IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OHIO EASTERN DIVISION

CHUCK PETTI) CASE NO. 1:18-cv-00615-WHB
Plaintiff)) MAGISTRATE JUDGE WILLIAM H.) BAUGHMAN, JR.
v.	
CAMERON DALEY FRAKER)
Defendant)) _)
PAUL SPIVAK) CASE NO. 1:19-cv-00087-WHB
Plaintiff) MAGISTRATE JUDGE WILLIAM H.) BAUGHMAN, JR.
v.	
CAMERON DALEY FRAKER)
Defendant)))

INTERVENING PLAINTIFF USLG'S FIRST AMENDED COMPLAINT FOR MONEY DAMAGES AND INJUNCTIVE RELIEF

(Jury Demand Endorsed Hereon)

Intervening Plaintiff US Lighting Group, Inc. ("USLG"), for its First Amended Complaint against Defendant Cameron D. Fraker a.k.a. Daley Fraker ("Defendant"), states as follows:

- 1. USLG is a for-profit Florida corporation, engaged in the manufacture and sale of commercial LED lighting, with a principal place of business at the above captioned address in Lake County, Ohio.
- 2. Defendant is an individual resident of the state of Missouri, residing at the above captioned address.

- 3. The claims stated herein arise out of and involve contracts negotiated and executed in the state of Ohio and expressly governed by the laws of the states of Ohio and Wyoming.
 - 4. The amount in controversy is in excess of \$75,000.00.
 - 5. Jurisdiction is proper under 28 U.S.C. § 1332.
 - 6. Venue is proper under 28 U.S.C. § 1391.

FACTUAL ALLEGATIONS

- 7. In 2015, the parties entered contractual negotiations which culminated in Defendant obtaining the exclusive rights to distribute USLG products in a defined geographic area.
- 8. On or about September 21, 2015, USLG and Defendant entered into a Confidentiality Agreement, attached hereto as Exhibit 1.
- 9. On or about October 14, 2015, USLG and Defendant entered into an Exclusive Distributor Agreement ("the First Distributor Agreement"), attached hereto as Exhibit 2.
- 10. On or about May 3, 2016, USLG and Defendant entered into a new agreement ("The Second Distributor Agreement"), attached hereto as Exhibit 3. (The First Distributor Agreement and the Second Distributor Agreement are collectively referred to hereafter as "the Distributor Agreements").
- 11. The Distributor Agreements explicitly incorporate and reference the Confidentiality Agreement, which, by its terms, "shall be construed under the laws of the State of Ohio" and strictly prohibits Defendant from disclosing any Confidential Information obtained in the parties' course of dealings absent the express written consent of USLG.
 - 12. Subsequent to execution of the Confidentiality Agreements, Defendant was

provided Confidential Information from USLG, including: customer names and lists; distributor names and information; sales information, methods, and tactics; prices; contracts and agreements; product design information; upcoming products; and other material or information contemplated and protected by the Confidentiality Agreement.

- 13. In violation of obligations imposed by the Confidentiality Agreement, Defendant openly discussed with others the dealings he had with USLG and disclosed other Confidential Information regarding product offerings and product designs without USLG's consent or approval.
- 14. Upon information and belief, Defendant also shared Confidential Information with competing lightbulb manufacturers and distributors who he began working for and with immediately prior to and/or upon terminating his relationship with USLG.
- 15. The Distributor Agreements prohibited Defendant from selling lightbulbs and other products that are competitive with USLG's products.
- 16. In breach of the Distributor Agreements, Defendant sold lightbulbs and other products that are competitive with USLG's products.
- 17. The Distributor Agreements further obligate Defendant to conduct business with USLG in a professional, fair, ethical, and legal manner.
- 18. Defendant breached the Distributor Agreements by sending threatening, extortionate, and otherwise abusive communications and engaging in online activities designed to adversely affect Internet search results relevant to USLG's business interests.
- 19. More specifically, in an attempt to gain undue leverage in a dispute which arose during the course of dealings between the parties, Defendant published a "report" on the website RipoffReport.com ("Ripoff Report") about USLG (and others) at the following URL:

https://www.ripoffreport.com/reports/us-lighting-group-uslg-intellitronix-corp-paul-spivak/eastlake-ohio/us-lighting-group-uslg-intellitronix-corp-paul-spivak-paul-spivakchuck-pettiolga-sm-1424065 ("the Report"). A copy of the Report is attached as Exhibit 4.

- 20. Ripoff Report is a largely unmoderated and rather notorious Internet website, operated by Xcentric Ventures, L.L.C., which is specifically designed to allow Internet users to publish, anonymously or pseudonymously if so desired, unverified accusations of misconduct and other allegations for the purpose of exposing the subjects of the Reports to various forms of opprobrium and disgrace in their community and profession.
- 21. Ripoff Report's general policies provide that it does not review posts published by its users on its website. Ripoff Report's Terms of Service (TOS) disclaims all responsibility to review any post or remove, redact, or update false information that is published.
- 22. As a required step in Ripoff Report's user sign-up process, before publishing a post, a user must specifically check a box requiring them to "acknowledge that once I submit my Post, the Post cannot be edited by me, nor will it be removed, even at my requests."
- 23. Users are also required to check a box stating that they have read and agreed to Ripoff Report's TOS.
- 24. Through the TOS, Ripoff Report obligates all of its users to assign to the website's owners an exclusive and irrevocable license to display any and all content published on its platform.
- 25. Ripoff Report will not itself edit or to any degree redact a report posted on its platform unless the subject of the report agrees to enter its "Corporate Advocacy Program" (CAP) which requires a regular and indefinite payment of money to Ripoff Report's owners.
 - 26. The Report uploaded by Defendant accuses USLG of having a "Bogus Warranty,"

"Theft of Downpayments," refusing to ship new product orders and replacements, and recalling goods.

- 27. The Report publicizes and broadcasts several intentional misrepresentations relative to the parties' business dealings and alleges that USLG has done the same things listed in the Report to all of its distributors.
- 28. The allegations and claims in the Report are materially false, defamatory, and not protected by privilege or opinion. The Report is negative and defamatory *per se* towards USLG because it impugns its reputation, injuriously affects its business, and accuses USLG of committing the crime of theft.
- 29. The Defendant authored and published the Report in the course and scope of his business.
- 30. On January 22, 2018, Defendant published a second post on the Report titled "Correction for Clarity." The substance of the Correction for Clarity is identical to the original post on his Report, except that it adds two pieces of information to the allegations of his original post. The Correction for Clarity appears as an amendment on the Report.
- 31. The Report has been viewed online over 1,000 times, including by customers, investors, and distributors of USLG.
- 32. Defendant uploaded the Report in bad faith and in violation of his duty of good faith and fair dealings.
- 33. The Distributor Agreements provide that Defendant must purchase a minimum of 1000 products from USLG annually per million of population of his exclusive sales territory.
- 34. The total population of Defendant's assigned sales territory is fourteen million people, thereby obligating Defendant to purchase a minimum total of 14,000 products from USLG

annually.

- 35. According to the price list included as Addendum A to the First Distributor Agreement, the products listed, if purchased in amounts of over 5,000+ bulbs, will be sold to Defendant at a price of either \$19.95 per bulb or \$24.95 per unit.
- 36. Defendant was therefore required to purchase a minimum of between \$279,300.00 and \$349,300.00 worth of USLG product annually.
- 37. Defendant purchased only \$50,000.00 worth of products from USLG over a two-year period.
- 38. Defendant breached the Distributor Agreements by failing to order and pay for minimum purchases of lightbulbs in agreed upon amounts. This has caused USLG to suffer revenue losses in amounts of at least \$508,600 to \$648,600.
- 39. As a result of Defendant's actions described above, other distributors of USLG ceased buying lightbulbs from USLG and potential distributors did not seek to become USLG distributors or purchase USLG products, causing a \$250,000 drop in sales revenue.
- 40. Also as a result of Defendant's actions complained of herein, USLG lost at least \$2,500,000 dollars of financial investment because current and potential investors of USLG who were going to invest money in USLG did not do so and/or refused to buy USLG stock.
- 41. Furthermore, due to Ripoff Report's search engine optimization tactics, USLG's advertising became significantly less effective. Compared to the year prior, USLG tripled its advertising expenses (approximately \$1.3 million) in an effort to mitigate its damages yet obtained significantly less of a return because qualified investors would find the Report in Internet search results when doing due diligence research on USLG.
 - 42. Finally, as a result of Defendant's actions complained of herein, USLG incurred

unnecessary product design fees and research expenses of approximately \$250,000.

COUNT I: BREACH OF CONTRACT

- 43. USLG incorporates by reference all allegations set forth above as if fully restated herein.
- 44. USLG and Defendant entered into the Confidentiality Agreement and the Distributor Agreements (collectively "the Agreements").
 - 45. USLG fully performed its obligations under the Agreements.
- 46. Without legal excuse, Defendant materially breached the Agreements and did so in bad faith.
- 47. Defendant breached his implied duty of good faith and fair dealing through his actions complained of herein.
- 48. Throughout the course of dealings, Defendant failed to remain faithful to an agreed common purpose and consistent with the justified expectations of USLG.
- 49. Instead of complying with the warranty provided by USLG, Defendant acted in bad faith attempting to coerce USLG to provide a refund he was not due.
- 50. Instead of complying with the terms of the Confidentiality Agreement, Defendant intentionally breached and had threatened to breach confidentiality in order to gain leverage and coerce USLG to provide a refund he was not due.
- 51. As a direct, proximate, and foreseeable result of Defendants' actions described herein, USLG has suffered the damages detailed above.
- 52. As additional relief, and to prevent irreparable harm, USLG requests a permanent injunction prohibiting Defendant from further sharing, disseminating, or otherwise disclosing Confidential Information he obtained from USLG.

COUNT II: TORTIOUS INTERFERENCE WITH CURRENT & PROSPECTIVE BUSINESS RELATIONS, ADVANTAGE, & CONTRACT

- 53. USLG incorporates by reference all allegations set forth above as if fully restated herein.
- 54. USLG had contracts and/or business relations with distributors, investors, and other parties of which Defendant, upon information and belief, was aware.
- 55. USLG also had contracts with distributors, investors, and other third parties that were prospectively looking to enter into contractual or other business relations with USLG.
- 56. Upon information and belief, Defendant, directly and indirectly, contacted and made misrepresentations to these distributors, investors, and other parties who had current and prospective business and/or contractual relationships with USLG intentionally, improperly, without privilege or justification, and in breach of the Confidentiality Agreement, and for the specific purpose to prevent contract formation, procure a contractual breach, and/or cause a termination of business relations with USLG and these parties.
- 57. As an intended and foreseeable result, Defendant's actions complained of herein caused contractual breaches, termination of other business relationships, and prevented contractual formation between USLG and others.
 - 58. As a result of Defendant's actions, USLG suffered damages as detailed above.

COUNT III: MISAPPROPRIATION OF TRADE SECRETS

- 59. USLG incorporates by reference all allegations set forth above as if fully restated herein.
- 60. USLG has trade secrets that include distributor and investor information, potential customer lists and names, financial information, marketing information, and other Confidential Information described and in the parties Confidentiality Agreement.

- 61. Defendant acquired the trade secrets and Confidential Information as a result of a confidential relationship with USLG.
- 62. Upon information and belief, Defendant has used USLG's trade secrets and Confidential Information for his benefit as a competitor of USLG without authorization.

COUNTS IV, V, VI: LIBEL, DECEPTIVE TRADE PRACTICES ORC 4165.02(A)(10), & INJURIOUS FALSEHOOD

- 63. USLG incorporates by reference all allegations set forth above as if fully restated herein.
- 64. Defendant published the Report about USLG which is false in its entirety and contains false statements of and concerning USLG.
- 65. The Defendant authored and published the Report in the Court and scope of his business as a distributor of USLG. The Report constitutes a violation of Ohio Revised Code 4165.02(A)(10).
- 66. The Defendants authored and published the Report without privilege or authorization. USLG is informed and believes, and, upon that basis, alleges that the Report was written and published with malice or knowledge of its falsity or at least with negligence and/or intentional or recklessly, with unreasonable beliefs, and without any information or documents that can substantiate or verify Defendant's allegations and claims in the Report.
- 67. USLG is further informed and believes, and upon that basis, asserts that such Report has been viewed, read, and was specifically directed and communicated to people in Northeast, Ohio for the purpose of damaging USLG's reputation in its community.
- 68. As a direct and proximate result of the Report, USLG has suffered significant reputational harm and sustained actual and other pecuniary loses, special damages, and other damages including, but not limited to, loss of capital and revenue, lost productivity, loss of

opportunity, losses to property, losses resulting from attorneys fees needed to bring claims to stop

the continued publication of the false statements, and loss of intangible assets.

69. USLG requests a permanent injunction halting the continued dissemination of

the false statements described above, and further ordering Defendants to remove the

statements from the Internet and requests Google, Bing, Yahoo! and other search engine

providers to remove the website listed from their respective search results. Without a

permanent injunction judgment of this Court, Defendants false statements will continue to

cause great and irreparable injury to USLG.

70. As a result of Defendant's actions, USLG has suffered damages as detailed above.

WHEREFORE, USLG demands judgment against Defendant as follows:

a. Compensatory damages in excess of \$75,000.00;

b. Punitive damages;

c. Pre- and post-judgment interest;

d. Attorneys fees and costs;

e. Injunctive relief to specifically enforce the Confidentiality Agreement;

f. Injunctive relief to stop continued publication and re-publication of the libel;

g. Any and all other relief, both in law and in equity, this Court is empowered to

grant.

Respectfully submitted,

/s/ Aaron M. Minc

Aaron M. Minc (0086718)

Minc LLC

200 Park Ave,

Suite 200

Orange Village, Ohio 44122

Phone: (216) 373-7706

Fax: (440) 792-5327

Email: aminc@MincLaw.com

JURY DEMAND

Plaintiff US Lighting Group, Inc. hereby demands a trial by jury on all issues not determinable as a matter of law.

/s/ Aaron M. Minc Aaron M. Minc (0086718)

Counsel for Intervening Plaintiff

INSTRUCTIONS FOR SERVICE

Plaintiff request that the Clerk of Courts serve a copy of this First Amended Complaint on Defendant, via Certified U.S. Mail, at the above captioned address.

/s/ Aaron M. Minc Aaron M. Minc (0086718)

Counsel for Intervening Plaintiff

CONFIDENTIALITY AGREEMENT

This (Confidentia	lity A	greement	t (this	"Agreement'	') is	made	effective	as	of
(Date):_	9/21/2	2015		between	: US Lighting	Group	Inc., of	34099 Meli	nz Pk	wy.
Unit E,	Eastlake, O	hio 4409	5 and,			-				
Recipier	nt Name:	Carre	on D	aley Fr	raker					
	nt Phone:		521 18							
Recipier	ntAddress:		wheel la		Liga Creek	MO	6SOSZ	_		

In this Agreement, the party who owns the Confidential Information, US Lighting Group Inc., will be referred to as "USLG" and the party to whom the Confidential Information will be disclosed will be referred to as "Recipient". USLG is engaged in the design, manufacturing and distribution of LED lights for commercial use. Information will be disclosed for the purpose of business opportunity due diligence. Notwithstanding, Recipient acknowledges this Confidentiality Agreement will become part of the executed Distributor Agreement at such time Recipient decides to become an USLG Distributor. USLG has requested that Recipient and any of Recipients employees, officers, directors, investors, partners, family members, affiliates or associates will protect the confidential material and information which may be disclosed between USLG and Recipient. Therefore, the parties agree as follows:

- I. CONFIDENTIAL INFORMATION. The term "Confidential Information" means any information including, but not limited to, trade secrets, technologies, trademarks, intellectual property, logos, patents pending, photographs, drawings, designs, marketing techniques, sales techniques, sales numbers, sales projections, sales quotas, prices, pricing lists, contracts, confidentiality agreements, customer lists, upcoming products, or other material or information, whether written or verbal, electronic or otherwise, which is proprietary to USLG or any of USLG's, Vendors, Distributors, Exporters, Dealers, Subcontractors, whether or not owned or developed by USLG, which is not publicly known other than by USLG, USLG's Distributors, Dealers, or Vendors and which Recipient may obtain through any direct or indirect contact with USLG or any of USLG's Distributors, Dealers, or Vendors.
- II. PROTECTION OF CONFIDENTIAL INFORMATION. Recipient understands and acknowledges that the Confidential Information has been developed or obtained by USLG by the investment of significant time, effort and expense, and that the Confidential Information is an extremely valuable, special and unique asset of USLG which provides USLG with a significant worldwide competitive advantage, and needs to be protected from improper disclosure or misappropriation. In consideration for the disclosure of the Confidential Information, Recipient agrees not to attempt to obtain additional Confidential Information, other than directly through USLG. Recipient agrees to hold in confidence any and all Confidential Information. Recipient hereby agrees to not disclose, infer or generalize, directly or indirectly, written or verbally or otherwise, any Confidential Information whatsoever to any person or entity without the prior written consent of USLG. In addition, Recipient agrees that:

- i. No Copying/Modifying. Recipient will not copy or modify any Confidential Information without the prior written consent of USLG.
- ii. Application to Employees. Recipient shall not disclose any Confidential Information to any employees, associates or agents of Recipient, except those employees or agents who are required to have the Confidential Information in order to perform their job duties in connection with the limited purposes of this Agreement. Each permitted employee or agent to whom Confidential Information is disclosed shall sign a non-disclosure agreement substantially the same as this Agreement at the request of USLG.
- iii. Unauthorized Disclosure of Information. If it appears that Recipient has disclosed (or has threatened to disclose) Confidential Information in violation of this Agreement, whether written or verbally, USLG shall be entitled to an injunction to restrain Recipient from disclosing, in whole or in part, the Confidential Information. USLG shall not be prohibited by this provision from pursuing other remedies, including but not limited to, claims for losses and damages.
- IV. RELATIONSHIP OF PARTIES. Neither party has an obligation under this Agreement to purchase any service or item from the other party, or commercially offer any products using or incorporating the Confidential Information. This Agreement does not create any agency, partnership, or joint venture.
- V. LIMITED LICENSE TO USE. Recipient shall not acquire any intellectual property rights under this Agreement except the limited right to use as set out above. Recipient acknowledges that, as between USLG and Recipient, the Confidential Information and all related copyrights and other intellectual property rights, are (and at all times will be) the property of USLG, even if suggestions, comments, and/or ideas made by Recipient are incorporated into the Confidential Information or related materials during the period of this Agreement.
- VI. GENERAL PROVISIONS. This Agreement sets forth the entire understanding of the parties regarding confidentiality. Any amendments must be in writing and signed by both parties. This Agreement shall be construed under the laws of the State of Ohio. This Agreement shall not be assignable by Recipient, and neither party may delegate its duties under this Agreement, without the prior written consent of the other party. The confidentiality provisions of this Agreement shall remain in full force and effect for a period of two (2) years after the effective date of this Agreement as shown in the first paragraph of this Agreement or for a period of two (2) years after the termination of the Distributor agreement, whichever of the two (2) is longer.

Recipient Signature: Yaley Faler	
Recipient Print Name: Conemo Doley Fraker	
Date: 9/21/2015	

USLG Exclusive Distributor Agreement

This Agreement, made this 14th day of October, 2015 (the "Effective Date), by and between US Lighting Group Inc., (USLG) sometimes referred to as "Company," and Daley Fraker of: Fraker Energy Systems 400 Woodland Pt, Linn Creek, MO 65052, hereinafter sometimes referred to as "Distributor", whose name is signed below as "Distributor," in consideration of the promises herein and intending to be legally bound, agree as follows:

COMPANY BUSINESS: US Lighting Group is a Wyoming Corporation duly organized, validly existing, and in good standing under the laws of the State of Wyoming, with its principal manufacturing facilities located at 34099 Melinz Pkwy, Unit E, Eastlake Ohio 44095, USA. The Company designs and manufactures "Patent Pending" solid state LED lights ("Lights" "Units" "Product") for commercial and residential use.

EXCLUSIVE TERRITORY: Subject to the terms and conditions hereinafter set forth, with the exception of large chain accounts, the Company hereby GRANTS to the Distributor the sole EXCLUSIVE right to distribute all Company Products, Present and Future, manufactured by "USLG" within the entire county(s) of Camden (MO), Boone (MO, Douglas (NE), Benton (IA) Linn (IA). The total population of the above mentioned exclusive territory is one million people. While this Agreement is in force, the Company shall not grant any other such right to any Distributor, Person, nor Entity within the above mentioned Territory. In the event another distributor wishes to deliver to a client within the exclusive territory, the territory owner shall be notified in advance and a profit split shall be arranged, USLG will not ship the order without the written consent of both distributors.

INITIAL FEE: The Initial Onetime Distributor Fee is \$10,000.00 per million in population of the Exclusive Distributor Territory as described above. Upon the execution of this Agreement, the Distributor shall pay the Company a nonrefundable fee for the rights to the Exclusive Territory in the amount of \$10,000.00.

Upon the execution of this Agreement, the Distributor shall pay the Company a nonrefundable onetime fee for the Exclusive Rights to the Territory and initial inventory consisting of ______ in the amount of \$\\$

AND

The distributor shall have the option of purchasing additional territory at any time during the first and subsequent years for a fee and with a quota agreed upon by both parties, if the additional territory is available at the time the distributor wishes to purchase it.

DISTRIBUTOR QUOTA: The Distributor must purchase a minimum of 1000 Units annually per million population. This contract shall automatically renew if the above quota has been met.

TERM: Unless previously terminated as hereinafter provided, this Agreement and the appointment of Distributor hereunder shall be for an initial term of one full (1) year beginning on the Effective Date. Thereafter, this Agreement shall be extended automatically successive one (1) year term if the Annual Quota of 1000 units has been met. If the Distributor fails to purchase the Annual Quota, the Company reserves the right to terminate this Agreement and all Distributor rights hereunder, if it so chooses.

LARGE CHAIN ACCOUNTS: Large Chain Accounts are defined as publicly traded retailers headquartered outside of the distributors exclusive territory which have signed a retail sales agreement with the company but have sales locations or satellite facilities within the exclusive territory. The Exclusive Distributor will receive two (\$2) dollars for each bulb that is sold by a large chain account that company ships into the above mentioned exclusive territory. In exchange for the Two (\$2) dollar per bulb royalty, Distributor hereby agrees to manage, train and support all satellite facilities in the above mentioned territory, on an on-going basis, if needed.

MANUFACTURER'S WARRANTY: Company issues a twenty-one (21) year warranty to the end user on Units manufactured by the Company. The Company agrees to repair or exchange any unit that becomes defective under normal working conditions for twenty one years from the date of purchase. Warranty does not cover labor.

DELIVERY: All orders shall be made by written Purchase Order in a mutually acceptable form. Distributor is responsible for costs of shipping, but not insurance during the shipping process. US Lighting Inc. and Distributor shall select a carrier to transport all orders. Company assumes no responsibility for delay in delivery beyond its control due to Acts of God, war conditions, vendor delays, acts of terrorism, governmental regulations or actions, embargoes, fire, flood, accidents, strikes or other labor trouble or, without limitation, any other cause beyond Company's control. The Company is responsible for designing and providing packaging for their products to ensure that lights arrive in working order and survive their warranty period. In the event of damage during shipment, company will send at their expense replacements using overnight shipping methods as needed for distributor to fulfill customer requirements.

PRICING: The Exclusive Distributor costs for the Company's products are shown on Addendum "A" of this agreement. Exclusive Distributor may sell products within their exclusive territory at any price. Notwithstanding, NO Distributor shall publicly advertise a price below MSRP on a national basis or international basis.

PAYMENT OF PURCHASE PRICE: All purchase orders require only fifty percent (50%) deposit of the purchase price with the order, payable directly to US Lighting Inc. Distributor shall pay the balance upon notification by US Lighting Inc. that the order is ready for shipment. Orders will not be shipped until US Lighting Inc. has received full payment for the order. If both parties agree to separate an order into multiple shipments each shipment shall be paid in full rather than the order as a whole. Company agrees to ship orders within 48 hours of receiving full payment.

TERMINATION: The Company shall have the right, at its option, to terminate this Agreement by giving thirty (30) days notice to Distributor, upon the occurrence of any of the following events:

- A. In the event Distributor becomes insolvent or is declared bankrupt or any proceeding is demanded by, for or against Distributor under any provisions of the Federal Bankruptcy Code for liquidation or reorganization, or if bankruptcy or insolvency is declared under the law of any jurisdiction where Distributor or its businesses may be located.
- B. If the Annual Quota is not reached.
- C. In the event that Distributor defaults in the performance of any of the other provisions of this Agreement and such default is not remedied to the Company's satisfaction within a thirty (30) day period after notification to Distributor of such default.

OBLIGATIONS OF DISTRIBUTOR:

- A. Distributor, or a representative of the Distributor, agrees to attend a training seminar at the Company manufacturing facility in Eastlake, Ohio. Distributor also agrees to virtually (web or phone conference) attend any Company training seminars for future products.
- B. Distributor or a representative of the Distributor agrees to manage, train and support all satellite facilities in the above mentioned territory, on an on-going basis, if needed.
- C. Distributor will, at all times, conduct their business in a professional, fair, ethical and legal manner.

TRANSFER OF OWNERSHIP BY DISTRIBUTOR: The Distributor may sell or transfer ownership in all or part of the Exclusive Territory, at any time, on whatever terms are negotiated between Distributor and the Distributor's prospective purchaser, provided that Distributor is in full compliance with all of the terms and conditions of this Agreement. The Company shall train the Assignee.

TRANSFER OF OWNERSHIP BY COMPANY: The Company reserves the right to reorganize its corporate structure by way of sale, initial public offering, merger, or acquisition. In the event of any transfer of ownership by the Company, all Supplier/Distributor Agreements shall be revalidated under the new entity with the same terms and conditions of the, then current, Agreement between the Company and the Distributor.

NON-DISCLOSURE AND NO COMPETE:

- a.) Distributor agrees not to sell or cause to be sold any competitive product with identical form, fit and function while this agreement is in effect.
- b.) Distributor has previously signed a "Non-Disclosure Agreement" (NDA) which is attached.

DISTRIBUTOR/INDEPENDENT CONTRACTOR: It is understood that the Distributor is engaged in an independent business and will be solely responsible for its employees and actions. This Agreement creates an independent contractor relationship, and not any employment or agency relationship. Nothing herein shall be deemed to create in Distributor any right or authority to incur any obligations on Company's behalf nor to bind Company in any respect whatsoever.

GOVERNING LAW AND CHOICE OF FORUM: This Agreement shall be governed by and construed under the laws of the United States of America and the State of Wyoming, without giving effect to any choice or conflict of law provision or rule (whether of the State of Wyoming or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Wyoming. Jurisdiction for resolution of any disputes arising in connection with this Agreement shall be vested in the state and federal courts located in the state of Wyoming.

NOTICES: Official notices to the Company must be sent by registered or certified mail, postage prepaid to the Company at 34099 Melinz Parkway, Unit E, Eastlake, Ohio 44095, USA or such other address as Company shall designate. Official notices to Distributor shall be delivered certified or registered mail, postage prepaid, to Distributor at the address that Distributor has provided above, or shall designate in writing.

ENTIRE AGREEMENT AND MODIFICATIONS: This Agreement and the NDA comprise the entire agreement between the parties, and the Distributor acknowledges that no warranties or representations, verbal or otherwise, have been made to or are being relied upon by the Distributor except those expressly contained in the provisions of this Agreement and this Agreement alone. No change or modification of this Agreement shall be valid unless the same is in writing and Agreed by OCCHMENT here DUCTION P777

Addendum A

Distributor Price List and Quantity Discounts

Part BH4-110-65C MSRP: \$39.95

Amount Ordered	Price	Percentage Discount
100	\$27.95	30%
500	\$25.95	35%
1,000	\$23.95	40%
5,000	\$21.95	45%
5.000+	\$19.95	50%

Part BH4-277-65C MSRP: \$49.95

Amount Ordered	Price	Percentage Discount
100	\$34.95	30%
500	\$32.45	. 35%
1,000	\$29.95	40%
5,000	\$27.45	45%
5,000+	\$24.95	50%

CONCLUSION: It is understood and agreed that it is the intent of the parties that this Agreement comply with any and all applicable statues or rules and regulations of the United States of America, or any foreign nation that may have jurisdiction over the execution, enforcement or performance of this Agreement. Each clause of this Agreement shall be severable and in the event that any clause, sentence, word or portion of this Agreement is declared unenforceable, the remainder of the Agreement shall be effective and binding on all parties.

Target City	State	County	Population	% of Million
Osage Beach	MO .	Camden	44,021	4%
Omaha	. NE	Douglas	543,244	54%
Cedar Rapids	IA	Linn	217,751	22%
Vinton	1A	Benton	25,680	3%
Columbia	МО	Boone	172,717	17%

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EXHIBIT 3

USLG Exclusive Distributor Agreement

This Agreement, made this 14th day of March, 2016 (the "Effective Date), by and between US Lighting Group Inc., (USLG) sometimes referred to as "Company." and Daley Fraker of: Fraker Energy Systems 400 Woodland Pt, Linn Creek, MO 65052, hereinafter sometimes referred to as "Distributor", whose name is signed below as "Distributor," in consideration of the promises herein and intending to be legally bound, agree as follows:

COMPANY BUSINESS: US Lighting Group is a Wyoming Corporation duly organized, validly existing, and in good standing under the laws of the State of Wyoming, with its principal manufacturing facilities located at 34099 Melinz Pkwy, Unit E. Eastlake Ohio 44095, USA. The Company designs and manufactures "Patent Pending" solid state LED lights ("Lights" "Units" "Product") for commercial and residential use.

EXCLUSIVE TERRITORY: Subject to the terms and conditions hereinafter set forth, with the exception of large chain accounts, the Company hereby GRANTS to the Distributor the sole EXCLUSIVE right to distribute all Company Products, Present and Future, manufactured by "USLG" within the entire States of MISSOURI, KANSAS, IOWA, and NEBRASKA. The total population of the above mentioned exclusive territory is Fourteen million people. While this Agreement is in force, the Company shall not grant any other such right to any Distributor, Person, nor Entity within the above mentioned Territory. In the event another distributor wishes to deliver to a client within the exclusive territory, the territory owner shall be notified in advance and a profit split shall be arranged, USLG will not ship the order without the written consent of both distributors.

INITIAL FEE: The Exclusive Distributor Fee for the above mentioned territory will be a purchase order in the amount of Two Hundred Thousand Dollars (\$200,000.00) in Product. One Hundred Thousand Dollar (\$100,000.00) product order will be accepted upon the execution of this agreement, with the amount of Fifty Thousand Dollars (\$50,000.00) up-front payment and balance upon completion, the second One Hundred Thousand Dollar (\$100,000.00) product order will be entered in Six Months with the amount of a Fifty Thousand Dollar (\$50.000.00) down payment and balance upon completion.

DISTRIBUTOR QUOTA: The Distributor must purchase a minimum of 1000 Units annually per million population after the initial term of the Agreement. This contract shall automatically renew if the above quota has been met.

TERM: Unless previously terminated as hereinafter provided, this Agreement and the appointment of Distributor hereunder shall be for an initial term of one full (1) year beginning on the Effective Date. Thereafter, this Agreement shall be extended automatically successive one (1) year term if the Annual Quota of 1000 units has been met. If the Distributor fails to purchase the Annual Quota, the Company reserves the right to terminate this Agreement and all Distributor rights hereunder, if it so chooses.

LARGE CHAIN ACCOUNTS: Large Chain Accounts are defined as publicly traded retailers headquartered outside of the distributors exclusive territory which have signed a retail sales agreement with the company but have sales locations or satellite facilities within the exclusive territory. The Exclusive Distributor will receive two (\$2) dollars for each bulb that is sold by a large chain account that company ships into the above mentioned exclusive territory. In exchange for the Two (\$2) dollar per bulb royalty. Distributor hereby agrees to manage, train and support all satellite facilities in the above mentioned territory, on an on-going basis, if needed.

MANUFACTURER'S WARRANTY: Company issues a twenty-one (21) year warranty to the end user on Units manufactured by the Company. The Company agrees to repair or exchange any unit that becomes defective under normal working conditions for twenty one years from the date of purchase. Warranty does not cover installation labor.

DELIVERY: All orders shall be made by written Purchase Order in a mutually acceptable form. Distributor is responsible for costs of shipping, but not insurance during the shipping process. US Lighting Inc. and Distributor shall select a carrier to transport all orders. Company assumes no responsibility for delay in delivery beyond its control due to Acts of God, war conditions, vendor delays, acts of terrorism, governmental regulations or actions, embargoes, fire, flood, accidents, strikes or other labor trouble or, without limitation, any other cause beyond Company's control. The Company is responsible for designing and providing packaging for their products to ensure that lights arrive in working order and survive their warranty period. In the event of damage during shipment, company will send at their expense replacements using overnight shipping methods as needed for distributor to fulfill customer requirements.

PRICING AND PRODUCT AVAILABILITY: The Exclusive Distributor costs for the Company's products are shown on Addendum "A" of this agreement. As new products are introduced/released for sale and their prices are set, distributor shall be sent independent price sheets for signature and agreement, by both parties, for each new product. This signature will also signify that the product is then available for purchase until a product termination sheet has been signed to signify that the product has been declared End-Of-Life. Exclusive Distributor may sell products within their exclusive territory at any price. Notwithstanding, NO Distributor shall publicly advertise a price below MSRP on a national basis or international basis.

PAYMENT OF PURCHASE PRICE: All purchase orders require only fifty percent (50%) deposit of the purchase price with the order, payable directly to US Lighting Inc. Distributor shall pay the balance upon notification by US Lighting Inc. that the order is ready for shipment. Orders will not be shipped until US Lighting Inc. has received full payment for the order. If both parties agree to separate an order into multiple shipments each shipment shall be paid in full rather than the order as a whole. Company agrees to ship orders within 48 hours of receiving full payment.

TERMINATION: The Company shall have the right, at its option, to terminate this Agreement by giving thirty (30) days notice to Distributor, upon the occurrence of any of the following events:

- A. In the event Distributor becomes insolvent or is declared bankrupt or any proceeding is demanded by, for or against Distributor under any provisions of the Federal Bankruptcy Code for liquidation or reorganization, or if bankruptcy or insolvency is declared under the law of any jurisdiction where Distributor or its businesses may be located.
- B. If the Annual Quota is not reached.
- C. In the event that Distributor defaults in the performance of any of the other provisions of this Agreement and such default is not remedied to the Company's satisfaction within a thirty (30) day period after notification to Distributor of such default.

OBLIGATIONS OF DISTRIBUTOR:

- A. Distributor, or a representative of the Distributor, agrees to attend a training seminar at the Company manufacturing facility in Eastlake, Ohio. Distributor also agrees to virtually (web or phone conference) attend any Company training seminars for future products.
- B. Distributor or a representative of the Distributor agrees to manage, train and support all satellite facilities in the above mentioned territory, on an on-going basis, if needed.
- C. Distributor will, at all times, conduct their business in a professional, fair, ethical and legal manner.

TRANSFER OF OWNERSHIP BY DISTRIBUTOR: The Distributor may sell or transfer ownership in all or part of the Exclusive Territory, at any time, on whatever terms are negotiated between Distributor and the Distributor's prospective purchaser, provided that Distributor is in full compliance with all of the terms and conditions of this Agreement. The Company shall train the Assignee.

TRANSFER OF OWNERSHIP BY COMPANY: The Company reserves the right to reorganize its corporate structure by way of sale, initial public offering, merger, or acquisition. In the event of any transfer of ownership by the Company, all Supplier/Distributor Agreements shall be revalidated under the new entity with the same terms and conditions of the, then current. Agreement between the Company and the Distributor.

NON-DISCLOSURE AND NO COMPETE:

- a.) Distributor agrees not to sell or cause to be sold any competitive product with identical form, fit and function while this agreement is in effect.
- b.) Distributor has previously signed a "Non-Disclosure Agreement" (NDA) which is attached.

DISTRIBUTOR/INDEPENDENT CONTRACTOR: It is understood that the Distributor is engaged in an independent business and will be solely responsible for its employees and actions. This Agreement creates an independent contractor relationship, and not any employment or agency relationship. Nothing herein shall be deemed to create in Distributor any right or authority to incur any obligations on Company's behalf nor to bind Company in any respect whatsoever.

GOVERNING LAW AND CHOICE OF FORUM: This Agreement shall be governed by and construed under the laws of the United States of America and the State of Wyoming, without giving effect to any choice or conflict of law provision or rule (whether of the State of Wyoming or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Wyoming. Jurisdiction for resolution of any disputes arising in connection with this Agreement shall be vested in the state and federal courts located in the state of Wyoming.

NOTICES: Official notices to the Company must be sent by registered or certified mail, postage prepaid to the Company at 34099 Melinz Parkway. Unit E, Eastlake. Ohio 44095, USA or such other address as Company shall designate. Official notices to Distributor shall be delivered certified or registered mail, postage prepaid, to Distributor at the address that Distributor has provided above, or shall designate in writing.

ENTIRE AGREEMENT AND MODIFICATIONS: This Agreement and the NDA comprise the entire agreement between the parties, and the Distributor acknowledges that no warranties or representations, verbal or otherwise, have been made to or are being relied upon by the Distributor except those expressly contained in the provisions of this Agreement and this Agreement alone. No change or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto.

CONCLUSION: It is understood and agreed that it is the intent of the parties that this Agreement comply with any and all applicable statues or rules and regulations of the United States of America, or any foreign nation that may have jurisdiction over the execution, enforcement or performance of this Agreement. Each clause of this Agreement shall be severable and in the event that any clause, sentence, word or portion of this Agreement is declared unenforceable, the remainder of the Agreement shall be effective and binding on all parties.

Signed, and agreed to this	3 04	day of	May	, 201 <u>_6</u>
x Pely Ten	la	Car	ieran Paley	Fraker
Distributor Signature		Distrib	outor Print Name	
Accepted for USLG this	9th day o	f ymy	20	16
You m Queen	44	1150 M	GWEEVEY	
USLG Authorized Agent Sig	nglure Pi	rint Name	/	



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Ripoff Report | US Lighting Group USLG - Intellitronix

Corp - Paul Spivak Complaint Review Eastlake, Ohio

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sarit spivak sarit shamir

- Submitted: Fri. January 19, 2018
- Updated: Fri, January 19, 2018
- Reported By: Midwest Distributor linn creek Missouri
- . US Lighting Group USLG Intellitronix Corp Paul Spivak Address 34099 Melinz Pkwy Eastlake, Ohio United States
- Phone: (216) 896 7000
- Web: http://uslightinggroup.com/
- Category: Automotive, LED flame lightbulbs Order #35123. Lighting Stores



US Lighting Group USLG -Intellitronix Corp - Paul Spivak Paul Spivak Chuck Petti Olga Smirnova Bogus Warranty, Will not deliver on New Orders, Theft of Downpayments Eastlake Ohio

*Author of original report: Correction for Clarity













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Simulated Environment Concepts, Inc. - Spa Capsule - GE Money LLya Spivak, Allen Licht, Maralyn Ballantine. Alex Grubchek Scammed out of \$27,150 00 for unit that doesn't work properly, warranty miami,

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I placed an order with a \$38,000 down

2018. I have still not received a single

with bulbs from another manufacturer

because USLG refuses to ship

I sold. They've done this to every

payment in June of 2016. As of January

light bulb from the order. I've also had to

replace the bulbs I sold prior to that order

replacements depsite recalling every bulb

distributor. The president of the company

months. I visited the facility in May 2017

with this manufacturer and despite me

talking to me. They've refused to refund

my down payment, refused to deliver on

thier warranty, and refused to deliver new

distributors that I'm not the only one, and

traveling 22 hours for the visit, the

onwner spent a massive 15 minutes

product. I know from talking to other

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on top of that USLG accepted hundreds of thousands of dollars from

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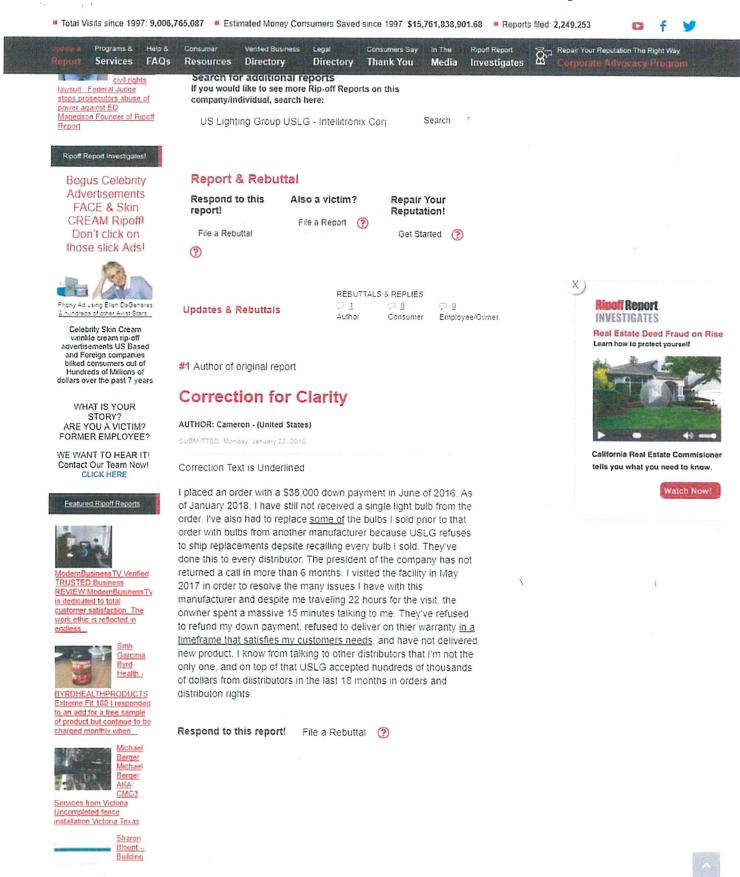
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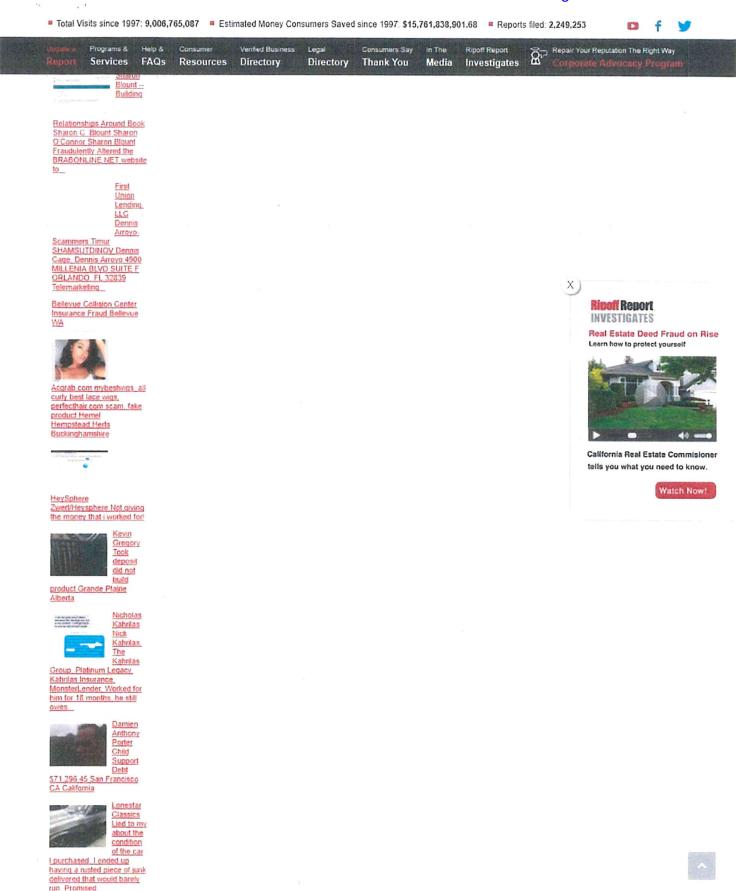
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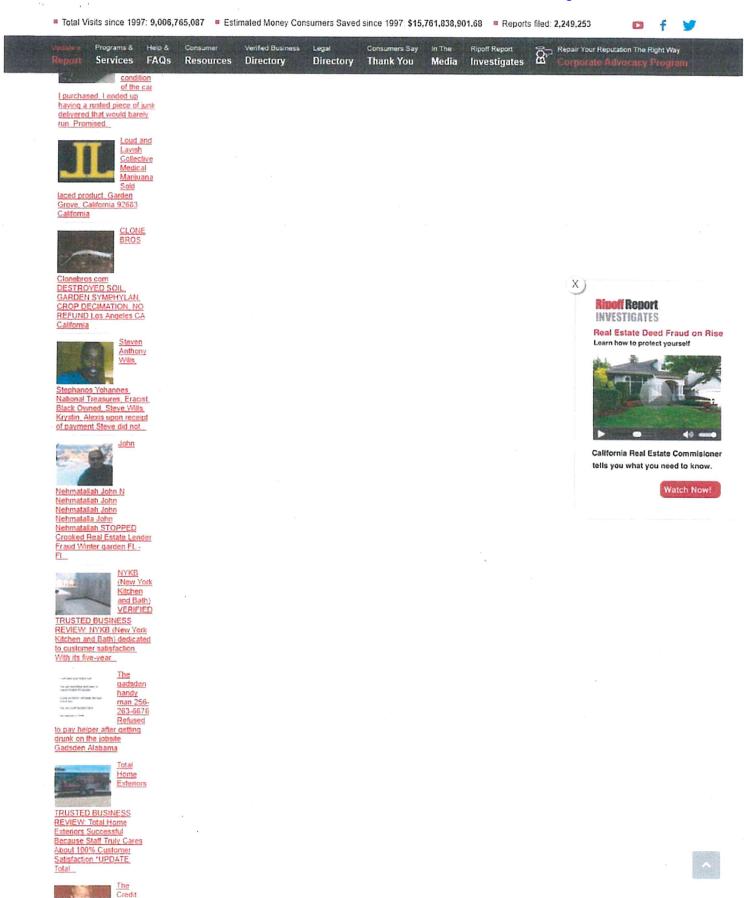


Relationships Around Book Sharon C. Blount Sharon

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