

FILED

IN THE CHANCERY COURT, STATE OF WYOMING

2025 WYCH 15

LOBO EV TECHNOLOGIES LTD.,
a British Virgin Islands Company,

WEALTHFORD CAPITAL LTD.,
a British Virgin Islands Company,

Plaintiffs,

v.

ROUNDTREE LAB LLC,
a Wyoming Limited Liability Company,

JIRONG WEI a.k.a. GORDON FRANKLIN,
Individually,

Defendants.

Case No. CH-2025-0000026

**ORDER GRANTING PARTIAL DEFAULT JUDGMENT
AGAINST DEFENDANT JINRONG WEI A.K.A. GORDON FRANKLIN**

[¶1] A manufacturer and its holding company move for partial default judgment, seeking declaratory relief under a consulting services agreement. The dispute concerns company shares of plaintiff LOBO transferred to defendant Franklin under that agreement, which conditioned his right to retain them on performance and market benchmarks. The complaint contends that Franklin failed to meet the benchmarks and so has no claim to the LOBO shares and must return them.

[¶2] Franklin defaulted, thereby admitting these allegations. The court grants declaratory relief confirming plaintiffs' ownership and clarifying that defendant has no right to hold or transfer the shares to anyone other than plaintiff Wealthford Capital.

BACKGROUND

[¶3] The following factual allegations and procedural history are drawn from plaintiffs' amended complaint (FSX No.77248803) and motion for partial default judgment (FSX No.77841003).

The Parties

[¶4] Plaintiffs are LOBO EV TECHNOLOGIES LTD, a British Virgin Islands Company with its principal office in China that manufactures equipment, and Wealthford Capital LTD, also a British Virgin Islands Company with the same principal business address as LOBO, that functions as LOBO’s holding company. *Am. Compl.*, ¶¶ 1-2, 21.

[¶5] This case features two defendants: one entity defendant—Roundtree Lab LLC, a Wyoming LLC—and one individual defendant—Jinrong Wei, a California resident also known as Gordon Franklin. *Id.* ¶¶ 3-4.

The Complaint

[¶6] Plaintiffs filed an amended complaint on October 6, 2025. That complaint asserts claims for breach of contract and, in the alternative, promissory estoppel against both defendants. It also asserts claims for conversion and declaratory judgment against Franklin. Although the amended complaint’s prayer for relief seeks judgment ordering Franklin to “return the improperly gained shares back to Wealthford Capital Ltd.” the complaint does not raise a claim for injunctive relief. *Id.* pg. 11. Instead, the complaint describes the requested declaration as “a declaratory judgment that Defendant Franklin has breached the clear and unambiguous terms of the IMDCSA, no longer has any rights to LOBO’s stock, and is required to return LOBO stock held by the Palladium Trust to Wealthford Capital Ltd., in accordance with Defendant Franklin’s duties.” *Id.* ¶ 67.

[¶7] The amended complaint alleges that the parties executed an International Market Development Consulting Services Agreement (IMDCSA). *Id.* ¶¶ 19. They did so to promote the sales of LOBO-manufactured equipment. *Id.* ¶¶ 21, 33. Under the agreement, Franklin was to provide a market analysis, identify and connect with overseas partners, and provide sales services. *Id.* ¶ 22. Franklin failed to fulfil his obligations under the agreement. *Id.* ¶ 24.

[¶8] Most relevant to the present motion, the IMDCSA provided that Franklin would receive 350,000 LOBO shares within five business days after LOBO signed a medical product sales agreement. *Id.* ¶ 25. The shares were transferred through Wealthford Capital Ltd. to Franklin through the Palladium Trust via V Stock Transfer. *Id.* ¶ 27.

[¶9] The IMDCSA included conditions requiring return of the shares. Specifically, the agreement would automatically terminate within 15 to 20 business days after February 15, 2025 unless: (1) agreements were signed and product sales achieved; (2) capital markets responded positively to LOBO’s business expansion, with stock price increases and daily trading volume of at least 20,000 shares during the service period; and (3) LOBO’s stock price was at least \$3 per share at the end of the service period. *Id.* ¶ 28.

[¶10] These conditions were not met. LOBO did not sign an agreement with the relevant medical institutions, capital markets did not respond positively, and the share price was below \$2 at the end of the service period. *Id.* ¶¶ 29, 30. Thus, the IMDCSA terminated automatically. *Id.* ¶ 36.

[¶11] Despite automatic termination, Franklin did not return the shares. *Id.* ¶ 37. LOBO's CEO demanded their return, but Franklin has not returned the shares. *Id.* ¶¶ 42, 43.

The Entry of Default

[¶12] Franklin was served with the amended complaint on October 15, 2025 in California. *Aff. of Service* (FSX No. 77406519). His deadline to answer was November 14, 2025. After he failed to answer or otherwise respond, the clerk entered default against him on November 19, 2025. (FSX No. 77816575).

The Motion for Partial Default Judgment

[¶13] After entry of default, plaintiffs moved for partial default judgment against Franklin. (FSX No. 77844762). The motion cites an "imminent threat" that the shares will be conveyed in a way that would make recovery practically impossible and raises new facts that "further justify relief and necessitate an immediate Default Judgment in order to avoid irreparable harm to LOBO." *Mot. Part. Def. J.*, ¶¶ 7, 15.

[¶14] Plaintiffs explain the urgency as follows: Franklin (who is trustee of and shares an address with The Palladium Trust) requested that the LOBO shares be transferred to that Trust after signing the IMDCSA, even though the IMDCSA does not mention the Trust. *Id.* ¶ 16. And then, after plaintiffs filed the amended complaint, they learned of a falsified version of the IMDCSA and a fraudulent stockholder representation letter used to allow Franklin to obtain a Rule 144 opinion letter, to remove transfer restrictions, and to transfer the shares to Charles Schwab & Co., Inc. *Id.* ¶ 17.

[¶15] In short, plaintiffs assert that the shares were initially transferred to the Palladium Trust via V Stock Transfer with restrictions, and that Franklin has since used falsified documents to remove those restrictions and transfer the shares to Schwab.

[¶16] Plaintiffs' motion seeks declaratory relief and reserves damages claims. *Id.* ¶¶ 7, 24. Plaintiffs request "a declaratory judgment requiring Defendant Franklin to return the 350,000 LOBO shares held by the Palladium Trust to Wealthford Capital Ltd., in accordance with Defendant Franklin's duties." *Id.* ¶ 24. They seek "an order that these shares be returned to Wealthford Capital by Schwab." *Id.* ¶ 27. They ask the court to order Franklin to return the shares. *Id.* ¶ 28.

The Default Judgment Hearing

[¶17] The court set a hearing on the motion, inviting plaintiffs to prepare to address whether the court may issue a declaratory judgment ordering the return of shares. (FSX No. 77900474). At the hearing, the court entertained argument from plaintiffs’ counsel, who stated that plaintiffs primarily seek an order stating that Franklin does not have any rights in the LOBO shares and also underscored the need for immediate relief.

JURISDICTION

[¶18] Statute defines the chancery court’s specialized jurisdiction on three levels: dispute type, relief type, and case type. *Clark v. Romo*, 2023 WYCH 4, ¶ 21 (Wyo. Ch. C. 2023) (citing Wyo. Stat. § 5-13-115). This case meets all three.

[¶19] *Dispute Type*. The chancery court resolves “disputes involving commercial, business, trust, and similar issues.” Wyo. Stat. § 5-13-115(a). Those issues are present here. The case centers on business matters, including a market consulting agreement, a strategic cooperation agreement, and ownership and control of company shares. *Am. Compl.*, ¶ 7.

[¶20] *Relief Type*. The chancery court has “jurisdiction to hear and decide actions for equitable relief or declaratory relief and for actions where the prayer for money recovery” exceeds \$50,000. Wyo. Stat. § 5-13-115(b). For relief, plaintiffs seek declaratory relief and monetary relief exceeding the amount-in-controversy threshold. *Am. Compl.*, ¶ 8.

[¶21] *Case Type*. The “cause of action” must “arise” from the statute’s list of eligible case types, including breach of contract, internal business affairs, common law violations involving business agreements, and disputes concerning the internal affairs of business organizations, among other case types. Wyo. Stat. § 5-13-115(b). Additionally, at its discretion, the “court may exercise supplemental ancillary jurisdiction” over a cause of action not included in the list of eligible case types. Wyo. Stat. § 5-13-115(c). The primary causes of action here are breach of contract, a declaratory judgment related to certain business agreements at issue, and promissory estoppel in the alternative. Wyo. Stat. § 5-13-115(b)(i). Plaintiffs also allege conversion, which may qualify as a common law violation involving a shareholder or business agreement. Wyo. Stat. § 5-13-115(b)(v)(C). If conversion does not fit that category, it falls within the court’s “supplemental ancillary” jurisdiction under Wyo. Stat. § 15-13-115(c).

[¶22] This dispute, then, satisfies all three jurisdictional levels—dispute, relief, and case type. The court may hear and decide this case.

DEFAULT STANDARDS

[¶23] Rule 55 governs default judgment. Under this rule, obtaining a default judgment has two-steps: (1) entry of default and (2) entry of default judgment.

[¶24] The first step (entry of default) occurs after a party fails to plead or otherwise defend against a complaint. W.R.C.P.Ch.C. 55(a). Upon proof of that failure, the clerk enters default under Rule 55(a). This entry “generally establishes the fact of liability according to the complaint” but not “the degree of relief.” *Vanasse v. Ramsay*, 847 P.2d 993, 997 (Wyo. 1993) (quoting *Spitzer v. Spitzer*, 777 P.2d 587, 592 (Wyo. 1989)); see also W.R.C.P.Ch.C. 8(b)(6).

[¶25] The second step (default judgment) follows the clerk’s entry of default under Rule 55(a). Once the clerk enters default, the movant may seek default judgment under Rule 55(b). Under Rule 55, the well-pleaded allegations of the amended complaint are deemed admitted by the entry of default. *Ariel Houston v. Koolaid Baby Houston Music Group, LLC*, 2025 WYCH 10, ¶ 18 (Wyo. Ch. C. 2025). At this second stage, the court may test the movant’s legal conclusions to confirm the complaint states a cause of action. *Keystone Capital Partners, LLC v. Life Clips, Inc.*, 2025 WYCH 4, ¶ 12 (Wyo. Ch. C. 2025). If the complaint states a cause of action, the court may grant relief by default judgment. W.R.C.P.Ch.C. 55(b).

[¶26] Rule 54(c) limits that relief to the “kind” that was “demanded in the pleadings.” The complaint therefore limits the scope of relief available for a default judgment. W.R.C.P.Ch.C. 54(c). This rule is based on fairness to the defendant, who may make an informed decision—based on the pleadings—whether to defend or default. *Koolaid Baby*, 2025 WYCH 10, ¶ 17. See also 10 Fed. Prac. & Proc. Civ. § 2663 (4th ed.) (“It would be fundamentally unfair to have the complaint lead defendant to believe that only a certain type and dimension of relief was being sought and then, should defendant attempt to limit the scope and size of the potential judgment by not appearing or otherwise defaulting, allow the court to give a different type of relief[.]”). Consequently, the court should not consider issues raised outside of the pleadings. *Id.* (“[U]nless all the parties in interest have appeared and voluntarily litigated an issue not within the pleadings, the court should consider only those issues presented in the pleadings.”).

LAW

[¶27] Plaintiff seeks declaratory relief under Wyoming’s Declaratory Judgments Act. Under that act, “[a]ny person interested under a . . . written contract . . . or whose rights, status or other legal relations are affected . . . by a . . . contract . . . may have any question of construction or validity arising under the instrument determined and obtain a declaration of rights, status or other legal relations.” Wyo. Stat. § 1-37-103. In Wyoming, the “primary focus in contract interpretation is to determine the parties’ intent[,]” which for a written agreement is objectively determined “from the words of

the agreement as they are expressed” within its four corners. *Circle C Res. v. Hassler*, 2023 WY 54, ¶ 15, 530 P.3d 288, 293 (Wyo. 2023) (citations omitted).

[¶28] A request for a court order that requires an individual to perform certain acts generally falls under Rule 65. W.R.C.P.Ch.C. 65(d)(1)(C) (“Every order granting an injunction . . . must . . . describe in reasonable detail . . . the act . . . required.”). A properly pleaded cause of action for an injunction must normally allege that “the potential harm is irreparable and there is no adequate remedy at law to compensate for the harm.” *Winney v. Jerup*, 2023 WY 113, ¶ 25, 539 P.3d 77, 84 (Wyo. 2023) (citations omitted).

[¶29] A declaratory judgment is a form of relief different from an injunction. *See, e.g., Steffel v. Thompson*, 415 U.S. 452, 471 (1974) (“[E]ven though a declaratory judgment has the force and effect of a final judgment, it is a much milder form of relief than an injunction.”) (cleaned up) and *Ulstein Mar., Ltd. v. United States*, 833 F.2d 1052, 1055 (1st Cir. 1987) (“Injunctions and declaratory judgments are different remedies.”). And in Wyoming, a pleading seeking declaratory relief that “sporadically mentions” performance of acts but omits material and necessary elements of an injunction does not plead a cognizable claim for injunctive relief. *City of Casper v. Holloway*, 2015 WY 93, 354 P.3d 65, 71 n.7 (Wyo. 2015).

ANALYSIS

[¶30] Franklin failed to plead, answer, or otherwise defend. Under Rule 55, entry of default establishes liability on the well-pleaded allegations of the complaint. The court now determines the appropriateness and scope of relief consistent with the amended complaint.

[¶31] As a threshold matter, the complaint and motion seek declaratory relief. Part of that relief seeks an order declaring that a specific act must be performed—in other words, seeks an injunction. Apart from praying that the court declare that Franklin must return the shares, however, the amended complaint makes no mention of injunctive relief. It does not allege that plaintiffs will be irreparably injured without return of the shares or that no remedy at law could adequately compensate their loss of the shares. The pleadings therefore omit material and essential elements of injunctive relief; because such elements are found only in plaintiffs’ motion, plaintiffs pleaded only declaratory relief for the purposes of this partial default judgment. *Holloway*, 354 P.3d at 71 n.7; Rule 54(c). Accordingly, the court limits relief to a declaration of rights under the agreement.

[¶32] Wyoming’s Declaratory Judgments Act authorizes a declaration of rights under a written contract. Wyo. Stat. § 1-37-103. Contract interpretation begins with the plain language of the agreement. *Circle C Res.*, ¶ 15, 530 P.3d at 293.

[¶33] The IMDCSA expressly conditioned Franklin’s right to retain LOBO shares on three events: (1) execution of sales agreements and achievement of product sales; (2) positive capital market response, including increased stock price and daily trading volume of at least 20,000 shares; and (3) a stock price of at least \$2 per share at the end of the service period. *Am. Compl.* ¶ 28. If these conditions are not satisfied, the agreement automatically terminates and the “shares shall be transferred back to [LOBO].” *Id.*

[¶34] The complaint alleges (and Franklin admits by default) that none of these conditions were satisfied. LOBO did not execute sales agreements, capital markets did not respond positively, and LOBO’s share price remained below \$2. *Am Compl.*, ¶¶ 29–30. Under the IMDCSA, failure of these conditions triggered automatic termination and required return of the shares. *Id.* ¶¶ 28, 36. Franklin’s continued possession of the shares contravenes the agreement.

[¶35] Based on the admitted allegations, the IMDCSA terminated and Franklin has no right to retain LOBO shares. Plaintiffs are the rightful owners, and the agreement requires the transfer of shares back to plaintiffs. *Am. Compl.* ¶ 28.

CONCLUSION

[¶36] Plaintiffs’ motion for partial default judgment on Count III (Declaratory Judgment) is **GRANTED**. Partial default judgment is entered against Jinrong Wei a.k.a. Gordon Franklin for failure to plead, answer, or otherwise defend, as provided by the Wyoming Rules of Civil Procedure for the Chancery Court.

[¶37] Under Wyoming’s Declaratory Judgments Act, and based on the admitted factual allegations, the court declares as follows:

- a. Defendant Franklin has breached the terms of the IMDCSA.
- b. Due to that breach, Franklin no longer has any rights, title, or interest in the 350,000 LOBO shares described in the IMDCSA and, under the terms of the agreement, must return those shares to Wealthford Capital.
- c. Plaintiffs, through Wealthford Capital, hold the rightful ownership interest in the 350,000 LOBO shares.

SO ORDERED.

Dated: December 22, 2025

/s/ Benjamin M. Burningham
CHANCERY COURT JUDGE