EXHIBIT A

STATE OF MINNESOTA

DISTRICT COURT - CIVIL DIVISION

COUNTY OF OLMSTED

THIRD JUDICIAL DISTRICT

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AND DIGINTEDECTED DESCRIPTION

AND DISNIERESTED PERSON

Essence Skin Clinic, LLC, and Jennifer Sanneman,

Court File No.: Case Type: Civil/Other

Plaintiffs,

VS.

Wakaya Perfection, LLC, Todd Smith, William J. Andreoli, Blake Graham, Andre Vaughn, Steve Smith, Barb Pitcock, Dave Pitcock, Patti Gardner, Mike Randolph, Mike Casperson, and Brytt Cloward. individually and jointly.

Defendants.

THIS SUMMONS IS DIRECTED TO: Wakaya Perfection, LLC, Todd Smith, William J. Andreoli, Blake Graham, Andre Vaughn, Steve Smith, Barb Pitcock, Dave Pitcock, Patti Gardner, Mike Randolph, Mike Casperson, and Brytt Cloward.

- 1. YOU ARE BEING SUED. The Plaintiffs have started a lawsuit against you. The Plaintiffs' Complaint against you is attached to this Summons. Do not throw these papers away. They are official papers that affect your rights. You must respond to this lawsuit even though it may not yet be filed with the Court and there may be no court file number on this Summons.
- 2. YOU MUST REPLY WITHIN 20 DAYS TO PROTECT YOUR RIGHTS. You must give or mail to the person who signed this summons a written response called an Answer within 20 days of the date on which you received this Summons. You must send a copy of your Answer to the person who signed this Summons located at:

Dunlap & Seeger, P.A. 30 3rd Street SE, Suite 400 PO Box 549 Rochester, MN 55903-0549

- 3. YOU MUST RESPOND TO EACH CLAIM. The Answer is your written response to the Plaintiffs' Complaint. In your Answer you must state whether you agree or disagree with each paragraph of the Complaint. If you believe the Plaintiffs should not be given everything asked for in the Complaint, you must say so in your Answer.
- 4. YOU WILL LOSE YOUR CASE IF YOU DO NOT SEND A WRITTEN RESPONSE TO THE COMPLAINT TO THE PERSON WHO SIGNED THIS SUMMONS. If you do not answer within 20 days, you will lose this case. You will not get to tell your side of the story, and the Court may decide against you and award the Plaintiffs everything asked for in the Complaint. If you do not want to contest the claims stated in the Complaint, you do not need to respond. A default judgment can then be entered against you for the relief requested in the Complaint.
- 5. LEGAL ASSISTANCE. You may wish to get legal help from a lawyer. If you do not have a lawyer, the Court Administrator may have information about places where you can get legal assistance. Even if you cannot get legal help, you must still provide a written Answer to protect your rights or you may lose the case.
- 6. ALTERNATIVE DISPUTE RESOLUTION. The parties may agree to or be ordered to participate in an alternative dispute resolution process under Rule 114 of the Minnesota General Rules of Practice. You must still send your written response to the Complaint even if you expect to use alternative means of resolving this dispute.

Dated: 9/28 ,2018

DUNLAP & SEEGER, P.A.

Ken D. Schueler

Attorney Registration No. 190378

30 3rd Street SE, Suite 400 Post Office Box 549

Rochester, Minnesota 55903

Telephone No.: (507) 288-9111

Attorneys for Plaintiffs

STATE OF MINNESOTA

COUNTY OF OLMSTED

DISTRICT COURT - CIVIL DIVISION

THIRD JUDICIAL DISTRICT

Essence Skin Clinic, LLC, and Jennifer Sanneman.

Court File No.: ______ Case Type: Civil/Other

Plaintiffs,

COMPLAINT

VS.

Wakaya Perfection, LLC, Todd Smith, William J. Andreoli, Blake Graham, Andre Vaughn, Steve Smith, Barb Pitcock, Dave Pitcock, Patti Gardner, Mike Randolph, Mike Casperson, and Brytt Cloward, individually and jointly,

Defendants.

Plaintiffs Essence Skin Clinic, LLC ("Essence Clinic") and Jennifer Sanneman ("Sanneman"), for their Complaint against the Defendants Wakaya Perfection, LLC ("Wakaya"), Todd Smith, William J. Andreoli ("Andreoli"), Blake Graham ("Graham"), Andre Vaughn ("Vaughn"), Steve Smith, Barb Pitcock, Dave Pitcock, Patti Gardner ("Gardner"), Mike Randolph ("Randolph"), Mike Casperson ("Casperson"), and Brytt Cloward ("Cloward"), individually and jointly, states and alleges as follows:

PARTIES

 Plaintiff Essence Clinic is a Minnesota limited liability company, with its registered office address located at 25 2nd Street SW, Rochester, Minnesota 55902.

- Plaintiff Sanneman is an individual currently residing in the City of Rochester, County of Olmsted, State of Minnesota.
- Based on information and belief, Defendant Wakaya is a Utah limited liability company formed and operated under the laws of Utah, with its registered agent address located at 13423 N. Alpine Cove Drive, Alpine, UT 84004.
- 4. Based on information and belief, Defendant Todd Smith is an individual and a resident of Utah. Todd Smith is Wakaya's founder, its President, director, and registered agent.
- 5. Based on information and belief, Defendant William J. Andreoli is an individual and a resident of New Hampshire. Andreoli is Wakaya's President.
- 6. Based on information and belief, Defendant Blake Graham is an individual and a resident of Utah. Graham is a participant and investor in, distributor for, and promoter of Wakaya.
- 7. Based on information and belief, Defendant Andre Vaughn is an individual and a resident of Pennsylvania. Vaughn is a participant and investor in, distributor for, and promoter of Wakaya.
- 8. Based on information and belief, Defendant Steve Smith is an individual and a resident of Utah. Steve Smith is the father of Todd Smith and an investor in and promoter of Wakaya.
- 9. Based on information and belief, Defendant Barb Pitcock is an individual and a resident of Kansas. Barb Pitcock is a participant and investor in, distributor for, and promoter of Wakaya.

- 10. Based on information and belief, Defendant Dave Pitcock is an individual and a resident of Kansas. Dave Pitcock is a participant and investor in, distributor for, and promoter of Wakaya.
- 11. Based on information and belief, Defendant Patti Gardner is an individual and a resident of Utah. Gardner is a participant and investor in, agent and distributor for, and promoter and Vice President of Wakaya.
- 12. Based on information and belief, Defendant Mike Randolph is an individual and a resident of New Hampshire. Randolph is a participant and investor in, agent and distributor for, and promoter and Executive Vice President of Wakaya.
- 13. Based on information and belief, Defendant Mike Casperson is an individual and a resident of Utah. Casperson is a participant and investor in, agent and distributor for, and promoter and Vice President of Wakaya.
- 14. Based on information and belief, Defendant Brytt Cloward is an individual and a resident of Utah. Cloward is a participant and investor in, agent and distributor for, and promoter of Wakaya. Cloward is Vice President of Marketing for Wakaya.

RELATIONSHIP BETWEEN THE DEFENDANTS

15. Defendant Wakaya is a multi-level marketing company that is primarily engaged in the business of selling personal health care products and soliciting monetary security investments from individuals like Sanneman. In November and December 2016, Defendant Wakaya solicited \$250,000.00 from Plaintiffs for a security investment in Wakaya.

- 16. Defendant Wakaya claimed through an advertising campaign consisting of official flyers, promotional videos, blog posts, and through its executive officers, agents, representatives, and employees, including the other Defendants named herein, that Wakaya distributors / ambassadors would be able to earn \$100,000.00 per month or even \$250,000.00 per month. Wakaya refers to its distributors as "ambassadors."
- 17. Defendant Wakaya and its executive officers, agents, representatives, and employees, including the other Defendants named herein, have represented to potential distributors / ambassadors and investors, including Sanneman, superior commercial opportunities whereby individuals were promised they could earn \$600–\$800 in earnings by signing to become Wakaya distributors / ambassadors without performing any work, and could easily earn more than \$85,000 within ninety days after signing up.
- 18. Defendant Wakaya encouraged product sales and memberships by informing individuals that they could be "million dollar earners."
- 19. In or about January 2017, Wakaya and its executive officers, agents, representatives, and employees, including the other Defendants named herein, transitioned to a new commission plan and began marketing the plan as "Plan to a Grand." Through this marketing campaign, Wakaya claimed in its official flyers, promotional videos, and blog posts that Wakaya Ambassadors could easily earn more than \$1,000 per month and that ninety-five percent (95%) of its distributors / ambassadors will earn more than \$1,000 per month.
- 20. Defendants Wakaya and its executive officers, agents, representatives, and employees, including the other Defendants named herein, drive Wakaya's compensation

plan heavily through sign-up bonuses designed to compensate the acquisition of downline members in a marketing "matrix," as opposed to direct consumer sales. Wakaya pays "bonuses" based on the enrollment of new members.

21. In addition to the marketing "matrix" for distributors / ambassadors,

Defendant Wakaya, by and through its executive officers, agents, representatives, and
employees, including the other Defendants named herein, provided monetary investment
opportunities for individuals with a promise of a return on their investment.

JURISDICTION AND VENUE

- 22. This Court has subject-matter jurisdiction over this civil action under Minn. Const. art. VI, § 3.
- 23. This Court has personal jurisdiction over Defendants pursuant to Minn.

 Stat. § 543.19, Subd. 1 because Defendant Wakaya has transacted business within the State of Minnesota and the other Defendants have promoted and materially aided Wakaya's business and its conduct of furthering securities fraud within the State of Minnesota. Defendant Wakaya has sent-employees and agents to Minnesota to recruit Wakaya distributors / ambassadors and investors, including the recruitment of Sanneman as a Brand Ambassador for Wakaya, entering an Endorsement Agreement with Sanneman, and contacting Sanneman with an offer to invest monetarily in Wakaya, in Rochester, Olmsted County, Minnesota. Furthermore, Defendant Wakaya has sufficient contacts with Minnesota by soliciting business throughout the State and recruiting distributors / ambassadors and investors, and providing educational training for ambassadors throughout various locations within the State of Minnesota.

24. Since a substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in Olmsted County, including the making of an Endorsement Agreement and offer to invest in Wakaya, venue is proper in Olmsted County, Minnesota.

THE INVESTMENT OPPORTUNITY

- 25. In or around September 2016, Barb Pitcock of Wakaya personally contacted Sanneman through several phone calls.
- 26. On or about September 20, 2016, Sanneman signed up with Wakaya to be a Wakaya Ambassador.
- 27. In or around November 2016, Barb Pitcock traveled to Minnesota to educate Wakaya's Ambassadors about Wakaya and how to build their Wakaya business. At this time, Barb Pitcock was already aware of Sanneman owning her own skin care line and skin care business (*i.e.*, Essence Skin Clinic, LLC).
- 28. On or about November 8, 2016, Barb Pitcock told Sanneman that Wakaya needed her skin care line. Barb Pitcock also told Sanneman she wanted to introduce Sanneman to William J. Andreoli, President of Wakaya.
- 29. On or about November 17, 2016, Sanneman enrolled her first ambassador for Wakaya under the marketing "matrix" for ambassadors.
- 30. Between November 8, 2016 and December 28, 2016, Sanneman engaged in negotiations with Wakaya and its representatives as to her potentially being an investor in Wakaya. Defendant Wakaya was actively soliciting a \$250,000.00 investment from Plaintiffs during this time period.

- 31. During the negotiations between Sanneman and Wakaya, Sanneman watched videos of her top up line sponsors, including Barb Pitcock. These representatives and agents of Wakaya shared their Wakaya videos with Sanneman and told her that Wakaya was financially backed by a billionaire who had founded the Fiji Water company and owned the tropical island Wakaya. Wakaya's promotional materials also appropriated the billionaire's image and likeness to create the impression that the billionaire financially backed Wakaya. Barb Pitcock also told Sanneman that Wakaya was debt free.
- 32. Based on the representations, including the ones described herein, of Barb Pitcock and other representatives of Wakaya, Plaintiffs decided to invest in Wakaya.
- 33. On or about December 16, 2016, Defendant William J. Andreoli sent correspondence to Sanneman outlining Wakaya's thoughts regarding Sanneman and Essence Skin Clinic, LLC's skin care line and Plaintiffs' potential monetary investment in Wakaya.

THE INVESTMENT SCHEME

34. On or about December 28, 2016, Plaintiff Sanneman entered into an agreement with Defendant Wakaya, which terms of said agreement were memorialized in a document entitled the "Endorsement Agreement between Wakaya Perfection, LLC and Jennifer Sanneman" ("Endorsement Agreement"). The Endorsement Agreement included an "Exhibit A," which is entitled "Compensation Schedule." A true and correct copy of the Endorsement Agreement with its Exhibit A is attached hereto as "Exhibit A."

- 35. The Endorsement Agreement required Sanneman to license her image, name, likeness, and voice ("Attributions") for commercial purposes to Wakaya for the purpose of using Sanneman's Attributions in advertising and promotion of Wakaya's products, product lines, and brand name(s) ("Wakaya Business") as a Wakaya Brand Ambassador in exchange for compensation.
- 36. As part of Sanneman's license of her Attributions to Wakaya, Sanneman granted to Wakaya a license to use her Attributions specifically for the Wakaya Business for the limited purpose of promoting the brand and company awareness to Wakaya's customers, distributors, and the public through Sanneman's personal appearances, recorded interviews, and other promotional means and materials, and by use of her Attributions on company websites. The licensing component of the Endorsement Agreement called for specific and mutually agreed upon Wakaya products. Promotional materials consisted of any and all means of advertising, promoting and otherwise marketing the Wakaya Business, including through Wakaya websites, blogs, stationery, advertising materials, product brochures and other promotional materials or sites.

 Sanneman was required to make personal and professional appearances to promote and endorse the Wakaya Business, such as conference calls, personal appearances, and promotional appearances.
- 37. The December 28, 2016 Endorsement Agreement between Sanneman and Wakaya contained an offer to Sanneman for her to invest in Wakaya ("Investment Offering"). The investment clause specifically stated: "Sanneman to invest a sum of

\$250,000.00 with Wakaya for the purpose of product development, procurement, marketing and operational expenses. Return on this investment is outlined in Exhibit A."

- 38. The Compensation Schedule stated that compensation is "to be accrued monthly and remitted on or about the 15th of the following month." Sanneman was to receive 5% of actual sales price on specific Sanneman branded, Sanneman endorsed, or other specified products. If an Essence Clinic or Sanneman product was a part of a package to be sold, then Sanneman was to be paid on "proportionate portion of sales price the entire package."
- 39. The Compensation Schedule also called for the revenue share for Sanneman to be increased from 5% to 20% until Sanneman received cumulative royalty payments equal to \$500,000, providing a 50% return on investment to Sanneman.
- 40. On December 28, 2016, Essence Clinic through Sanneman remitted \$200,000.00 of the \$250,000.00 investment to Wakaya pursuant to the terms of the Investment Offer.
- 41. Also on December 28, 2016, Sanneman personally remitted \$50,000.00 of the \$250,000.00 investment to Wakaya pursuant to the terms of the Investment Offer.

SECURITIES FRAUD

42. Between September 20, 2016 and December 28, 2016, Wakaya and the other Defendants named herein never informed Sanneman that Youngevity International Corp. had brought a federal lawsuit against Wakaya in federal court in the Southern District of California (Case No. 3:16-cv-00704-BTM-JLB). The original Complaint in

this federal lawsuit against Wakaya and the other Defendants named herein is dated March 23, 2016.

- 43. The claims in the Youngevity lawsuit against Wakaya and the other

 Defendants named herein include allegations of the sale of unsafe, adulterated, or

 deleterious products, an unlawful pyramid scheme, false origin statements about Wakaya

 products, unlawful endless chain scheme, unlawful sale of misbranded and adulterated

 foods or dietary supplements, intentional interference with prospective economic

 advantage, breach of contract, intentional interference with contract / inducing breach of

 contract, misappropriation of trade secrets, misappropriation of name and likeness,

 trademark infringement, breach of fiduciary duty, and breach of duty of loyalty.
- 44. Defendants intentionally withheld the critical information about the ongoing federal lawsuit against Wakaya and the other Defendants named herein during the time period (*i.e.*, in November and December 2016) Plaintiffs were considering the \$250,000.00 investment opportunity in Wakaya. Defendants intentionally chose not to disclose this critical information to Plaintiffs when they persisted in recruiting and getting Plaintiffs to consider the Investment Offer. Plaintiffs would not have invested \$250,000.00 into Wakaya if they had known about the ongoing federal lawsuit.
- 45. In addition to Defendants withholding critical and material information regarding the federal lawsuit against Defendants, Defendants falsely promoted, falsely advertised, and misrepresented to Sanneman that a billionaire was a partner and financial supporter of Wakaya to deceive Plaintiffs into believing Wakaya was financially stable. The billionaire is neither a partner in nor an owner of Wakaya.

- 46. Wakaya required Sanneman to promote Wakaya products with no verification of the safety of the products, where the products came from or how the products were bottled (e.g., essential oils from VEO Oils in Russell, Kansas, a company belonging to Dave and Barb Pitcock). Wakaya also required Sanneman to promote products like Dilo Oil and Aloe as coming from Fiji despite that being factually false.
- 47. Defendant Wakaya also did not allow Sanneman to have any say in the selection of the containers for Plaintiffs' skin care product being sold as required under the Endorsement Agreement. Sanneman also was not allowed any input on the quality of containers or packaging of Plaintiffs' skin care product line being sold as required under the Endorsement Agreement. Wakaya's choice in containers and packaging resulted in Plaintiffs' skin care products arriving to Wakaya ambassadors and customers damaged, which led to decreased profits.
- 48. Defendant Wakaya required Sanneman to speak at events as Wakaya's skin care expert. However, Wakaya never paid for Sanneman's registration fees, travel and lodging expenses in violation of their agreement under the Endorsement Agreement.
- 49. Defendant Wakaya required Sanneman to pay full ambassador price for products while allowing others similarly situated as Sanneman to purchase products at a professional discounted price.
- 50. Wakaya products were sold at various price points, specifically at retail price, preferred customer price, and ambassador price. Defendant Wakaya was required to pay to Sanneman 20% on the sale of each skin care product of Plaintiffs within a set period of time under the terms of the Endorsement Agreement. However, Defendant

Wakaya only paid Sanneman on the ambassador price and not according to the payment schedule, all in violation of the Compensation Schedule.

- 51. After Sanneman became a Wakaya Ambassador, Defendant Andreoli requested ten of each skin care product from Plaintiffs for corporate testing. Defendant Wakaya has never reimbursed Plaintiffs for those items.
- 52. Under the terms of the Endorsement Agreement, Defendants were to assist the promotion of Plaintiffs' skin care products. Defendant Wakaya never assisted Sanneman in marketing her skin care products.
 - 53. To date, Defendant Wakaya has only paid Sanneman \$41,333.19 in total.
- 54. On August 10, 2018, Plaintiffs tendered a 30-day rescission offer pursuant to Minnesota Statutes Section 80A.77 Section 510 for the consideration paid to Wakaya as the securities investment. To date, Defendant Wakaya has not accepted Plaintiffs' rescission offer and has not repaid Plaintiffs' \$250,000.00 securities investment.

COUNT I – MINNESOTA UNIFORM SECURITIES ACT (SECURITIES FRAUD) (All Defendants)

- 55. Plaintiffs re-allege the preceding paragraphs as if originally set forth herein.
- 56. The December 28, 2016 Endorsement Agreement and its Exhibit A constitute securities as defined within Minnesota Statutes Section 80A.14, Subdivision 18.
- 57. The Minnesota Securities Act makes it unlawful for any person to, in connection with the offer, sale, or purchase of any security, directly or indirectly to (a) employ any device, scheme, or artifice to defraud; (b) make any untrue statement of a

material fact or to omit to state material facts necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or (c) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person (collectively "Securities Fraud").

- 58. Under the Minnesota Securities Act, any person who commits Securities Fraud is liable for actual damages sustained plus interest from the date of payment or sale, costs and disbursements, and reasonable attorneys' fees.
- 59. Under the Minnesota Securities Act, every person who either directly or indirectly controls an entity liable for Securities Fraud is liable jointly and severally with and to the same extent as every person who commits Securities Fraud.
- 60. Under the Minnesota Securities Act, every partner of an entity liable for Securities Fraud, every principal executive officer of an entity liable for Securities Fraud, every director of an entity liable for Securities Fraud, and every employee of an entity liable for Securities Fraud who materially aided in Securities Fraud is liable jointly and severally with and to the same extent as every person who commits Securities Fraud.
- 61. Under the Minnesota Securities Act, every broker-dealer or agent who materially aids in the Securities Fraud is liable jointly and severally with and to the same extent as every person who commits Securities Fraud.
- 62. Defendant Wakaya is liable to Plaintiffs for Securities Fraud due to, but not limited to, the following: (1) making untrue statements of material fact to Plaintiffs by misleading, deceptive, and false representations regarding Wakaya's financial stability and security and about the amount of money Sanneman could make as a Wakaya

Ambassador; and (2) omitting material facts necessary to make their statements made regarding the investment worthiness of Wakaya by intentionally withholding critical information about the ongoing federal lawsuit against Wakaya and the other Defendants named herein.

- 63. Defendant Todd Smith is liable to Plaintiffs for Securities Fraud because at all times relevant he was Wakaya's founder, President, and director and directly or indirectly controlled Wakaya. Defendant Todd Smith was an agent of Wakaya who materially aided in Securities Fraud.
- 64. Defendant William J. Andreoli is liable to Plaintiffs for Securities Fraud because at all times relevant he was President of Wakaya. Defendant William J. Andreoli directly or indirectly controlled Wakaya. Defendant William J. Andreoli was an agent of Wakaya who materially aided in Securities Fraud.
- 65. Defendant Blake Graham is liable to Plaintiffs for Securities Fraud because at all times relevant he was a participant and investor in, distributor for, and promoter of Wakaya. Defendant Blake Graham directly or indirectly controlled Wakaya. Defendant Blake Graham was an agent of Wakaya who materially aided in Securities Fraud.
- 66. Defendant Andre Vaughn is liable to Plaintiffs for Securities Fraud because at all times relevant he was a participant and investor in, distributor for, and promoter of Wakaya. Defendant Andre Vaughn directly or indirectly controlled Wakaya. Defendant Andre Vaughn was an agent of Wakaya who materially aided in Securities Fraud.
- 67. Defendant Steve Smith is liable to Plaintiffs for Securities Fraud because at all times relevant he was an investor in and promoter of Wakaya. Defendant Steve Smith

directly or indirectly controlled Wakaya. Defendant Steve Smith was an agent of Wakaya who materially aided in Securities Fraud.

- 68. Defendant Barb Pitcock is liable to Plaintiffs for Securities Fraud because at all times relevant she was a participant and investor in, distributor for, and promoter of Wakaya. Defendant Barb Pitcock directly or indirectly controlled Wakaya. Defendant Barb Pitcock was an agent of Wakaya who materially aided in Securities Fraud.
- 69. Defendant Dave Pitcock is liable to Plaintiffs for Securities Fraud because at all times relevant he was a participant and investor in, distributor for, and promoter of Wakaya. Defendant Dave Pitcock directly or indirectly controlled Wakaya. Defendant Dave Pitcock was an agent of Wakaya who materially aided in Securities Fraud.
- 70. Defendant Patti Gardner is liable to Plaintiffs for Securities Fraud because at all times relevant she was a participant and investor in, agent and distributor for, and promoter and Vice President of Wakaya. Defendant Patti Gardner directly or indirectly controlled Wakaya. Defendant Patti Gardner was an agent of Wakaya who materially aided in Securities Fraud.
- 71. Defendant Mike Randolph is liable to Plaintiffs for Securities Fraud because at all times relevant he was a participant and investor in, agent and distributor for, and promoter and Executive Vice President of Wakaya. Defendant Mike Randolph directly or indirectly controlled Wakaya. Defendant Mike Randolph was an agent of Wakaya who materially aided in Securities Fraud.
- 72. Defendant Mike Casperson is liable to Plaintiffs for Securities Fraud because at all times relevant he was a participant and investor in, agent and distributor

for, and promoter and Vice President of Wakaya. Defendant Mike Casperson directly or indirectly controlled Wakaya. Defendant Mike Casperson was an agent of Wakaya who materially aided in Securities Fraud.

- 73. Defendant Brytt Cloward is liable to Plaintiffs for Securities Fraud because at all times relevant he was a participant and investor in, agent and distributor for, and promoter of and Vice President of Marketing for Wakaya. Defendant Brytt Cloward directly or indirectly controlled Wakaya. Defendant Brytt Cloward was an agent of Wakaya who materially aided in Securities Fraud.
- 74. As a direct and proximate result, Plaintiffs seek to rescind the Endorsement Agreement and its Exhibit A and recover the consideration paid for the security together with interest at the legal rate from the date of payment, costs and disbursements, and reasonable attorneys' fees.
- 75. In the alternative, as a direct and proximate result, Plaintiffs seek damages in an amount in excess of \$50,000, the exact amount to be determined at trial.

COUNT II – MINNESOTA UNIFORM SECURITIES ACT (FAILURE TO REGISTER) (All Defendants)

- 76. Plaintiffs re-allege the preceding paragraphs as if originally set forth herein.
- 77. The Endorsement Agreement and Exhibit A, including the Investment Offer, constitute securities as defined within Minnesota Statutes Section 80A.14, Subdivision 18.
- 78. Defendant Wakaya did not register the securities as required by the Minnesota Securities Act.

- 79. Defendant Wakaya's securities are not exempt from registration.
- 80. Defendant Wakaya offered and / or sold unregistered securities to Plaintiffs.
- 81. Defendant Wakaya's offer and / or sale of unregistered securities violated the Minnesota Securities Act.
- 82. Under the Minnesota Securities Act, any person or entity who fails to register an offer and / or sale of securities is liable the consideration paid for the security together with interest at the legal rate, costs and disbursements, and reasonable attorneys' fees.
- 83. Defendant Wakaya is liable to Plaintiffs because it failed to register the offer and / or sale of the securities sold to Plaintiffs.
- 84. All other Defendants are liable to Plaintiffs because they directly or indirectly controlled Wakaya and / or were an agent or employee of Wakaya who materially aided in the failure to register the offer and / or sale of the securities. All other Defendants are jointly and severally liable with Defendant Wakaya.

COUNT III – BREACH OF CONTRACT (In The Alternative) (Defendant Wakaya)

- 85. Plaintiffs re-allege the preceding paragraphs as if originally set forth herein.
- 86. In the event that the Court finds that the Endorsement Agreement and its Exhibit A, including the Investment Offer, does not constitute a security, Plaintiffs allege breach of contract against Defendant Wakaya.
- 87. Plaintiff Sanneman entered into the Endorsement Agreement and its Exhibit A with Defendant Wakaya whereby Wakaya agreed to repay Plaintiffs'

investment plus additional sums of money under the terms of the Compensation Schedule (Exhibit A) and the Endorsement Agreement as a whole.

- 88. Defendant Wakaya failed to return Plaintiffs' investment and failed to pay the additional sums of money under the terms of the Compensation Schedule (Exhibit A) and the Endorsement Agreement as a whole.
- 89. Defendant Wakaya breached the contract or series of contracts with Plaintiffs by failing to pay Plaintiffs the sums due and owing and by failing to fully perform under the Endorsement Agreement and its Exhibit A.
- 90. As a direct and proximate result of Defendant Wakaya's breach of contract, Plaintiffs each have been damaged in an amount in excess of \$50,000, the exact amount to be determined at trial.

COUNT IV - FRAUD (Defendant Wakaya)

- 91. Plaintiffs re-allege the preceding paragraphs as if originally set forth herein.
- 92. Defendant Wakaya represented to Plaintiffs that Wakaya was financially backed by a billionaire, it would repay Plaintiffs' investment plus additional sums of money under the terms of the Compensation Schedule (Exhibit A) and the Endorsement Agreement as a whole, and to assist the promotion of Plaintiffs' skin care products.
 - 93. Defendant Wakaya's representations to Plaintiffs were all false.
- 94. Defendant Wakaya's representations were all material to induce Sanneman to enter the Endorsement Agreement and Plaintiffs to invest \$250,000.00 into Wakaya.
 - 95. Defendant Wakaya's representations were knowingly and recklessly false.

- 96. Plaintiffs did not know Defendant Wakaya's representations were false at the time they were made and did not have any reason to believe they might be false at the time they were made and Plaintiffs acted in reliance on these representations.
- 97. Plaintiffs actually acted in reliance on Defendant Wakaya's representations because Sanneman entered the Endorsement Agreement with Wakaya and Plaintiffs invested \$250,000.00 into Wakaya based on Wakaya's representations described herein.
- 98. Plaintiffs had a right to rely on Defendant Wakaya's representations described herein.
- 99. As a direct and proximate result of said fraud and deceit, Plaintiffs have been damaged in an amount in excess of \$50,000, the exact amount to be determined at trial.

COUNT V - PROMISSORY ESTOPPEL (Defendant Wakaya)

- 100. Plaintiffs re-allege the preceding paragraphs as if originally set forth herein.
- 101. Defendant Wakaya made clear and definite promises that it would pay to Sanneman 20% from the sales of Plaintiffs' products until Sanneman received cumulative royalty payments equal to \$500,000, providing a 50% return on investment to Sanneman according to the set payment schedule in the Endorsement Agreement, and to assist the promotion of Plaintiffs' skin care products.
- 102. It was reasonably foreseeable that Plaintiffs would rely on the abovedescribed promises, and Plaintiffs did rely on those promises.
- 103. Defendant Wakaya breached its promises by failing to pay 20% from the sales of Plaintiffs' products until Sanneman received cumulative royalty payments equal to \$500,000, providing a 50% return on investment to Sanneman according to the set

payment schedule in the Endorsement Agreement, and to assist the promotion of Plaintiffs' skin care products.

104. As a direct and proximate result of this breach, Plaintiffs have been damaged in an amount in excess of \$50,000, the exact amount to be determined at trial.

COUNT VI – UNJUST ENRICHMENT (All Defendants)

- 105. Plaintiffs re-allege the preceding paragraphs as if originally set forth herein.
- 106. As a direct and proximate result of the unlawful actions of Defendants described herein, Defendants have been unjustly enriched at the expense of and to the detriment of Plaintiffs.
- 107. As a result, Plaintiffs have been damaged in an amount in excess of \$50,000, the exact amount to be determined at trial.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for entry of Judgment as follows:

- Rescission of the Endorsement Agreement and its Exhibit A and an award of \$250,000.00 in favor of Plaintiffs and against Defendants, individually and jointly, reflecting the consideration paid for the security together with interest at the legal rate from the date of payment, costs and disbursements, and reasonable attorneys' fees.
- An award of damages in favor of Plaintiffs and against Defendants, individually and jointly, in excess of \$50,000.00, together with applicable interest, costs, disbursements, and attorneys' fees.
- 3. That this Court grant such other relief as it deems just, proper, and equitable.

Dated: 9/78, 2018

DUNLAP & SEEGER, P.A.

By:

Ken D. Schueler

Attorney Registration No. 190378

30 3rd Street SE, Suite 400

Post Office Box 549

Rochester, Minnesota 55903 Telephone No.: (507) 288-9111

Attorneys for Plaintiffs

ACKNOWLEDGMENT

The undersigned hereby acknowledges that costs, disbursements, and reasonable attorney and witness fees may be awarded pursuant to Minn. Stat. § 549.211, Subd. 2, to the party against whom the allegation in this pleading are asserted.

DUNLAP & SEEGER, P.A.

Ken D. Schuele

Endorsement Agreement between Wakaya Perfection, LLC and Jennifer Sanneman

This Endorsement Agreement (the "Agreement") is made this 28 day of 2016, by and between Wakaya Perfection, LLC, a Utah limited liability company (hereinafter referred to as "Wakaya"), and Jennifer Sanneman, an individual (hereinafter referred to as "Sanneman"). (Wakaya and Sanneman each may be referred to herein as a "Party" and collectively as "the Parties".)

Whereas, Sanneman is the exclusive owner of the international rights to the use of her image, name, likeness, and voice for commercial purposes (the "Content"), such content having value, in part, because of Sanneman's experience, contacts, fame and credibility; and

Whereas, Sanneman desires to license the use of the Content to Wakaya for use in advertising and promotion of Wakaya's products, product lines, and brand name(s) (the "Wakaya Business") as a Company/Brand Ambassador in exchange for compensation as described herein; and

Whereas, Wakaya desires to enter into an agreement with Sanneman for the purpose of using the Content in promoting the Wakaya Business, including, but not limited to, use in advertising and marketing and further desires for Sanneman to make appearances and speak on behalf of the Wakaya Business.

Therefore, it is hereby agreed between the Parties as follows:

- 1. Term of Agreement: Subject to the terms set forth below, this Agreement shall commence as of the date set forth above (the "Effective Date") and shall continue for a term of 12 months (the "Initial Term"), subject to either Party's right to terminate the Agreement pursuant to Section 2, below; provided, however, that the term of this Agreement shall automatically renew for additional periods of one (1) year upon each expiration of the Initial Term or any renewal term until terminated pursuant to Section 2, below.
- 2. **Termination:** Either Party may terminate this Agreement at or prior to the end of the Initial Term or any renewal term under the following circumstances and using the following criteria:
 - A. Default. If either Party is deemed to be in Default, as defined in Section 7 of this Agreement, beyond any cure period applicable thereto, other remedies listed in this Agreement notwithstanding, the Non-Defaulting Party, at its discretion, may exercise the right to immediately terminate this Agreement upon written notice to the Defaulting Party.
 - B. Termination for Convenience. Either Party may terminate this Agreement in the exercise of its sole discretion upon ninety (90) days written notice to the other Party, subject to the provisions of Sections 2.C. and 2.D. below.
 - C. Termination by Wakaya. If Wakaya chooses to terminate this Agreement prior to the end of the Initial Term or any renewal term pursuant to Section 2.B., Wakaya will discontinue use of any and all Content and remove all reference(s) to the Content from all Wakaya websites, blogs, stationery, advertising materials, product brochures and other promotional materials or sites. Said removal will be done on or before the termination date, unless other

mutually agreed upon terms and conditions provide separately for the continuation or use of any portion of the Content.

- D. Termination by Sanneman. In such case where Sanneman chooses to terminate this Agreement prior to the end of the Initial Term or any renewal term pursuant to Section 2.B., Sanneman will allow continued use of the Content (excluding any Personal or Promotional Appearances or other content that would require personal involvement) to the extent required to, and for the time necessary to "run out" of any printed materials, labels, product packaging, promotional materials and the like created by Wakaya in accordance with other sections of this Agreement. Said "run out" time, however, will be limited to a maximum of 120 days after the later of the expiration of the Initial Term or the effective date of the termination of this Agreement. Upon the expiration of "run out" period, Wakaya shall immediately cease any and all use of the Content, unless other mutually agreed upon terms and conditions provide separately for the continuation or use of any portion of the Content.
- E. Termination Upon Expiration of Term of Agreement. In such case where this Agreement naturally terminates at the Initial Term, or at the natural end of any renewal term, Sanneman will allow continued use of the Content (excluding any Personal or Promotional Appearances or other content that would require personal involvement) to the extent required to, and for the time necessary to "run out" of any printed materials, labels, product packaging, promotional materials and the like created by Wakaya in accordance with other sections of this Agreement. Said "run out" time, however, will be limited to 120 days after the natural termination of this Agreement. Upon the expiration of "run out" period, Wakaya shall immediately cease any and all use of the Content, unless other mutually agreed upon terms and conditions provide separately for the continuation or use of any portion of the Content.
- 3. **Investment.** Sanneman to invest a sum of \$250,000.00 with Wakaya for the purpose of product development, procurement, marketing and operational expenses. Return on this investment is outlined in Exhibit A.
- 4. **Endorsement.** Sanneman hereby grants to Wakaya a license to use the Content specifically for the Wakaya Business, for the limited purpose of promoting the brand and company awareness to its customers, distributors, and the public through personal appearances, recorded interviews, and other promotional means and materials, and by use of the Content on company websites. The license granted in this Agreement also includes the use of the Content with respect to specific and mutually agreed upon Wakaya products.
 - A. Use of Content with Respect to Specific Wakaya Products. Should Wakaya wish to use the Content to promote a specific Wakaya product, Sanneman shall have the right to review said product with respect to which use of the Content is requested by Wakaya, including, but not limited to, product content, method of manufacture, and efficacy. Sanneman shall have the right, in the exercise of her reasonable discretion, to refuse to allow the use of the Content with respect to any specific Wakaya product.
 - B. Right of Review of Promotional Materials. Any and all promotional materials, media, and any other items produced by Wakaya, or by a third party on behalf of Wakaya, that contain any portion of the Content ("Promotional Material") shall be subject to review and

written approval by Sanneman prior to any use by Wakaya. Sanneman agrees that her approval shall not be unreasonably withheld and further agrees that such approval shall be rendered within ten (10) working days following receipt by Sanneman of the proposed Promotional Material for which approval is sought (the "Review Period"). In the event that Sanneman objects to any Promotional Material or portion thereof, Sanneman shall send written notice of such objection to Wakaya prior to end of the Review Period. If approval or objection is not received within the Review Period, the Promotional Material shall be deemed as approved as submitted. The Promotional Material subject to this Agreement are any and all means of advertising, promoting and otherwise marketing the Wakaya Business, including, but not limited to, Wakaya websites, blogs, stationery, advertising materials, product brochures and other promotional materials or sites.

- C. Sanneman shall have the right to delegate its approval rights hereunder to another person in consultation with and after notice to Wakaya.
- D. Ownership of the Content. Except for the license rights granted to Wakaya hereunder, Wakaya hereby understands and agrees that, by virtue of entering into this Agreement or otherwise, it does not and may not claim any right, title or interest in the Content, which shall remain the sole and exclusive property of Sanneman. Sanneman represents and warrants to Wakaya that the Content does not and will not infringe upon any patent, copyright, trade secret or other property rights of any third party.
- E. Ownership of the co-branded or endorsed Product(s). Nothing in this agreement shall be construed to give Sanneman any ownership of, control over, or proprietary interest in any of the Wakaya Perfection products, Wakaya Perfection Promotional Material, or the Wakaya Perfection Business.
- F. Sanneman understands that in the course of performing Sanneman's duties as Brand Ambassador, Content such as pictures, videos, audio tapes may be created by distributors and others associated with Wakaya that may then be placed in the public realm either on the Internet or by other means. Sanneman reserves the right to review the use of such Content. Wakaya shall use commercially reasonable efforts to have all such uses not approved by Sanneman immediately discontinued.
- G. Personal and Promotional Appearances. In addition to the use of the Content as provided herein, Sanneman agrees to provide the services of Sanneman during the term of this Agreement, to promote and endorse the Wakaya Business.
 - (i) Conference Calls. Sanneman agrees to appear on behalf of Wakaya on Conference Calls throughout the term of the Agreement. Said calls to be typically 30 minutes in length and as often as once per week or as infrequent as once per month. Purpose of the calls will be to educate listeners, promote the Content, as well as boosting Content and Product sales. Wakaya prefers that Conference Calls be scheduled on a regular and predictable basis. Should scheduling conflicts occur, Wakaya will yield to the convenience of Sanneman, but does reserve the right to pre-record calls in such instances.
 - (i) Personal Appearances. Sanneman agrees to appear on behalf of Wakaya in person on no more than five (5) occasions during the Initial Term (each a "Personal

Appearance"), but no less than one (1) occasion during any rolling 90-day period; provided, however, that any such Personal Appearance shall be subject to the approval of Sanneman in the exercise of her reasonable discretion. Disapproval of any specific event does not reduce the total number of personal appearances required under the terms of this Agreement. A Personal Appearance shall be defined as appearing at a specific public event for a period not to exceed three (3) days and three (3) nights (with reasonable travel time included). Any additional Personal Appearances shall be subject to such terms and conditions as are mutually agreed by the Parties. It is understood by the Parties that there are conditions outside of those outlined in this Agreement that may influence availability and scheduling by and for both parties. It is the intent that all Personal Appearances will be scheduled as far in advance as possible, that any scheduling conflicts or constraints will be resolved on a best efforts basis, and that no scheduling approvals will be unreasonably withheld by either Party.

- (ii) Promotional Appearances. Sanneman hereby agrees to provide the services of Sanneman for promotional purposes (nonpublic) as may be reasonably requested by Wakaya, and at the convenience of Sanneman to appear in Wakaya promotional materials, including, but not limited to: video(s) for public viewing on Wakaya's website(s) and or official online video channel, DVD's, brochures, and other Wakaya and or other promotional materials. All such materials may be duplicated and distributed to Wakaya distributors, potential distributors, customers, and potential customers for promotional purposes in quantities and means commensurate with other Wakaya marketing materials. Sales of said Content to include shared revenue as outlined herein.
- (iii) As between Wakaya and Sanneman, Wakaya shall be solely responsible for scheduling, organizing and otherwise arranging for each Promotional and or Personal Appearance, including, but not limited to, transportation to and from each Appearance and necessary lodging. Wakaya shall arrange and pay for transportation and lodging that is acceptable to Sanneman, which shall include air travel, accommodations, airport transportation, reasonable meal allowances and a per diem allowance.
- (iv) Wakaya shall consult with Sanneman to avoid scheduling conflicts whenever possible, and shall give Sanneman at least ninety (90) days' advance written notice of any Appearance or session or event requiring the appearance of Sanneman.
- 5. **Compensation.** For all rights and privileges and services rendered or provided for hereunder by Sanneman, including use of the Content, Wakaya shall pay Sanneman on a shared revenue fee on a schedule and as prescribed in exhibit A.

Any and all compensation under this Agreement shall cease as of the date of termination unless otherwise negotiated at the time of termination notice. All compensation payable to Sanneman hereunder shall be paid to Sanneman in US dollars at the following address:

Jennifer Sanneman

or such alternative address as Sanneman may communicate to Wakaya from time to time to in writing.

A. Reporting and Right to Audit

Wakaya shall provide monthly sales/Compensation reports on or about the 15th of the month for the previous month's activities. These reports shall include a categorized listing of all Content sales and or other applicable Compensation generating activities. Sanneman will have 14 days from the time of receipt to review reports and request additional information if necessary, as outlined herein. If these 14 days pass without inquiry or request for more information, Wakaya will consider Compensation for that month as final.

Upon request, Sanneman shall have the right to additional reporting and or sales information to audit Content sales and other activities for a given month. If requested, Wakaya will provide additional information within 5 business days. Any such audit or information request will not interrupt or delay Compensation remittance, however, it will negate the 14-day review period as described herein. The Compensation and reporting for the month in question will only be considered final once audit process is completed to the satisfaction of the Parties.

- 6. Taxes. Sanneman shall pay all taxes imposed on any and all compensation and or other income paid to Sanneman by Wakaya.
- 7. Territory/ Deletions by Wakaya. Nothing in this Agreement shall restrict Wakaya from selling its products anywhere in the world.
 - Default Provisions. In the event that either Party (the "Defaulting Party"):
 - (i) Except as set forth in Section 8A., materially or repeatedly fails to perform any of its duties or obligations set forth in this Agreement and such failure is not substantially cured within ten (10) days after written notice is given by the Party asserting the default (the "Non-Defaulting Party"); or
 - (ii) Fails to make payment of any amount due to the other Party under this Agreement and does not cure such failure within five (5) days after written notice is given by the Non-Defaulting Party;
 - (iii) Then the Non-Defaulting Party may terminate this Agreement immediately upon written notice to the Defaulting Party.
 - (iv) For purposes of this Agreement, the Parties expressly agree that any voluntary or involuntary petition for protection under the relevant bankruptcy laws by Wakaya shall be deemed to be a material breach of this Agreement.

Covenants and Representation.

A. The Parties hereby covenant and agree that to the best of their ability, neither will commit, directly or indirectly, any act or thing that would degrade, tarnish or deprecate the Content or the other's image in society, standing in the community, or otherwise prejudice the other in any way. The Parties hereby agree that any action on their part that violates this

paragraph in any material respect shall be deemed to be a material default and breach of this Agreement which cannot be cured by the offending party and that this Agreement may be immediately terminated at the discretion of the offended party without the necessity of written notice.

- B. Each Party, with respect to such Party only, hereby represents and warrants to the other Party as follows:
 - (i) Such Party has all necessary power and authority to execute and deliver this Agreement, and to perform its obligations hereunder;
 - (ii) That execution of this Agreement does not violate any applicable law or otherwise infringe on the rights of any third party;
 - (iii) Such Party's normal course of doing business, whether directly or indirectly related to this Agreement, is in compliance in all material respects with all applicable laws and regulations; and
 - (iv) Such Party is not a party to any agreement that will be breached by, or that would otherwise prohibit them from entering into or performing under this Agreement.
- 10. Assignment. Neither Party may assign this Agreement without the prior written consent of the other, which approval shall not be unreasonably withheld, delayed, or conditioned. Any attempted assignment that violates this provision shall be void; provided, however, that Sanneman may assign this Agreement to any person or company that possesses the right to use the Content, and has the ability to perform the obligations outlined in this Agreement.
- 11. Further Acts. Each Party to this Agreement agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.
- Non-competition. Sanneman agrees that during the term of this Agreement that she will not make a general endorsement of or act as a company "brand ambassador" for any similar direct marketing company or other company that may be construed as a direct competitor of Wakaya (e.g., Herbalife). Further, Sanneman will not endorse any products of any company, that could reasonably be construed as competitors of, or offensive to, or create conflict of interest with Wakaya, without first notifying Wakaya of the potential conflict. Should such conflict of philosophy or interest be confirmed, the parties may choose to renegotiate this agreement or exercise their rights of termination under section 2 of this agreement.
- 13. **Relationship of the Parties.** This Agreement shall not constitute, create, or otherwise imply an employment, joint venture, partnership, agency or similar arrangement. In discharging her responsibilities hereunder, Sanneman shall act as an independent contractor, and neither Party shall have the power to act for or bind the other Party except as expressly provided for herein.
- 14. Amendment; Revocation; Waiver. The provisions of this Agreement may be altered, amended, or repealed, in whole or in part, only on the written consent of all Parties to this Agreement. Any provision of this Agreement may be waived only if such waiver is in writing and executed by the Party sought to be charged thereby.

- 15. **Binding Effect.** This Agreement shall be binding on, and shall inure to the benefit of the Parties and their respective heirs, legal representatives, successors, and permitted assigns.
- 16. **Severability.** It is intended that each section of this Agreement shall be viewed as separate and divisible, and in the event that any section shall be held to be invalid, the remaining sections shall continue to be in full force and effect so long as the economic and legal substance of this Agreement are not affected in any manner materially adverse to either Party.
- 17. **Notices.** All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be hand delivered or sent by overnight commercial delivery, to the affected Party at its address below, or any other address that any Party may designate by written notice to the others. All notices shall be effective when received.

Wakaya Perfection, LLC., Attn: Todd Smith 7 S. 1550 W.	Jennifer Sanneman	
Suite 600 Lindon, UT 84057 CANDED		
Tel. 877-925-2921 Ext. 7000	Tel. 310-963-5530	

- 18. **Dispute Resolution.** In the event that any dispute arises between the Parties with respect to the interpretation or implementation of this Agreement and any of its attachments or Exhibits, or any rights, responsibilities, duties, entitlement, deliverable or obligations and duties arising hereunder, the Parties agree mutually to make prompt, good faith efforts to resolve their differences without resorting to any formal dispute resolution process. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, which cannot be resolved between the Parties shall be settled by binding arbitration in accordance with the Commercial Rules of the American Arbitration Association by a single arbitrator in a location to be agreed to by the Parties (or, if no agreement on location can be reached, the arbitration shall be held in Salt Lake City, Utah), and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof and shall not be appealable.
- 19. **Indemnification.** The Parties agree to indemnify and hold harmless the other Party, their employees, officers, directors, agents, assignees, and heirs against any and all claims, damages, liabilities, costs and expenses, including without limitation, reasonable legal fees and costs arising out of, or reasonably related to the services provided under this Agreement, or otherwise incurred for, or by reason of breach of this Agreement or any of the obligations, warranties, agreements, covenants or representations herein contained by the indemnifying Party. The Parties shall provide prompt written notice of any claim hereunder to the other Party and, subject to the approval of the indemnified Party, the indemnifying Party shall have the right to defend any such action.
- 20. **Interpretation; Governing Law.** This Agreement is the product of arms-length negotiations and shall not be construed for or against either Party, nor shall it be construed according to any doctrine, rule or statute, which provides that a contract is to be interpreted against the interest of the Party who drafted it. This Agreement shall be construed in accordance with and governed by the laws of the State of Utah without giving effect to the conflict of laws provisions of Utah.

- 21. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 22. **Insurance.** At all times during the term of this Agreement, Wakaya shall secure all necessary and customary insurance, including a standard comprehensive general liability insurance policy providing standard product liability protection.
- 23. Waiver. The waiver by either Party of any term, condition or provision of this Agreement shall not be construed as a waiver of any other or subsequent term, condition or provision of this Agreement.
- 24. **Gender.** Whenever the context of this Agreement so requires, the masculine gender includes the feminine and neuter, the singular in number includes the plural, and the plural number includes the singular.
- 25. Attorneys' Fees. If any Party hereto retains counsel for the purpose of enforcing or preventing the breach of any provision of this Agreement, including, but not limited to, instituting any action or proceeding to enforce any provision of the Agreement for damages by reason of any breach of any provision hereof, for declaration of such Party's rights or obligations hereunder or for any other judicial remedy, then, if said matter is settled by judicial determination, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to be reimbursed by the losing Party or Parties for all costs and expenses incurred hereby, including, but not limited to, as part of such costs, reasonable attorney's fees and costs for services rendered by such prevailing Party.
 - 26. Agreement. This Agreement and all documents referred to herein:
 - (i) Constitute the entire agreement between the Parties hereto with respect to the subject matter hereof; and
 - (ii) Supersede all prior or simultaneous negotiations or agreements, except as noted herein.
 - (iii) May be concurrent with other separate agreements with respect to other subject matter such as a distributorship, manufacturing or supply agreement. In such case, the terms of this agreement shall not unduly influence or supersede the terms of any other agreement.
- 27. Authorization. The Parties hereto and the individuals executing this Agreement represent and warrant that they have the actual and present authority to execute this Agreement and to legally bind their respective entities, including Wakaya.
- 28. Legal Representation and Advice. The Parties hereto, and each of them, represent and declare and execute in this Agreement that they rely solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently selected counsel, if any, concerning the nature, extent and duration of their rights and claims, and they have not been influenced to any extent whatsoever in executing the same by any representations or statements covering any matters made by any of the Parties or by any persons representing them.

- 29. Headings for Convenience Only. The headings contained herein are for convenience and reference only and are not part of this Agreement.
- 30. Injunctive Relief. The Parties agree that it would be difficult to measure damage to the offended Party from any breach of the covenants set forth in Sections 8A and 11, that injury to the offended party from any such breach would be impossible to calculate, and that money damages would therefore be an inadequate remedy for any such breach. Accordingly, each Party agrees that if such Party shall breach the covenants set forth in Sections 8A or 11 of this Agreement, the offended Party shall be entitled, in addition to all other remedies it may have, to injunctions or other appropriate orders to restrain any such breach by the offending Party without showing or proving any actual damage sustained by the offended Party.
- 31. Confidentiality. The terms of this Agreement are confidential, and neither Party shall disclose the terms hereof (other than to such Party's officers, employees, attorneys, accountants, and other advisors) without the express written consent of the other Party.

In Witness Whereof, the Parties hereto have duly executed this Agreement as of the date first mentioned above.

Dated: /2/28/14	Wakaya Perfection, LLC, a Utah limited liability company	
	By:	
Dated:	Jennifer Sanneman, an individual	

Exhibit A

Compensation Schedule

Compensation to be accrued monthly and remitted on or about the 15th of the following month, unless otherwise discussed and decided by the Parties in advance of said Compensation generating activity(ies).

- Revenue Share Schematic: Revenue share of 5% of actual sales price on specific Sanneman branded, Sanneman endorsed, or other specified products. If said product is part of a package, then revenue share would be paid on proportionate portion of sales price the entire package.
 - Example: "Wakaya Perfection branded, Sanneman co-branded or endorsed skin care product".
 - Individual item Sales Price: \$34.95 (before tax or shipping & handling) –
 Sanneman share would be \$1.75 per item sold.
 - Proportionate Sales Price (of multi-product package where package represents a 5% discount on included products): \$33.20 (before tax or shipping & handling) – Sanneman share would be \$1.66 per item sold.
- Return on Investment: Revenue Share listed above to be increased by 400% (from 5% to 20%) until such time that cumulative royalty payments equal \$500,000, at which time Revenue share will return to 5% level. This provides a return on investment 50%, but does not provide a guarantee for the amount of time it will take to experience said return.