carstens, Shanda Carstens, and Stephen Nielsen met, planned, agreed, conspired, and combined through concerted action to harm Landus by engaging in the aforesaid conduct, including but not limited to: concealing Mr. Carstens's compensation and benefits from the Board; using Landus-paid employees as personal household staff for the Carstens family for personal matters; directing Landus funds intended for the Foundation for building the Performance Center toward expenses for the Grimes, Iowa home; and concealing these activities from Landus and its Board.

466. Defendants Matthew Carstens, Shanda Carstens, and Stephen Nielsen understood, agreed, and intended to commit the aforesaid conduct and that their concerted actions would combine to cause Landus the harms described herein.

467. In particular, their concerted actions combined to cause Landus damages in the form of making excessive and unauthorized payments to the Foundation, paying Personal Assistants, paying the LLC operated by Mr. Carstens's girlfriend $280,000, and entering into the Nielsen Severance Agreement and the Carstens Severance Agreement and make significant cash payments to each of them under those agreements.

468. All of Mr. Carstens's and Mr. Nielsen's conduct described in this claim fell outside the scope of their employment.

COUNT XII – COMMON LAW ATTORNEY FEES

(Against All Defendants)

469. Landus restates and incorporates by reference the preceding paragraphs of this Petition as though fully set forth herein.

470. As described above, Defendants acted in bad faith, vexatiously, wantonly, and for oppressive reasons, including by intentionally concealing material information from Landus and its Board and engaging in conduct designed to prevent the full Board from discovering or understanding the nature and extent of Defendants' misconduct. Such conduct included, among other things:

a. Causing Landus to make unauthorized payments and provide unauthorized compensation, benefits, and other things of value to or for the benefit of Mr. Carstens and his family;

b. Concealing from the full Board material information concerning Mr. Carstens's compensation, benefits, employment agreements, and use of Landus funds, employees, property, and other assets;

c. Taking actions far beyond what the Board actually discussed or authorized, including in employments agreements that Mr. Nielsen drafted and that Defendants did not disclose to the Board, and attempting to use general or limited Board discussions and authorizations as a purported basis for doing so;

d. Causing Landus to hire and compensate employees to serve Mr. and Mrs. Carstens and their family in their personal capacity without disclosing the nature and extent of those services to the Board;

e. Causing Landus funds and resources to be used for the personal travel, residences, expenses, and other personal benefits of Mr. and Mrs. Carstens and their family without informed authorization from the Board;

f. Causing Landus to make payments for the purported benefit of the Performance Center and the Foundation while using or attempting to use those funds for expenses benefiting Mr. and Mrs. Carstens personally;

g. Using positions of trust and authority within Landus to facilitate, conceal, and perpetuate the misconduct alleged in this Petition; and

h. Taking other actions described herein to conceal Defendants' misconduct from Landus and its Board and to prevent meaningful and informed Board oversight.

471. As a direct and proximate result of Defendants' bad-faith, vexatious, wanton, and oppressive conduct, Landus has been required to incur attorneys' fees and expenses to investigate Defendants' conduct, protect its rights and interests, and pursue this action.

WHEREFORE, Landus requests judgment against Defendants Matthew Carstens, Shanda Carstens, The Matt & Shanda Carstens Family Foundation, Stephen Nielsen, and Matthew Chambers, in relation to the aforesaid respective counts against them:

a. For rescission of the applicable agreements and/or restitution and/or compensatory damages, the precise amount to be proven at trial;

b. For prejudgment interest and costs, including Plaintiff's attorney fees, incurred herein; and

c. For such other and further relief as the Court deems just and proper.

Date: November 17, 2026

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