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

TIMOTHY DEVEREUX, An individual,

DARRIN MCDONALD, An individual,

Plaintiffs, CASE NO.: 2016 CA 000635

v. JURY TRIAL DEMAND

GABRY, INC
A Florida Profit Corporation, and

CURTIS CEBALLOS, An individual

Defen	iants.	
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#### COMPLAINT AND DEMAND FOR JURY TRIAL

Plaintiffs, Timothy Devereux (hereinafter "Mr. Devereux") and Darrin McDonald (hereinafter "Mr. McDonald" and hereinafter collectively as "Plaintiffs"), by and through its undersigned counsel, files this Complaint against GabRy, Inc. (hereinafter "GabRy") and Curtis Ceballos (hereinafter "Mr. Ceballos") (and hereinafter collectively referred to as "Defendants"), for unpaid wages and other relief under the Florida Law, Fair Labor Standards Act, as amended, 29 U.S.C. §216(b) (the "FLSA"), and declaratory relief under Florida's Declaratory Judgment Act, Chapter 86, Florida Statutes, and states as follows:

### JURISDICTION, PARTIES AND VENUE

1. This action also arises pursuant to Fair Labor Standards Act ("FLSA") (29 U.S.C. § 201, et. seq.), Fla. Stat. §448.08, Florida's Declaratory Judgment Act, and Florida common law.

- 2. This is a civil action against Defendants seeking declaratory judgment, relief for breach of contract, and to recover unpaid back wages in excess of \$15,000, exclusive of attorneys' fees and costs, liquidated damages, equitable and injunctive relief. Plaintiffs have satisfied all conditions precedent to filing this action or same has been waived.
- 3. Plaintiff Timothy Devereux ("Mr. Devereux") is a natural person and former employee of Defendant GabRy, Inc. Mr. Devereux was an employee for Defendants working in Flagler County, Florida. Specifically, Mr. Devereux worked for Defendants from December 1, 2015 until his retaliatory termination on August 29, 2016. Mr. Devereux is a resident of Palm Coast, Florida in Flagler County, Florida.
- 4. Plaintiff Darrin McDonald ("Mr. McDonald") is a natural person and former employee of Defendant GabRy, Inc. Mr. McDonald was an employee for Defendants working in Flagler County, Florida. Specifically, Mr. McDonald worked for Defendants from on or about January 1, 2016 until his retaliatory termination on August 29, 2016. Mr. McDonald is a resident of Palm Coast, Florida in Flagler County, Florida.
- 5. Defendant GabRy, Inc. is a for-profit corporation registered to conduct business in Florida since November 1, 2013. Defendant GabRy is engaged in the software industry developing products related to social media communication, biometric security and digital payment systems. Defendant Gabry, Inc. is headquartered at 389 Palm Coast Parkway SW, Suite #4, Palm Coast, Florida 32137. Further, at all times material hereto, GabRy, Inc. was, and continues to be engaged in business in, among other places, Flagler County, Florida.
- 6. At all times material hereto, Curtis Ceballos has resided in Palm Coast, Florida and worked Chief Executive Officer of GabRy, Inc. qualifying as an "employer" pursuant to the FLSA because he acted directly or indirectly in the interest of GabRy, Inc. in relation to Plaintiffs.

7. In his position with GabRy, Inc., Mr. Ceballos exercised ultimate control over the day-to-day operations of the business and was in charge of directing employment practices, financial affairs and setting employees' assignments and wages. Mr. Ceballos exercised direct and indirect control over Plaintiffs. At all material times, Mr. Ceballos was responsible for the illegal pay practices of GabRy, Inc.

#### COVERAGE

- 8. At all material times, Defendants each were and continue to be an "employer" within the meaning of the FLSA.
- At all times material hereto, Plaintiffs each were "employees" within the meaning of the FLSA.
- 10. Defendants, upon the information and belief, are covered by the FLSA's Enterprise Coverage. Defendant is believed to have made more than \$500,000 in the year preceding the filing of this lawsuit evidenced, in part, by financial representations made by GabRy to potential investors.
- 11. Plaintiffs are also entitled to relief pursuant to the FLSA's Individual Coverage because, at all times material hereto, the work performed by Plaintiffs involved interstate commerce through communicating interstate via telephone and electronic communications as instructed by Defendants.
- 12. At all times relevant to this action, Defendants failed to comply with 29 U.S.C. §§201-209 because Plaintiffs performed services for Defendants for which no provisions were made by Defendants to properly pay for those hours worked.
- 13. Venue is appropriate in Flagler County, pursuant to Sections 47.011 and 47.061, Florida Statutes, as this is: a) where Defendants reside; b) where Plaintiff and Defendant entered

into contractual agreements; and c) because this is where the events giving rise to this lawsuit occurred.

## STATEMENT OF FACTS

### **Employment of Darrin McDonald**

- 14. In the summer of 2014, Mr. Ceballos traveled to the United Kingdom and stayed with Mr. McDonald's parents. While in the United Kingdom, Mr. Ceballos incorporated GabRy in Dublin and made Sandra McDonald, Mr. McDonald's mother, a Director with the newly formed business. Mr. Ceballos' intent was to establish an office in London with Mr. McDonald to become the head of the organization's London office. Mr. McDonald expressed a desire to return to the United Kingdom, for which he would need to get a work visa, and therefore a job.
- 15. Mr. Ceballos did not need Mr. McDonald to begin working until January 2016. It was agreed that Mr. McDonald would return to the United States at that time to commence the necessary groundwork for the establishment of a London office.
- 16. Due to past issues regarding a nearly-overstayed visa following his matriculation from graduate school in England, Mr. McDonald required proof of his employment with a U.S. company in order to ensure ease of entry into the England when he flew back in September of 2015.
- 17. Mr. Ceballos assured Mr. McDonald of a job and that he would sponsor Mr. McDonald and put him to work in London when the office there opened in the Summer of 2016. Mr. Ceballos offered to have his lawyer make the Statement of Work and write a personal letter in order to aid Mr. McDonald in obtaining a visa. Mr. Ceballos decided to date the Statement of Work to July 2015 in order to demonstrate that Mr. McDonald had been employed for a reasonable amount of time prior to traveling back to the United Kingdom.

- 18. Consequently, Curtis prepared a personal letter as Mr. McDonald's employer, and a Statement of Work ("SOW") for Agreement to Perform Advertising Sales & Services for GabRy, Inc. The SOW was dated July 1, 2015, and detailed job duties and a salary of \$40,000, with a thirty percent (30%) commission for sales generated in the United Kingdom. Mr. Ceballos and Mr. McDonald both signed the SOW under the express agreement that upon Mr. McDonald's return in January 2016, he would assume those duties which had been laid out and agreed upon. A copy of the SOW agreement is attached hereto as "EXHIBIT A."
- 19. In January 2016, Mr. McDonald returned to Florida from England and contacted Mr. Ceballos to begin work. Mr. McDonald commenced working for GabRy at that time.
- 20. In March 2016, Mr. McDonald was issued a company email address (Darrin.m@gettalkit.com) for corresponding business on the company's behalf.

# **Employment of Timothy Devereux**

- 21. On December 1, 2015, Mr. Ceballos met with a Mr. Devereux to discuss his employment. Mr. Devereux discussed with Mr. Ceballos what the company had planned to accomplish over the next year. Mr. Devereux accepted the position with GabRy, and negotiated an annual salary of fifty thousand dollars (\$50,000.00) and thirty-percent (30%) of the total revenue he generated.
- 22. The parties agreed that Mr. Devereux would be in charge of sales and marketing for the company. In his position, Mr. Devereux conducted research and analysis of the Central and North Florida marketplace. Mr. Devereux also developed an advertising model for TALKiT, a social media application developed by Gabry. Mr. Ceballos described TALKiT as a rapidly growing new application that had been downloaded over three hundred thousand times.

- 23. On December 2, 2015, Mr. Devereux was instructed as head of sales and marketing to develop and implement a plan for sales commissions and compensation for the company.
- 24. In December, 2015, Mr. Ceballos suggested that Mr. Devereux hire additional sales representatives by reaching out to existing contacts as well as post job offerings online.
- 25. On December 7, 2015, Mr. Devereux asked Mr. Ceballos to formalize the employment agreement in writing.
- 26. On December 14, 2015, Mr. Ceballos advised Mr. Devereux via email that the company attorney was drafting an employment agreement for him.
- 27. On December 23, 2015, Mr. Devereux requested to speak to the company attorney about finalizing the formality of the Employment Agreement. Mr. Ceballos was non-responsive to the request, instead simply stating that Mr. Devereux should focus on selling advertising for the TALKiT App.
- 28. On January 1, 2016, the TALKiT App became available for Android operating system platform and Mr. Devereux was given a corporate email address (tim.d@gettalkit.com). Mr. Devereux contacted businesses in the North Florida market about advertising on the TALKiT application. Mr. Devereux also ordered business cards and paid out of pocket for them.
- 29. On January 8, 2016, an email was sent to Mr. Devereux with a layout for his business cards. However, since he already had business cards, cards were not ordered at the time.
- 30. On January 29th, Mr. Devereux again reminded Mr. Ceballos of the need to sit down with company attorney and sign a formalized employment agreement. Again, Mr. Ceballos remained unresponsive.

### Plaintiffs' Employment Activities

- 31. When Mr. McDonald commenced his employment with Defendant GabRy, he was immediate tasked by Mr. Ceballos with researching the United Kingdom market and advertising opportunities. Mr. McDonald researched market viability, similar products, advertising online and print, and potential partners in the United Kingdom market.
- 32. When Mr. Devereux commenced his employment with Defendant GabRy, he was asked to sell banner advertising for the TALKiT social media platform, which would become available on Android on January 1, 2016. For several months Mr. Devereux tried to sell banner advertising, but businesses declined because there were so few users of the program.
- 33. On March 8, 2016, Mssrs. Devereux and McDonald drove to Orlando with Mr. Ceballos for the meeting with Enterprise Florida. It was the first time Mssrs. Devereux and McDonald had met. Enterprise Florida declined to provide capital to GabRy.
- 34. After the Enterprise Florida trip, Mssrs. Devereux and McDonald began coordinating their business-related research, networking, and efforts to secure capital and sales for GabRy.
- 35. Mr. Devereux arranged to have a booth set up to market the TALKiT social media application for four days during Bike Week at Pub 44 in New Smyrna Beach, Florida at a very reasonable cost. Instead, Mr. Ceballos tried to offer free advertising on TALKiT in lieu of a cash payment, so the booth was never approved and set up.
- 36. Mr. Ceballos then suggested that Mr. Devereux look into the marketing opportunities within specific business sectors during a meeting in early March. Thus, at Mr. Ceballos' request, Mr. Devereux researched a number of business sectors and reached out to several people within these industries.

- 37. To raise awareness about TALKiT, Mr. Devereux suggested GabRy look into setting up a booth at some upcoming industry conferences and conventions. Mr. Devereux also suggested the company meet with some of the more well-known business figures within these industries to showcase the product. Ultimately, Mr. Ceballos declined, citing lack of funds and wanting to build the market for the TALKiT app "organically."
- 38. On March 17, 2016, Mr. Ceballos requested that Mssrs. Devereux and McDonald help him by working at One Spark, a competition for entrepreneurs in Jacksonville, Florida to get startup money for their business. Mr. Ceballos enrolled GabRy in the competition showcasing GabRy's DIGITZ technology at the event. DIGITZ is a fingerprint/thumbprint purchasing e-commerce program designed to be a transaction gateway for businesses and the financial transaction industry.
- 39. On April 6-7, 2016, Mssrs. Devereux and McDonald represented GabRy at One Spark and manned a booth, as Mr. Ceballos was out of the country coordinating a sponsorship for TALKiT in Colombia.
- 40. At One Spark, Mssrs. Devereux and McDonald made several key contacts for DIGITZ on behalf of GabRy. The key contacts consisted of potential investors in the company, as well as contacts that could provide advice or partnerships for the future.
- 41. On April 11, 2016, information concerning the data gathered from the One Spark event was communicated to Mr. Ceballos via email. In the aftermath of One Spark, Mssrs. Devereux and McDonald undertook the task of increasing company networking efforts in the form of meeting with the various contacts made at One Spark, including contacts in the Financial Technology, Security, and other useful business sectors.

- 42. On April 21, 2016, Mr. Ceballos and Mr. Devereux met with a marketing firm based out of Miami to discuss the marketing and promotion of DIGITZ. DIGITZ is a GabRy product that purports to be a securely randomized fingerprint/thumbprint purchasing e-commerce program with security protocols to safeguard against technology hacking, while providing the banking/financial institution or credit card processing company direct control of the authorization process for purchase approvals and/or reconciliations. The Miami marketing firm liked the idea and product but stated there had to be some money paid to help them promote it. Ultimately, no arrangement was made between GabRy and the marketing firm.
- 43. After the meeting with the marketing firm, Mr. Ceballos asked Mssrs. Devereux and McDonald to focus primarily on funding while also looking for a buyer for TALKiT.
- 44. On April 29, 2016, Mssrs. Devereux and McDonald ran into Mike Davis, GabRy's attorney, at the company offices. They discussed concerns about formalizing the employment relationship that had been established because the scope of their employment appeared to be changing from product sales and marketing to capital raising on GabRy's behalf. The following day, on April 30, 2016, Mr. Devereux was contacted by Mr. Ceballos and told to not speak with Mr. Davis anymore.
- 45. On May 3, 2016, Mr. Ceballos met with Mssrs. Devereux and McDonald at Metro Diner and stated that they would be paid back pay for their salaries once the company could get some capital investment from a venture capital firm. Mr. Ceballos promised to meet again to finalize an actual agreement on the matter; that meeting never occurred. Mr. Ceballos then suggested that Mssrs. Devereux and McDonald find investors for Gabry.
- 46. On May 6, 2016, Mr. Devereux set up a meeting with a contact from One Spark to discuss GabRy and DIGITZ. While the company liked the idea and technology, no help was

provided. Mssrs. Devereux and McDonald continued to search for funding by reaching out to venture capital and private equity firms.

- 47. Mr. Devereux was also instrumental in setting up a meeting between GabRy and a wealthy investor from south Florida. In setting up the meeting, it was reiterated that a prototype of DIGITZ, the technology GabRy for which was seeking investment, was needed. Mr. Devereux communicated the need for the prototype in an email dated May 12, 2016.
- 48. On May 17, 2016, Mssrs. Devereux and McDonald traveled with Mr. Ceballos to Miami to meet with the prospective investor. Unbeknownst to Mssrs. Devereux and McDonald, Mr. Ceballos did not bring a prototype to the meeting as requested. Instead, Mr. Ceballos brought a demonstration video. Predictably, the meeting did not go well and GabRy was unable to secure funding. While returning from the Miami meeting, Mr. Ceballos contacted John Grow, GabRy's Chief Technology Officer, to discuss putting together a prototype of the DIGITZ product, apparently for the first time.
- 49. The following day, May 18, 2016, Mr. Ceballos instructed Mr. Devereux to set up another meeting with the south Florida investor as he worked with Mr. Grow to produce a prototype. Mssrs. Devereux and McDonald focused on how to keep the investor from taking his money elsewhere and tried to set up another meeting.
- 50. On May 19, 2016, Mr. Ceballos sent an email to the investor thanking him for the meeting in Miami. Mr. Ceballos also stated that he could have a working prototype ready for a meeting the following week. The email contained an attachment that was protected, but upon information and belief the attachment included salary figures and projections for GabRy.
- 51. On May 20, 2016, the investor advised GabRy that he was no longer interested in investing in the company. At Mr. Ceballos direction, Mssrs. Devereux and McDonald spent the

next few months contacting over two-hundred (200) individuals representing numerous venture capital, private equity and angel investment funds hoping to find an investor for DIGITZ.

- 52. On July 6, 2016, Mr. Ceballos sent Mr. Devereux an email that there was a problem with the prototype and it had to be sent back to China because of a coding issue. Mr. Ceballos also explained that he had little success finding any investors and thereafter he changed the date of the DIGITZ release from Fall 2016 to late 2017.
- 53. On July 19, 2016, Mr. Ceballos set up a Crowdfunding page for DIGITZ as a way to raise capital from individual investors rather than institutional ones. In this regard, Mr. Ceballos requested concise bios from Mssrs. Devereux and McDonald. The Crowdfunding page for DIGITZ lists nine employees, with Mssrs. Devereux and McDonald among the nine employees. It also lists over \$255,000 raised since January 1, 2016.
- 54. On July 28, 2016, Mr. Devereux set up a conference call between GabRy and a firm that manages investor forums that match investors with companies seeking funding. Mr. Devereux presented the pitch deck information while Mr. Ceballos handled the Q&A session. GabRy received an invitation to an inventor's forum in California in mid-August, 2016. However, Mr. Ceballos chose not to do business with the investor forum company.
- 55. After repeated conversations with Mr. Ceballos seeking compensation for months of work, Plaintiffs were finally forced to engage counsel in an effort to recover their unpaid wages.
- 56. On August 11, 2016, the undersigned sent Mr. Ceballos a letter seeking to resolve their unpaid wage dispute. Mr. Ceballos responded with a telephone call in which he denied the employment relationship, then he sought counsel.

57. As a result of Defendants' intentional, willful and unlawful acts in refusing to pay Plaintiffs their wages, Plaintiffs Devereux and McDonald have suffered damages plus incurring reasonable attorneys' fees and costs.

# COUNT I – RECOVERY OF UNPAID WAGES UNDER THE FLORIDA STATUTE, §448.08 AGAINST GABRY, INC.

- 58. Plaintiff repeats and realleges its allegations set forth in Paragraphs 1 through 57 above as if fully set forth herein.
- 59. At all times material hereto, Defendant GabRy failed and continues to fail to maintain proper time records mandated by the FLSA.
- 60. Defendant GabRy was willful and/or showed reckless disregard for the provisions of the FLSA, as evidenced by its failure to compensate Plaintiffs their agreed upon salary.
- 61. Defendant GabRy failed to disclose or apprise Plaintiffs of their rights under the FLSA.
- 62. Due to the intentional and unlawful acts of Defendant GabRy, Plaintiffs suffered lost wages.

# <u>COUNT II –</u> BREACH OF CONTRACT AGAINST GABRY, INC.

- 58. Plaintiff repeats and realleges its allegations set forth in Paragraphs 1 through 57 above as if fully set forth herein.
- 59. Defendant GabRy, Inc., through its CEO Mr. Ceballos, offered Mr. Devereux employment as Director of Sales and Marketing, with an annual salary of \$50,000 plus 30% of the total revenue generated.

- 60. Defendant GabRy, Inc., through its CEO Mr. Ceballos, offered Mr. McDonald employment as Director of Sales and Marketing for the United Kingdom, with an annual salary of \$40,000 plus 30% of the total revenue generated.
- 61. Mssrs. Devereux and McDonald each accepted Defendant GabRy's offer of employment.
- 62. Consideration is found in Mssrs. Devereux's and McDonald's promises and actual work provided for the benefit of Defendant GabRy, Inc. Consideration is also found in Defendant GabRy, Inc.'s promise to pay salaries and commissions as a percentage of gross revenues.
- 63. Defendant GabRy, Inc. breached the agreements by failing to pay Mssrs. Devereux and McDonald their accrued and owed wages.
- 64. As a result of Defendant GabRy, Inc.'s breaches, it is obligated to pay Mssrs.

  Devereux and McDonald all amounts which are accrued and owed, with interest.
- 65. As a direct and proximate cause of Defendant GabRy, Inc.'s breaches, Mssrs. Devereux and McDonald have been damaged in an amount to be proven at trial.

# COUNT III – RECOVERY OF UNPAID WAGES UNDER THE FAIR LABOR STANDARDS ACT AGAINST GABRY, INC.

- 66. Plaintiff repeats and realleges its allegations set forth in Paragraphs 1 through 57 above as if fully set forth herein.
- 67. At all times material hereto, Defendant GabRy failed and continues to fail to maintain proper time records mandated by the FLSA.
- 68. Defendant GabRy was willful and/or showed reckless disregard for the provisions of the FLSA, as evidenced by its failure to compensate Plaintiffs their agreed upon salary.

- 69. Defendant GabRy failed to disclose or apprise Plaintiffs of their rights under the FLSA.
- 70. Due to the intentional and unlawful acts of Defendant GabRy, Plaintiffs suffered lost wages.

# COUNT IV – RECOVERY OF UNPAID WAGES UNDER THE FAIR LABOR STANDARDS ACT AGAINST CURTIS CEBALLOS

- 71. Plaintiff repeats and realleges its allegations set forth in Paragraphs 1 through 57 above as if fully set forth herein.
- 72. At all times material hereto, Defendant Ceballos acted directly or indirectly in the interest of Defendant GabRy in relation to Plaintiffs, and as a corporate officer with day-to-day operational control of the organization and direct responsibility over Plaintiffs such that he is an employer along with the corporation and jointly and severally liable under the FLSA.
- 73. Defendant Ceballos failed and continues to fail to maintain proper time records mandated by the FLSA.
- 74. Defendant Ceballos was willful and/or showed reckless disregard for the provisions of the FLSA, as evidenced by its failure to compensate Plaintiffs as agreed.
- 75. Defendant Ceballos failed to disclose or apprise Plaintiff of their rights under the FLSA.
- 76. Due to the intentional and unlawful acts of Defendant Ceballos, Plaintiffs suffered lost wages.

# <u>COUNT V –</u> <u>RETALIATION IN VIOLATION OF THE FAIR LABOR STANDARDS ACT</u>

- 77. Plaintiff repeats and realleges its allegations set forth in Paragraphs 1 through 57 above as if fully set forth herein.
- 78. Defendant GabRy failed to pay Plaintiffs wages to which they were entitled pursuant to the FLSA.
- 79. Plaintiffs engaged in protected activities when they complained to Defendant GabRy's Chief Executive Officer, Defendant Ceballos, about his failure to compensate Plaintiffs as required under the FLSA.
- 80. After months of being unpaid, Plaintiffs engaged the undersigned counsel in an effort to resolve their wage dispute with Defendants.
- 81. After being contacted by Plaintiffs' counsel about their unpaid wages, their positions with Defendant GabRy were immediately terminated in retaliation and in violation of Section 15(a)(3) of the FLSA.

# COUNT VI – DECLARATION PURSUANT TO FLORIDA'S DECLARATORY JUDGMENT ACT

- 82. Plaintiff repeats and realleges its allegations set forth in Paragraphs 1 through 57 above as if fully set forth herein.
- 83. Plaintiffs and Defendants have a Fair Labor Standards Act and Florida's Minimum Wage Act dispute pending.
  - 84. Plaintiffs' may obtain declaratory relief.
  - 85. Defendants employed Plaintiffs.
- 86. Defendant GabRy is an enterprise, or alternatively, liability can be found because Plaintiffs are individually covered by the FLSA.

- 87. Defendants failed to pay Plaintiffs compensation for all hours worked.
- 88. Defendants did not keep accurate time records pursuant to 29 U.S.C. §211(c) and 29 C.F.R. Part 516.
  - 89. Plaintiffs are entitled to liquidated damages in an equal amount to the unpaid wages.
  - 90. It is in the public interest to have these declarations or fights recorded.
- 91. Plaintiffs' declaratory judgment action serves the useful purpose of clarifying and settling the legal relations in issue.
- 92. The declaratory judgment action terminates and affords relief from uncertainty, insecurity, and controversy giving rise to the proceeding.

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiffs demand judgment against Defendants for the following:

- a) A declaration of rights finding that an employer-employee relationship existed, Plaintiffs were not paid wages pursuant to the FLSA and FMWA, Defendants failed to keep accurate time records, and Defendants had a legal duty to pay Plaintiffs.
- b) Wages to be proven at trial being found to be due and owing;
- An additional equal amount equal to the unpaid minimum wages found to be due and owing as liquidated damages;
- d) Prejudgment interest in the event liquidated damages are not awarded;
- e) Front pay and compensatory damages resulting from retaliatory discharge;
- f) Reasonable attorneys' fees and costs; and,
- g) Such other relief as the Court deems just and equitable.

# JURY DEMAND

Plaintiff demands trial by jury on all issues so triable as a matter of right by jury.

Respectfully submitted this 25th day of October, 2016, by:

Mark A. Addington, P.A. d/b/a ADDINGTON LAW 11250-15 Old St. Augustine Rd., No. 141

Jacksonville, Florida 32257

(904) 248-2429 Email: mark@addingtonlaw.com

Mark A. Addington

Florida Bar No.: 0713430/ Trial Counsel for Plaintiff

# EXHIBIT A

# Darrin Patrick McDonald

5 Wild Rose Place Palm Coast, Ff. 52164



# SOW 715 for Agreement to Perform Advertising Sales & Services to

GabRy, Inc.

Den a July 1, 2015 Reproductive following 6:

Darrin Partick McDonald 5 Wild Rose Place Palm Coast, FT.

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Durán Papick McDonald 5 Wild Rose Place Palm Coast, FL

Purpose

This Statement of Work (SOW) is issued pursuant to the Statement of Work Master Agreement between Gabity, inc. ("Client") and Dartin Patrick McDonald ("Contractor"), effective July 1, 2015 (the "Agreement"). This SOW is subject to the terms and conditions contained in the Agreement between the parties and it made a part thereof. Any sum not otherwise dufined between shall have the meaning specified in the Agreement. In the event of any conflict or meaning of this Agreement, the terms of this SOW shall govern and prevail.

This SOW # 715 (herningfor called the "SOW"), offerive as of July 1, 2015, is entered into by and herween Contractor and Client, and is subject to the terms and conditions specified below. The Exhibit(s) to this SOW, if any, shall be deemed to be a part hereof. In the event of any meanistencies between the terms of the Exhibit(s) hereto, the terms of the body of this SOW and the terms of the Exhibit(s) hereto, the terms of the body of this SOW shall prevail.

### Period of Performance

The Services shall commence on July 1, 2015, and shall continue through an undetermined amount of time, therein that the period of performance will be deemed by the client, as satisfactory according to performance of job duties and/or functions, or by direct intervention of administrative/supervisory personnel of the client.

# Scope of Work

famployee shall provide the Services and Deliverable(s) as follows:

#### JOB DESCRIPTION

#### Summary/Objective

The director of sales and marketing position is responsible for planning and implementing sales, marketing and product development programs, both short and long range, targeted toward existing and new markets by performing the following duties personally or through subordinares.

#### Essential Functions

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

- 1. Develops and implements strategic marketing plans and sales plans and forecasts to achieve corporate objectives for products and services.
- Develops and manages sales/marketing operating budgets.
- Phans and oversees advertising and promotion activities including print, online, electronic media, and direct
- Develops and recommends product positioning, packaging, and pricing strategy to produce the highest possible long-term market share.
- Achieves sansfactory profit/loss ratio and market share in relation to preset standards and industry and economic trends.
- Ensures effective control of marketing results, and takes corrective action to guarantee that achievement of marketing objectives falls within designated budgets.
- Oversees and evaluates market research and adjusts marketing strategy to meet changing market and competitive conditions.
- Monitors competitor products, sales and marketing activities.
- Establishes and maintains relationships with industry influencers and key strategic parmers.
- 19. Guides preparation of matketing activity reports and presents to executive management.
- 11. Establishes and maintains a consistent corporate image throughout all product lines, promotional materials, and events.
- 12. Directs sales forecasting activities and sets performance goals accordingly,
- 15. Directs staffing, training, and performance evaluations to develop and control sales and marketing
- 14. Directs marker channel development activity and coordinates sales distribution by establishing sales territories, quotas, and goals.
- 15. Represents company at trade association meetings to promote product.
- 16. Meets with key clients, assisting sales representative with maintaining relationships and negotiating and closing deals.
- Conedinates liaison between sales department and other sales related units.
- Analyzes and controls expenditures of division to conform to hudgetury requirements.

   Assists other departments within organization to prepare manuals and technical publications.
- 20. Prepares periodic sales report showing sales volume, potential sales, and areas of proposed client base
- 21. Reviews and analyzes sales performances against programs, quotes and plans to determine effectiveness.
- 22. Directs product research and development.

## Fee Schedule

This engagement will be conducted on a salary based on commission sales basis. The total value for the Services pursuant to this SOW shall not exceed \$40,000.00 US / 30% a Commission of Advertising Sales Revenue for the Region assigned, unless otherwise agreed to by both parties via the project change control procedure, as outlined within. A PCR will be issued specifying the amended value. Employee understands that this is a commission based salary position.

This figure is based on 40 hours of professional services, per week. Employee will provide all resources based on the following functional/rate structure.



Upon completion of this Performance Period, Contractor and Client will have the option to tenew this agreement for an additional theoretisted number of hours at the their-current hourly rate for those resources identified.

# Out-of-Pocket Expenses / Invoice Procedures

Client will be report from the for the reasonable business and T&L expenses. Standard expense reporting is assumed to be acceptable.

Client will be responsible all costs associated with non-of-pocket expenses (including, without limitation, costs and expenses associated with meals, lodging, local transportation and any other applicable business expenses) listed on the report as a separate line item. Reimbursement for our-of-pocket expenses in connection with performance of this SOW, when authorized and up to the limits set forth in this SOW, shall be in accordance with Client's then-current published policies governing travel and associated business expenses, which information shall be provided by the Client. The limit of reimbursable expenses pursuant to this SOW is estimated to be 100% of the fees unless otherwise authorized in writing and agreed to by both parties via the project change control procedure outlined

Expense reports shall be submitted monthly in arrears, referencing this Client's SOW Number to the address indicated above. Each invoice will reflect charges for the time period being billed and crimulative figures for previous periods. Terms of payment for each report are due upon receipt by Client of a proper report. Employer shall provide Client with sufficient details to support its expense reports, including time sheets for services performed and expense receipts and justifications for authorized expenses, unless otherwise agreed to by the parties. Payments for expense reports that are not received within 30-days from date of invoice will be subject to a 5% pressive per criently month.

Sisteman of Work for Gullis, Inc. July 1, 2015

# Assumptions

# Project Change Control Procedure

The following process will be followed it's change to this SOW is required:

- A Project Change Request (PCR) will be the vehicle for communicating change. The PCR must describe the change, the rationale for the change, and the effect the change will have on the project.
- The designated Sales Director of the requesting party (Employee or Client) will review the proposed change and descending whether to submit the request to the other party.
- Employee and Client will review the proposed change and appraise it for further investigation or reject it.
   Employee and Client will mutually agree upon any charges for such investigation. If any, If the investigation is authorized, the Employee will sign the PCR, which will constitute approval for the investigation charges. The investigation will determine the effect that the implementation of the PCR will have on SOW, schedule and other terms and conditions of the Agreement.
- Upon completion of the investigation, both parties will review the impact of the proposed change and, if autually agreed, a Change Authorization will be executed.
- A written Change Authorization and/or PCR must be signed by both parties to authorize implementation of the investigated changes.

IN WITNESS WHEREOP, the parties hereto have caused this SOW to be effective as of the day, month and cour first written above.

Substitution park

By:

Name

Title

Curtis Celtallos

CEO/President

Death Potlick McDonelis

. .

Darrin Patrick McDonald

little:

Regional Sales manager/Director