IN THE CIRCUIT COURT, OF THE SEVENTH JUDICIAL CIRCUIT, IN AND FOR VOLUSIA COUNTY, FLORIDA

CASE NO. DIVISION

SCCY INDUSTRIES, LLC, a Florida limited liability company,

Plaintiff,

٧.

BEAU HICKMAN, individually, ROSEMARI PETRUCCELLI, individually, and BESPOKE FLORIDA, LLC, a Florida limited liability company,

Defendants.

COMPLAINT

Plaintiff, SCCY INDUSTRIES, LLC, by and through its undersigned counsel, sues Defendants, BEAU HICKMAN, individually, ROSEMARI PETRUCCELLI, individually, and BESPOKE FLORIDA, LLC, and alleges as follows:

JURISDICTION/ PARTIES

- Plaintiff, SCCY INDUSTRIES, LLC ("SCCY"), is a Florida limited liability company, with its principal place of business in Volusia County, Florida.
- Defendant, BEAU HICKMAN ("HICKMAN"), is an individual, believed to be residing in Orange County, Florida, and is otherwise, sui juris.
- Defendant, ROSEMARI PETRUCCELLI ("PETRUCCELLI"), is an individual, believed to be residing in Orange County, Florida, and is otherwise, sui juris.
- Defendant, BESPOKE FLORIDA, LLC ("BESPOKE), is registered as a Florida
 limited liability company, with its listed principal place of business in Orange County, Florida.

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- 5. This is an action for damages in excess of thirty thousand dollars (\$30,000.00), exclusive of interest, attorneys' fees, and costs, and is within the jurisdiction of this Court.
- 6. Venue is proper in this Court pursuant to Fla. Stat. § 47.011 as this action accrued in Volusia County, Florida.

GENERAL FACTUAL ALLEGATIONS

I. Summary of HICKMAN's Employment at SCCY

- 7. SCCY is a licensed firearms manufacturer focusing on the design, manufacture and sale of firearms and related products, which has been in business in Volusia County for over seventeen (17) years.
- 8. On or about August 19, 2019, HICKMAN was hired by SCCY as Vice President of Sales and Marketing and became Chief Operating Officer ("COO") in October 2019, when there was an opening in that position.
- 9. HICKMAN reported directly to SCCY's Chief Executive Officer ("CEO"), Joseph Roebuck, and Mr. Roebuck began to develop trust and confidence in HICKMAN based on HICKMAN's representations as to his proficiency in marketing and as to his handling of SCCY's Enterprise Resource Planning ("ERP") software transition.
- 10. However, unbeknownst to SCCY until much later, within the first thirty (30) days of the commencement of his employment, HICKMAN was falsifying receipts for reimbursement of expenses from SCCY.
- 11. Less than a year into HICKMAN's employment with SCCY, it also became apparent that HICKMAN had made false representations as to his abilities to perform his duties at SCCY, and after investigation into HICKMAN's actions/ inactions, it was discovered that in addition to these misrepresentations, HICKMAN had also severely breached his fiduciary duties

owed to SCCY as its COO, was stealing from SCCY, and perpetrated fraud against SCCY, among other bad acts.

- 12. Through these bad acts, HICKMAN has caused damages to SCCY totaling over \$500,000.
- 13. In light of these, and other bad acts, as more specifically described below, HICKMAN's employment with SCCY terminated on September 23, 2020.

II. HICKMAN's Egregious Breach of Fiduciary Duty

- 14. As the COO of SCCY, HICKMAN owed a fiduciary duty to SCCY's shareholder(s) to perform his duties as COO in good faith and in the best interest of SCCY.
 - 15. HICKMAN breached this fiduciary duty owed to SCCY.
- 16. Specifically, as part of HICKMAN's duties as COO, HICKMAN oversaw and directed the implementation of SCCY's new ERP software, EPICOR.
- 17. During the implementation process, HICKMAN pushed for the new ERP software to "go-live" early, despite warnings from EPICOR's project manager(s) that the software was not ready to launch. HICKMAN intentionally disregarded these warnings from EPICOR and recklessly demanded that EPICOR proceed with launching the ERP software early.
- 18. HICKMAN's instruction for an early software launch, in deliberate disregard of EPICOR's warnings and in breach of his fiduciary duty owed to SCCY, caused, and continues to cause, significant issues with the ERP software implementation.
- 19. As a result of HICKMAN's breach of his fiduciary duty owed to SCCY, it is estimated that SCCY will have to pay over \$100,000 in re-implementation and other costs to fix the issues caused by the early launch, excluding the additional human resource costs and damages to SCCY from the impact that the failed launch has had on SCCY's ability to fulfill orders.

- 20. In addition to this, during his time as COO of SCCY, HICKMAN deliberately breached his fiduciary duties owed to SCCY's shareholders by (including, but not limited to):
 - a. deliberately ignoring environmental contamination at SCCY's former Tennessee location, causing at least \$48,000 in clean-up costs and extended/ unnecessary rental expenses;
 - b. fraudulently misrepresenting to SCCY's CEO that a Winter Park, Florida office was necessary for SCCY's marketing department, and then using the Winter Park office for HICKMAN's own personal benefit as a game room and to store personal items, causing SCCY damages in unnecessary rent totaling approximately \$107,000;
 - booking over \$2,100 in airline accommodations on SCCY's account for an NRA
 event that was ultimately cancelled, and recklessly failing to cancel the
 accommodations to obtain a credit or refund for SCCY;
 - d. booking approximately \$7,400 in airline and lodging accommodations and representing to SCCY that the lodging was for a company tradeshow, but instead, using the lodging accommodations for personal benefit, without the permission or knowledge of SCCY;
 - e. fraudulently altering SCCY's ERP system to reflect that a significant number of Red Dot Laser Sights had shipped to customers, when in fact, HICKMAN stole these items from SCCY's inventory, causing SCCY almost \$70,000 in damages;
 - f. conspiring with BESPOKE and PETRUCCELLI to defraud SCCY out of over \$150,000 as further discussed below; and

g. stealing over \$16,900 in SCCY's property, including, but not limited to six (6) firearms, a laptop computer, monitor, and docking station, and unauthorized or fraudulent company credit card charges.

III. BESPOKE Conspiracy and Fraud

- 21. While COO at SCCY, overseeing SCCY's marketing department, HICKMAN conspired with Defendants, BESPOKE and PETRUCCELLI, to execute a scheme to defraud SCCY.
- 22. At all times material, HICKMAN and PETRUCCELLI are believed to have been in a romantic relationship.
- 23. HICKMAN, BESPOKE, and PETRUCCELLI fraudulently represented to SCCY's CEO that BESPOKE was a legitimate company that would provide marketing services for SCCY in exchange for a fee.
- 24. SCCY and BESPOKE entered into a Marketing Services Agreement based on these fraudulent representations. The Marketing Services Agreement is attached hereto as "Exhibit A."
- 25. PETRUCCELLI executed the Marketing Services Agreement as "Owner/President" of BESPOKE. However, at the time of executing this Marketing Services Agreement, neither PETRUCCELLI nor BESPOKE intended to perform any marketing services for SCCY.
- 26. Instead, HICKMAN, PETRUCCELLI, and BESPOKE intended to engage in a fraudulent scheme to steal over \$150,000 in marketing fees from SCCY, without actually providing any services.
- 27. HICKMAN as COO, overseeing SCCY's marketing department, represented to SCCY's CEO that BESPOKE was performing marketing services pursuant to the Marketing

Services Agreement in exchange for the marketing fees paid by SCCY. In realty, no such marketing services were ever provided by BESPOKE.

- 28. Another aspect of the fraudulent scheme perpetrated by HICKMAN, BESPOKE, and PETRUCCELLI was that PETRUCCELLI and HICKMAN, individually, were actually alter egos of BESPOKE, having abused the corporate form and using BESPOKE as a shell/ sham company to syphon marketing fees from SCCY for their personal use and benefit, without actually performing any services.
- 29. During the time that the Marketing Services Agreement was in effect, BESPOKE was a sham entity with no legitimate operation and instead, was a piggybank for PETRUCCELLI and HICKMAN.
- 30. PETRUCCELLI and HICKMAN used BESPOKE's operating account and SCCY's funds that they deposited therein for personal expenses and indulgences, including numerous restaurants, lodging charges, entertainment, and cash withdrawals.
- 31. In light of BESPOKE being a sham entity, BESPOKE's corporate form should be disregarded, piercing the corporate veil and HICKMAN and PETRUCCELLI, individually, should be jointly and severally liable for this fraud perpetrated against SCCY and all obligations and liability of BESPOKE.

IV. HICKMAN's Theft and Conversion of SCCY Property/ Assets

- 32. During his employment with SCCY, HICKMAN stole funds and assets from SCCY, including but not limited to:
 - a. a significant number of Red Dot Laser Sights with a value of almost \$70,000;
 - b. over \$150,000 as a result of the BESPOKE fraudulent scheme;
 - c. approximately \$7,400 in airline and lodging expenses for personal benefit;

- d. almost \$13,000 in unexplained or unauthorized company credit card charges;
- e. six (6) SCCY firearms valued at a total of approximately \$1,800; and
- f. SCCY's computer, monitor, and docking station valued at approximately \$2,100.
- 33. SCCY has retained the undersigned counsel to prosecute this action and is obligated to pay a reasonable fee for legal services.
- 34. All conditions precedent to the bringing of this action and to the claims for damages have been met, have occurred, or have been waived.

COUNT I- BREACH OF FIDUCIARY DUTY (Against HICKMAN)

- 35. SCCY hereby adopts and re-alleges by reference each and every allegation contained in Paragraphs 1 through 34, as set forth above.
- 36. As the COO of SCCY, HICKMAN owed a fiduciary duty to SCCY's shareholders to perform his duties as COO in good faith and in the best interest of SCCY's shareholders.
- 37. SCCY reposed trust and confidence in HICKMAN in his position as COO of SCCY, and HICKMAN undertook such trust and assumed that fiduciary duty to protect SCCY and act in SCCY's best interest.
 - 38. HICKMAN breached this fiduciary duty owed to SCCY.
- 39. As a direct and proximate cause of HICKMAN's breach, SCCY has suffered at least \$500,000 in damages.

WHEREFORE, SCCY demands judgment against HICKMAN for damages, as well as costs and interest, and such other and further relief as this Court deems to be just and proper.

COUNT II- CIVIL CONSPIRACY(Against HICKMAN and PETRUCCELLI)

- 40. SCCY hereby adopts and re-alleges by reference each and every allegation contained in Paragraphs 1-13, 20(f), 21-31, 32(b), and 33-34, as set forth above.
- 41. HICKMAN and PETRUCCELLI conspired to steal over \$150,000 from SCCY through a fraudulent scheme, using a sham company, BESPOKE, and fraudulently induced SCCY to enter into a Marketing Services Agreement, with no intent to actually perform marketing services in exchange for the fees collected from SCCY.
- 42. HICKMAN and PETRUCCELLI executed their conspiracy and scheme by stealing over \$150,000 in purported marketing fees from SCCY without performing any marketing services for SCCY, despite fraudulently representing otherwise to SCCY's CEO.
- 43. SCCY has suffered damages as a direct proximate cause of these overt acts performed by HICKMAN and PETRUCCELLI though their conspiracy.

WHEREFORE, SCCY demands judgment against HICKMAN and PETRUCCELLI for damages, as well as costs and interest, and such other and further relief as this Court deems to be just and proper.

COUNT III- FRAUD IN THE INDUCEMENT AND PERFORMANCE (Against HICKMAN, PETRUCCELLI, and BESPOKE)

- 44. SCCY hereby adopts and re-alleges by reference each and every allegation contained in Paragraphs 1-13, 20(f), 21-31, 32(b), and 33-34, as set forth above.
- 45. In negotiating the Marketing Services Agreement, HICKMAN and PETRUCCELLI, using a sham company, BESPOKE, fraudulently represented that BESPOKE would perform marketing services in exchange for fees for such services paid by SCCY, to induce SCCY to execute the Marketing Services Agreement and pay BESPOKE over \$150,000.

- 46. At the time that the Marketing Services Agreement was negotiated, HICKMAN and PETRUCCELLI knew that such representations were false and intended SCCY to rely on such representations in inducing SCCY to enter into the Marketing Services Agreement with BESPOKE.
- 47. At the time that the Marketing Services Agreement was negotiated and entered into, HICKMAN and PETRUCCELLI did not intend to perform any marketing services pursuant to the Marketing Services Agreement, despite their representations to the contrary.
- 48. Instead, HICKMAN and PETRUCCELLI used sham company, BESPOKE, to steal over \$150,000 from SCCY for their own personal benefit.
- 49. SCCY justifiably relied, to its detriment, on such false representations by HICKMAN and PETRUCCELLI, using a sham company, BESPOKE, causing SCCY over \$150,000 in damages.

WHEREFORE, SCCY demands judgment against HICKMAN, PETRUCCELLI, and BESPOKE for damages, as well as costs and interest, and such other and further relief as this Court deems to be just and proper.

COUNT IV- FRAUDULENT MISREPRESENTATION (Against HICKMAN, PETRUCCELLI, and BESPOKE)

- 50. SCCY hereby adopts and re-alleges by reference each and every allegation contained in Paragraphs 1-13, 20(f), 21-31, 32(b), and 33-34, as set forth above.
- 51. In negotiating the Marketing Services Agreement, HICKMAN and PETRUCCELLI, using a sham company, BESPOKE, fraudulently represented that BESPOKE would perform marketing services in exchange for fees for such services paid by SCCY, to induce SCCY to execute the Marketing Services Agreement and pay BESPOKE over \$150,000.

- 52. At the time that the Marketing Services Agreement was negotiated, HICKMAN and PETRUCCELLI knew that such representations were false and intended SCCY to rely on such representations in inducing SCCY to enter into the Marketing Services Agreement with BESPOKE.
- 53. At the time that the Marketing Services Agreement was negotiated and entered into, HICKMAN and PETRUCCELLI did not intend to perform any marketing services pursuant to the Marketing Services Agreement, despite their representations to the contrary.
- 54. Instead, HICKMAN and PETRUCCELLI used sham company, BESPOKE, to steal over \$150,000 from SCCY for their own personal benefit.
- 55. SCCY justifiably relied, to its detriment, on such false representations by HICKMAN and PETRUCCELLI, using a sham company, BESPOKE, causing SCCY over \$150,000 in damages.

WHEREFORE, SCCY demands judgment against HICKMAN, PETRUCCELLI, and BESPOKE for damages, as well as costs and interest, and such other and further relief as this Court deems to be just and proper.

COUNT V- BREACH OF CONTRACT (Against HICKMAN, PETRUCCELLI, and BESPOKE)

- 56. SCCY hereby adopts and re-alleges by reference each and every allegation contained in Paragraphs 1-13, 20(f), 21-31, 32(b), and 33-34, as set forth above.
- 57. HICKMAN and PETRUCCELLI used sham company, BESPOKE, to enter into a Marketing Services Agreement with SCCY.
- 58. HICKMAN and PETRUCCELLI, using sham company, BESPOKE, breached the Marketing Services Agreement.

59. As a direct proximate cause of HICKMAN's and PETRUCCELLI's breach, (using sham company, BESPOKE), SCCY has suffered damages.

WHEREFORE, SCCY demands judgment against HICKMAN, PETRUCCELLI, and BESPOKE for damages, as well as costs and interest, and such other and further relief as this Court deems to be just and proper.

COUNT VI- CONVERSION (Against HICKMAN)

- 60. SCCY hereby adopts and re-alleges by reference each and every allegation contained in Paragraphs 1 through 34, as set forth above.
- 61. During his employment with SCCY, HICKMAN stole the following property from SCCY:
 - a. a significant number of Red Dot Laser Sights with a value of almost \$70,000;
 - b. over \$150,000 as a result of the BESPOKE fraudulent scheme;
 - c. approximately \$7,400 in airline and lodging expenses for personal benefit;
 - d. almost \$13,000 in unexplained or unauthorized company credit card charges;
 - e. six (6) SCCY firearms valued at a total of approximately \$1,800; and
 - f. SCCY's computer, monitor, and docking station valued at approximately \$2,100.
- 62. By stealing these items, HICKMAN has deprived SCCY of its property permanently and/or for an indefinite time.
- 63. This deprivation is inconsistent with SCCY's ownership of the above-described property, and SCCY has suffered damages as a direct proximate result of HICKMAN's conversion.

WHEREFORE, SCCY demands judgment against HICKMAN for damages, as well as costs and interest, and such other and further relief as this Court deems to be just and proper.

COUNT VII- CONVERSION (Against PETRUCCELLI and BESPOKE)

- 64. SCCY hereby adopts and re-alleges by reference each and every allegation contained in Paragraphs 1-13, 20(f), 21-31, 32(b), and 33-34, as set forth above.
- 65. PETRUCCELLI, using sham company, BESPOKE, stole over \$150,000 from SCCY.
- 66. By PETRUCCELLI stealing these funds from SCCY, PETRUCCELLI has deprived SCCY of its property permanently or indefinitely.
- 67. This deprivation is inconsistent with SCCY's ownership of the above-described property, and SCCY has suffered damages as a direct proximate result of PETRUCCELLI's conversion, using sham company, BESPOKE.

WHEREFORE, SCCY demands judgment against PETRUCCELLI and BESPOKE for damages, as well as costs and interest, and such other and further relief as this Court deems to be just and proper.

<u>COUNT VIII- UNJUST ENRICHMENT</u> (Against HICKMAN, PETRUCCELLI, and BESPOKE)

- 68. SCCY hereby adopts and re-alleges by reference each and every allegation contained in Paragraphs 1-13, 20(f), 21-23, 26-31, 32(b), and 33-34, as set forth above.
- 69. This is an action for unjust enrichment pled in the alternative to Count V for breach of contract.
- 70. SCCY conferred a benefit of over \$150,000 (believed to be for purported marketing services) on HICKMAN, PETRUCCELLI, and their sham company, BESPOKE.

- 71. HICKMAN, PETRUCCELLI, and their sham company, BESPOKE, never performed any marketing services for SCCY, but still voluntarily accepted and retained such benefit of over \$150,000 conferred.
- 72. The circumstances render HICKMAN's, PETRUCCELLI's, and their sham company, BESPOKE's, retention of this benefit inequitable, unless HICKMAN, PETRUCCELLI, and/or their sham company, BESPOKE, pays SCCY the value of this benefit.

WHEREFORE, SCCY demands judgment against HICKMAN, PETRUCCELLI, and BESPOKE for damages, as well as costs and interest, and such other and further relief as this Court deems to be just and proper.

JURY DEMAND

Plaintiff, SCCY INDUSTRIES, LLC, demands a jury trial on all issues so triable against Defendants.



By: /s/ Holly Woersching Zitzka

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SCCY INDUSTRIES, LLC

SERVICES AGREEMENT

This Services Agreement ("Agreement") is made between Bespoke Florida, LLC ("Agency") and SCCY Industries, LLC. ("Client") on the 1st day of December, 2019. Agency and Client are hereinafter referred to collectively as the "Parties" and individually as a "Party".

WHEREAS, Client desires to advertise, market and promote their products; and

WHEREAS, Client desires to engage Agency and Agency desires to be engaged by Client to advertise, market and promote Client's products pursuant to the terms of the Agreement; and

NOW THEREFORE in consideration of the mutual covenants and conditions contained herein and other good and valuable consideration, the receipt of sufficiency of which are hereby acknowledged, the Parties agree as follows:

- 1. Services. During the period beginning on December 1, 2019, Agency agrees to perform the services described in this Section 1 (the "Services"), subject to the terms and conditions of this Agreement; provided, that the Term may be subject to earlier termination under Section 8 below. The scope of the Services described herein includes work performed by Agency directly for Client and work requiring Agency to perform the Services with the cooperation of Client's third-party service providers. Agency will endeavor to ensure that such third-party service providers will accurately and appropriately integrate the Services into their final work product. However, Agency and Client acknowledge and agree that Client is ultimately responsible for directing and approving the final work product of any such third-party service provider.
 - a. Account Management and Production Coordination Services: Agency shall assign a designated team member to Client, who are acceptable to Client in Client's sole and absolute discretion, in order to ensure efficient and responsive management of the Services including planning, scheduling, monitoring projects, handling Client assets, overseeing Client approvals, driving project completion and deadlines, etc. ("Account Manager"). The Account Manager shall serve as Client's primary day-to-day liaison to Agency for all communication and reporting from meetings, conference calls, and project status reports. In addition, the Account Manager will handle any new project or miscellaneous requests from Client.
 - b. <u>Analyses and Assessment:</u> Agency shall thoroughly familiarize itself with Client's products and services, its respective markets, competitors, business environment, and, based on timelines agreed by Agency and Client, conduct an overall marketing evaluation and any other evaluation recommendable to address Client's needs.
 - c. <u>Creative Services:</u> Agency will provide all art direction and design for Client for marketing and advertising materials that are either in print (including posters), on the Internet, provided in connection with any tradeshow, or included on packaging or apparel, including tag lines. Agency will take such actions as may be necessary or appropriate in order to ensure that Client owns the copyrights for any material developed by Agency in the course of providing the Services. In addition, the Services will include Agency's obligations under Section 5 below.
 - d. <u>Comprehensive Draft Designs and Products ("Comps")</u>: Agency will develop all Comps required in order to address Client's advertising and marketing needs.

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- 2. Services Outside of this Agreement's Scope. The following work is not within the scope of this Agreement or within the definition of Services under this Agreement. If Client would like to engage Agency to perform any of the work described below, the fees for such work will be negotiated on a case-by-case basis and shall only be binding on the Parties once memorialized in writing and signed by the persons signing for the Parties below.
 - a. <u>Video Production:</u> Any work related to video production including, without limitation, scripting, pre-production work, designs and/or storyboards, production, and postproduction (including editing, graphics, effects, and other visuals).
 - b. <u>Special Projects:</u> Agency may qualify anything outside of the specified print, web, tradeshow, packaging, and apparel as a special project, which could include, for example, decorative installations, mobile, experiential, and similar work.

Schedule of Fees; Expenses.

- a. <u>Fee.</u> All payments from Client to Agency under this Agreement will be due in arrears after Agency provides the Services contemplated herein. Before Agency provides any Services in any month during the term of this Agreement, for which Agency expects Client to pay, Agency will get a commitment in writing, signed by Client, as to the manner in which the amount of payment from Client to Agency will be determined.
- <u>Expenses</u>. Client will reimburse Agency for only those expenses for which Agency gets Client's prior written consent to incur.
- 4. Confidentiality. As used herein, "Confidential Information" means information that Client considers confidential and desires to protect from unrestricted disclosure or use, including but not limited to the Client's customers, methods of operation, products, marketing plan, manufacturing techniques, work product, designs, processes, methods, techniques, know-how, inventions and improvements, computer programs, drawings, technical documentation and other works of authorship, products and product development plans, and strategies and marketing plans. Agency shall not disclose or use and shall keep all Confidential Information confidential during and after the term of this Agreement regardless by whom this Agreement was terminated, until such information is no longer Confidential through no fault of Agency.
- 5. Ownership of Materials. All plans, concepts, preliminary outlines, sketches, photographs, art work and other property and materials which have been developed and/or produced by Agency to date and which will be developed and/or produced under this Agreement are the sole property of Client. Upon termination of this Agreement, all such property and materials shall remain the property of Client, and the Agency agrees to (i) execute all documents requested by Client for vesting in Client the entire right, title and interest in and to the same, (ii) execute all documents requested by Client for filing applications for and procuring patents, trademark registration, service mark registration or copyright registration as Client, in its sole discretion, may desire to prosecute, and (iii) give Client all assistance it may reasonably require, including giving testimony in any suit, action, investigation or other proceedings, in order to obtain, maintain and protect Client's rights in the intellectual property. The Agency further assigns and/or waives any and all claims that the Agency may now or hereafter have pursuant to 17 U.S.C. 106A or in any jurisdiction to so-called "moral rights" or rights of "droit morale" in connection with any intellectual property. The Agency covenant to Client that the Agency will not develop any intellectual property which the Agency knows or reasonably should know infringes the rights of any third part.

6. **Termination of the Term.** Either Party may terminate this Agreement at any time, without notice. Paragraphs 4, 5, 7 and 8 will survive the termination of this Agreement.

7. Independent Contractor; Payment of Employment-Related Taxes.

- a. Agency is an independent contractor and nothing in this Agreement is intended nor shall be construed to create an employer/employee relationship, a joint venture relationship, a partnership relationship, or to allow the Client to exercise control or direction over the manner or method by which the Agency performs the Services which are the subject matter of this Agreement. Agency will be responsible for all costs and expenses incurred and any taxes, license fees, permits and other authorizations required by law from Agency to provide the Services, unless the Client agrees in advance to reimburse Agency in writing. Client will haves no input or control over the amount of time spent by Agency in providing the Services.
- b. Client will not withhold from fees payable to the Agency pursuant to this Agreement any sums for income tax, unemployment insurance, social security or any other withholding. Client will report all payments made to Agency under this Agreement to appropriate taxing authorities. Agency covenants and agrees to pay all persons providing any of the Services contemplated hereunder on behalf of Agency and for the benefit of Client, as employees and covenants and agrees to withhold and to pay any and all income tax, unemployment insurance, social security or any other withholding. Agency agrees not to engage independent contractors to provide any of the Services. Agency acknowledges that this covenant is a material inducement to Client to enter into this Agreement.
- c. Without the express written consent of the Client, the Agency shall have no apparent or implied authority to: (i) bind the Client to render any service through the Agency or any designated individual, officer, employee, or agent of the Client; (ii) pledge the credit of the Client or any of its employees; (iii) bind the Client under any contract, agreement, note, mortgage, or otherwise; (iv) release or discharge any debt due the Client unless the Client has received the full amount thereof; or (v) sell, mortgage, transfer, encumber, or otherwise dispose of any assets of the Client.
- 8. Indemnification. Agency does hereby indemnify and agree to hold Client harmless from and against all claims, damages, fines, interest, expenses (including, but not limited to, costs and attorneys' fees), liabilities and any other obligations, whether raised by a governmental entity or a private party, arising out of or relating to Client's payment to Agency under this Agreement, including without limitation that payments should have been made directly to employees or agents of the Agency rather than to the Agency, or arising out of or related to Client's alleged or actual breach of any law, regulation or other requirement.
- 9. Entire Agreement: This Agreement contains the entire understanding between the Parties with respect to the subject matter herein. There are no representations, agreements or understandings (whether written or oral) between or among the Parties relating to the subject matter of this Agreement, which are not fully expressed herein.

Client	Agency
Signature:	Signature: Rosemari Petruccelli
Name:	Name: Rosemari Petruccelli
Title:	Title: Owner/President

By signing below, each Party affirms that such Party has read and understands this Agreement, effective as of the date first set forth above.