

FILED

IN THE UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
ORLANDO DIVISION

2012 JAN 26 AM 11:01

U.S. DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
ORLANDO, FLORIDA

CASE NO. 6:12CV114-ORC-19/KRS

ASPEN SPECIALTY INSURANCE  
COMPANY, a North Dakota  
corporation,

Plaintiff,

vs.

FUEL FREEDOM INTERNATIONAL, LLC,  
a Florida limited liability company, JEUNESSE,  
LLC, a Florida limited liability company, and  
INNOVATIVE FUEL TECHNOLOGIES, LLC,  
a Nevada limited liability company,

Defendants.

**COMPLAINT FOR DECLARATORY JUDGMENT**

Plaintiff, ASPEN SPECIALTY INSURANCE COMPANY ("Aspen"), sues the Defendants, FUEL FREEDOM INTERNATIONAL, LLC ("FFI"), JEUNESSE, LLC ("Jeunesse"), and INNOVATIVE FUEL TECHNOLOGIES, LLC ("IFT"), and alleges:

**JURISDICTION, VENUE AND THE PARTIES**

1. This is an action for a declaratory judgment pursuant to the provisions of Rule 57, Federal Rules of Civil Procedure, and Title 28, United States Code, § 2201.

2. This Court has original jurisdiction pursuant to Title 28, United States Code, § 1332, as the amount in controversy exceeds the sum of \$75,000.00, exclusive

Cole, Scott & Kissane, P.A.

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of interest and costs, and as there is complete diversity of citizenship between the Plaintiff and the Defendants.

3. Venue is proper in this district under Title 28, United States Code, § 1391, in that the events giving rise to the relief set forth in this action occurred in this district, at least one of the Defendants resides in this district, and the insurance contract at issue was delivered in Florida and, more specifically, in this district.

4. Plaintiff, Aspen, is a foreign insurer, and is incorporated solely under the laws of the State of North Dakota, with its principal place of business in Rocky Hill, Hartford County, Connecticut.

5. Defendant, FFI, was at all times relevant to this action a corporation incorporated solely under the laws of the State of Florida, with its principal place of business located in Altamonte Springs, Seminole County, Florida.

6. Defendant, Jeunesse, was at all times relevant to this action corporation incorporated solely under the laws of the State of Florida, with its principal place of business located in Altamonte Springs, Seminole County, Florida.

7. Defendant, IFT, was at all times relevant to this action corporation incorporated solely under the laws of the State of Nevada, with its principal place of business located in Altamonte Springs, Seminole County, Florida.

#### **GENERAL ALLEGATIONS**

8. Aspen has issued a Commercial General Liability Insurance Policy and Commercial Property Insurance Policy (Policy No. ABV335310) insuring "Fuel Freedom International, LLC; Celltelconnect, LLC, Jeunesse, LLC; RWR Holdings,



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LLC; Market Q, Inc.; Innovative Fuel Technologies, LLC” for the policy period from April 23, 2010 through April 23, 2011. A true and correct copy of the Aspen Commercial General Liability Insurance Policy and Commercial Property Insurance Policy is attached hereto as Exhibit "A" and will be herein referred to as "the subject policy".

9. The subject policy contains commercial general liability coverage with the following limits of insurance: \$1,000,000 per occurrence, \$100,000 for damage to premises rented to the insured for any one premises, \$5,000 medical expenses for any one person, \$1,000,000 personal & advertising injury coverage for any one person or organization and a \$2,000,000 general aggregate limit, subject to the terms, conditions, limitations and exclusions set forth in the policy.

10. On or about September 14<sup>th</sup>, 2011, ConSeal International Incorporated ("ConSeal") filed a Second Amended Complaint, in Case No. 2010-CA-11475-0 ("the underlying litigation"), pending in the Circuit Court of the Ninth Judicial Circuit of Florida, in and for Orange County. A true and correct copy of the Second Amended Complaint filed in Case No. 2010-CA-11475-0 is attached hereto as Exhibit "B."

11. The Second Amended Complaint in the underlying litigation named FFI, IFT, and Jeunesse as Defendants, as well as Partners Management Team, Inc., IFT Commercial Sales, Inc., Ogale Erandal Ray aka Randy Ray ("Ray"), Wendy R. Ray aka Wendy Lewis ("Lewis"), Robert Dawson ("Dawson"), Jeunesse Canadian Holdings, Inc., and Jeunesse Global Holdings, LLC.

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12. Defendants, FFI and Jeunesse notified Nautilus Insurance Company ("Nautilus") of the Second Amended Complaint filed in the underlying litigation via correspondence dated September 28, 2011. Nautilus is the insurance carrier that issued a CGL policy to the Defendants following Aspen's policy period (the Nautilus policy has a policy period of April 23, 2011 to April 23, 2012). In said correspondence, Defendants FFI and Jeunesse assert that the allegations contained in the Second Amended Complaint filed in the underlying litigation trigger coverage under the Nautilus policy. A true and correct copy of the correspondence referenced in this paragraph is attached hereto as Exhibit "C."

13. A copy of Exhibit C was forwarded to Aspen. Upon reviewing said correspondence, Aspen issued a timely reservation of rights letter to FFI, Jeunesse and IFT on December 1, 2011.

14. *The claims asserted by ConSeal in the underlying litigation are all premised upon acts or omissions which occurred prior to April 23, 2010, and which involved acts which are specifically excluded from coverage under the subject policy.* As such, none of these claims asserted in the Second Amended Complaint are covered under the subject policy.

15. In the Second Amended Complaint in the underlying litigation, ConSeal alleges that FFI is a multi-level marketing company, which was created for the purpose of selling and distributing fuel additive products, and by agreement with ConSeal, ConSeal's licensed products, through a vast network of distributors located in the United States and throughout the world. See Exhibit "B," paragraph 15.

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16. ConSeal alleges that on or about October 2005 (prior to the inception of Aspen's coverage period on April 23, 2010), Ray, Lewis and Dawson approached ConSeal with a proposal to sell and distribute ConSeal's Licensed Products through FFI, a multi-level marketing company, which Ray, Lewis and Dawson had recently formed. See Exhibit "B," paragraph 16.

17. ConSeal alleges that Ray, Lewis and Dawson each signed a Non-Disclosure and Non-Circumvention Agreement which prohibited Ray, Lewis and Dawson from circumventing ConSeal for the purpose of selling ConSeal's licensed products and from disclosing ConSeal's confidential and proprietary information to any third parties. See Exhibit "B," paragraphs 17 and 18.

18. ConSeal alleges that on April 28, 2006 (prior to the inception of Aspen's coverage period on April 23, 2010), Defendant FFI and ConSeal entered into a Market Segment Development Agreement ("Market Agreement"), which granted FFI rights to sell ConSeal's licensed products, and the right to use ConSeal's technology in the network marketing of automotive gasoline fuel additives. In the Market Agreement, FFI agreed to devote and expend resources to advertise, promote and market ConSeal's licensed products. See Exhibit "B," paragraphs 19-21.

19. ConSeal alleges that under the Marketing Agreement, FFI agreed to certain minimum quantity purchase requirements with ConSeal. See Exhibit "B" paragraph 22.

20. ConSeal alleges that under the Marketing Agreement, FFI was required, during the term of the agreement, and five years after its termination, to purchase one

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hundred percent (100%) of its requirements for fuel additive products exclusively from ConSeal. See Exhibit "B" paragraph 38.

21. ConSeal further alleges that Defendant FFI entered into an International Merchandising and Licensing Agreement ("Licensing Agreement") with ConSeal, which obligated FFI to the same minimum quantity purchase requirements contained in the Marketing Agreement, and prohibited FFI from manufacturing, distributing, selling or using any of ConSeal's licensed products in a manner different than the approved samples provided to FFI by ConSeal. See Exhibit B, paragraphs 23-26.

22. ConSeal alleges that the Licensing Agreement granted ConSeal ownership of any and all rights in ConSeal's licensed products, including adaptations or modifications of ConSeal's licensed products. Further, ConSeal alleges that FFI and other defendants in the underlying litigation created adaptations or modifications of Con Seal's licensed products during the course of their performance of obligations under the Licensing Agreement. See Exhibit B, paragraphs 27-28.

23. ConSeal alleges that beginning on or around January 11, 2007 (prior to the inception of Aspen's coverage period on April 23, 2010), the defendants in the underlying litigation, including FFI, stopped paying ConSeal's invoices for shipments of ConSeal's licensed products. ConSeal further alleges that in March of 2008, ConSeal discovered that the defendants in the underlying litigation, including FFI, were distributing and selling an entirely different fuel additive product ("counterfeit fuel additive product") from the ConSeal licensed products. See Exhibit "B," paragraphs 29-37.



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24. ConSeal alleges that the defendants in the underlying action, including FFI, were selling the counterfeit fuel additive product under the same trademark under which the defendants in the underlying action, including FFI, were selling ConSeal's licensed products. Further, ConSeal alleges that the defendants in the underlying action, including FFI, were marking their counterfeit fuel additive product with ConSeal's EPA registration number, until ConSeal protested. See Exhibit "B," paragraphs 37-42.

25. ConSeal alleges that on March 28, 2008 (prior to the inception of Aspen's coverage period on April 23, 2010), ConSeal filed an eight count Compliant styled *ConSeal International Incorporated v. Fuel Freedom International, LLC, et al.*, which included the following claims: Count 1 for breach of the Licensing Agreement; Count 2 for breach of the Marketing Agreement; Count 3 for breach of the Non-Disclosure Agreement; Count 4 for Deceptive and Unfair Trade Practices, Count 5 for Account Stated; Count 6 for Open Account; Count 7 for breach of Personal Guaranty of Ray; and Count 8 for injunctive relief (hereinafter "2008 lawsuit"). See Exhibit "B," paragraph 43.

26. ConSeal alleges that on September 24, 2008, ConSeal and the defendants named in the 2008 lawsuit, including FFI, entered into a settlement agreement to resolve the 2008 lawsuit (hereinafter "the Settlement Agreement"). See Exhibit "B," paragraph 44.

27. ConSeal alleges that Ray, Lewis and Dawson executed the Settlement Agreement both individually and as officers and directors of FFI and IFT, knowing that



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Ray, Lewis and Dawson did not intend to comply with their obligations under the Settlement Agreement, and that they made misrepresentations in order to fraudulently induce ConSeal into entering into the Settlement Agreement. See Exhibit "B," paragraphs 47 and 48.

28. ConSeal alleges that almost immediately after executing the Settlement Agreement, the underlying litigation defendants, including FFI and IFT, committed numerous breaches of the Settlement Agreement. See Exhibit "B," paragraph 49.

29. ConSeal alleges that after months of negotiations in order to enforce the Settlement Agreement, and in an effort to avoid further litigation, in or around February 2009, ConSeal and the 2008 lawsuit defendants, including FFI and IFT, entered into the First Addendum to Settlement Agreement ("Settlement Addendum"). See Exhibit "B," paragraph 50.

30. ConSeal alleges that amongst the terms of the Settlement Addendum, the 2008 lawsuit defendants, including FFI and IFT, agreed to make monthly minimum quantity purchase orders of licensed products from ConSeal, and to not purchase fuel additive products from any other source. ConSeal further alleges that at the time the Settlement Addendum was executed, the 2008 lawsuit defendants, including FFI and IFT, did not intend to honor the terms of the agreement. See Exhibit "B," paragraphs 51 and 52.

31. ConSeal alleges that the 2008 lawsuit defendants, including FFI and IFT, breached the Settlement Agreement and Settlement Addendum, and remain in willful non-compliance of said agreements, by failing to make monthly product purchases,

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using ConSeal's trademarks, failing disclose financial information, and failure to disclose fuel additive suppliers from which the 2008 lawsuit defendants purchased fuel additives in violation of the Marketing Agreement, Licensing Agreement, Settlement Agreement and Settlement Addendum. See Exhibit "B," paragraph 53.

32. ConSeal alleges that Jeunesse was incorporated July 9, 2009, by the owners of FFI, as a mere instrumentality to mislead ConSeal and to prevent ConSeal from obtaining a judgment that could be collected upon. ConSeal further alleges that Jeunesse uses the same employees, officers and independent contractors as FFI, to conduct the same business as FFI, with similar product to FFI, through the same distribution channels as FFI, at the same business location as FFI. See Exhibit "B," paragraphs 54 through 55.

33. ConSeal alleges that FFI and Jeunesse breached the Settlement Agreement and Settlement Addendum by FFI's failure to disclose its financial condition and fuel additive suppliers, failure to make minimum monthly fuel additive purchases, and infringement of ConSeal's trademarks, and by Jeunesse's fraudulent continuation of FFI's business operations under a different corporate name for the purpose of avoiding liability under the Settlement Agreement and Settlement Addendum. See Exhibit "B," paragraphs 58-67.

34. ConSeal alleges that IFT breached its obligations under the Settlement Agreement and Settlement Addendum by acting as an alter ego to FFI, by failing to disclose its fuel additive suppliers, and by diverting fuel additive customer orders for FFI through IFT, allowing FFI to maintain an appearance of compliance with the

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prohibition against purchasing fuel additives from other parties. See Exhibit "B," paragraphs 68-81.

35. ConSeal alleges that Ray, Lewis and Dawson, as individuals and as officers and directors of FFI and IFT (as well as other defendant companies in the underlying litigation), entered into the Settlement Agreement and/or the Settlement Addendum at a time in which they knew that FFI could not or would not fulfill its obligations under the agreements. ConSeal alleges that Ray, Lewis and Dawson, in their capacity as officers and directors of FFI and IFT (as well as other defendant companies in the underlying litigation) owed a fiduciary duty to ConSeal, and breached said duty by causing FFI to transfer assets, including, without limitation, personnel, office supplies, good will, business relationships with its distributors, and customers, to Jeunesse. See Exhibit "B," paragraphs 82-90.

36. ConSeal alleges that, pursuant to the Settlement Agreement, and the Settlement Addendum executed in February 2009 (prior to the inception of Aspen's coverage period on April 23, 2010), FFI was obligated to make minimum purchases from ConSeal and to make additional payments to ConSeal. ConSeal further alleges that almost immediately after ConSeal and the defendants in the underlying action entered into the Settlement Agreement, FFI claimed that it was unable to comply with its payment obligations to ConSeal, resulting in the parties' execution of the Settlement Addendum. ConSeal alleges that IFT and other defendants in the underlying litigation intentionally and without justification interfered with ConSeal's agreements with FFI by purchasing fuel additive products from companies other than ConSeal, rather than by

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using FFI to purchase the fuel additive products from ConSeal, pursuant to the agreements. See Exhibit "B," paragraphs 91-97.

37. ConSeal alleges that FFI breached the Settlement Agreement and the Settlement Addendum by failing to disclose its financial condition. ConSeal further alleges that FFI, IFT and the other underlying litigation defendants breached the agreements by failing to disclose all sources from which the defendants had purchased fuel additive products, and by improperly using ConSeal's trademarks. As a result of these allegations, ConSeal has sought temporary and permanent injunctive relief against the defendants in the underlying litigation, including FFI, IFT and Jeunesse. See Exhibit "B," paragraphs 98-108.

38. ConSeal has alleged that FFI, IFT and other defendants in the underlying litigation are parties to a civil conspiracy because the defendants conspired together to fraudulently or negligently induce ConSeal to enter into the Settlement Agreement and Settlement Addendum. ConSeal has further alleged that FFI, IFT and other defendants in the underlying litigation had a malicious motive to coerce FFI not to make monthly minimum purchases of fuel additive products from ConSeal and to divert FFI's purchases and business to other entities to ConSeal's detriment. ConSeal seeks punitive damages from FFI, IFT and other defendants in the underlying litigation. See Exhibit "B," paragraphs 109-121.

39. ConSeal has alleged that FFI, IFT and other defendants in the underlying litigation participated in defrauding ConSeal into entering into the Settlement Agreement and Addendum to the Settlement Agreement by making



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misrepresentations. ConSeal further alleges that Jeunesse, as FFI's "alter-ego" participated in defrauding ConSeal. See Exhibit "B," paragraphs 122-132.

40. Similarly, ConSeal has alleged that FFI, IFT and other defendants in the underlying litigation participated in negligently inducing ConSeal into entering into the Settlement Agreement and Settlement Addendum by making misrepresentations that the defendants knew or should have known were false. ConSeal further alleges that Jeunesse, as FFI's "alter-ego" is also responsible for the negligent inducement of ConSeal by FFI, IFT and other underlying litigation defendants. See Exhibit "B," paragraphs 133-138.

41. ConSeal alleges that FFI has breached numerous provisions of the Licensing Agreement by failing to pay for ConSeal licensed products ordered by FFI and shipped to FFI, failing to comply with minimum purchase requirements, failing to use best efforts to continuously package, sell and ship ConSeal licensed products, failing to maintain the confidentiality of ConSeal's proprietary information, knowledge and trade secrets, failing to use its best efforts to promote the ConSeal licensed products, packaging and selling counterfeit fuel additive products, and by breaching quality standards requirements by selling counterfeit fuel additive products. ConSeal has further alleged that Jeunesse, as a mere instrumentality and/or "alter-ego" of FFI is liable to ConSeal for any judgment entered against FFI for breach of Licensing Agreement. See Exhibit "B," paragraphs 139-143.

42. ConSeal alleges that FFI breached the Marketing Agreement by failing to purchase 100% of its requirements for fuel additive products exclusively from ConSeal,



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failing to comply with the minimum purchase requirements, disclosing ConSeal's confidential information by contracting with third party manufacturers to unlawfully manufacture and sell a counterfeit fuel additive product. ConSeal further alleges that Jeunesse, as a mere instrumentality and/or "alter-ego" of FFI is liable to ConSeal for any judgment entered against FFI for breach of Marking Agreement. See Exhibit "B," paragraphs 144-147.

43. ConSeal alleges that Ray, Lewis and Dawson are officers of FFI and IFT. See Exhibit "B," paragraph 88. Further, ConSeal alleges that Jeunesse was a mere instrumentality and/or "alter ego" of FFI. See Exhibit "B," paragraph 147. ConSeal alleges that Ray, Lewis and Dawson breached the Non-Disclosure Agreements by disclosing ConSeal's confidential and proprietary information by contracting with third party manufacturers to unlawfully manufacture and sell counterfeit fuel additive products. See Exhibit "B," paragraphs 148-150.

44. ConSeal alleges that FFI engaged in unfair methods of competition by selling and distributing counterfeit fuel additive products using ConSeal's EPA registration number. ConSeal further alleges that Jeunesse, as the mere instrumentality and/or "alter ego" of FFI is liable to ConSeal for any judgment ConSeal receives against FFI for Deceptive and Unfair Trade Practices. See Exhibit "B," paragraphs 151-153.

45. ConSeal alleges that FFI, Jeunesse, and another underlying litigation defendant expressly and implicitly promised to pay a balance of \$467,493.31, plus interest for licensed products ordered from ConSeal. ConSeal alleges that it is entitled

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to maintain that the sum be paid under the Settlement Agreement should the Settlement Agreement be vacated. See Exhibit "B," paragraphs 154-161.

46. ConSeal alleges that it is entitled to injunctive relief from FFI, IFT, Jeunesse and the other defendants in the underlying litigation, to enjoin the defendants from advertising, manufacturing, selling, distributing, and using the Counterfeit Fuel Additive Product, ConSeal's EPA registration number, and ConSeal's other confidential and proprietary information described in the Licensing Agreement, the Marketing Agreement, the Non-Disclosure Agreement, or alternatively, in the Settlement Agreement and Addendum to Settlement. See Exhibit "B," paragraphs 168-174.

47. The complained of acts occurred prior to the inception of the subject insurance policy and are therefore excluded from coverage.

48. Further, the complained of acts arise out of matters which were litigated before the inception of the subject policy. FFI, IFT and Jeunesse were placed on notice of the matters at issue in the underlying action prior to the inception of the policy. FFI, IFT and Jeunesse failed to disclose or notify Aspen of the 2008 litigation, the Settlement Agreement, the Settlement Addendum, or the ongoing dispute between ConSeal and FFI, IFT and Jeunesse regarding the matters at issue in the underlying litigation, which all pre-existed the inception of the policy. ConSeal is seeking damages that were expected and/or intended from the standpoint of the insureds at the time of the inception of the subject policy.

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49. Ignoring that the complained of acts occurred prior to the inception of the subject insurance policy, and were expected and/or intended from the standpoint of the insureds at the time of the inception of the policy, the complained of acts are not claims for "property damage" or "bodily injury." Further, the complained of acts do not meet the definition of "personal and advertising injury." As such, there is no coverage under the subject policy for the complained of acts.

50. The subject policy specifically excludes from coverage all punitive damages and exemplary damages. See Exhibit "A," Endorsement ASPGL0150404.

51. The subject policy specifically excludes from coverage "personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury." See Exhibit "A," Section I, Coverage B, Exclusions, paragraph a.

52. The subject policy specifically excludes from coverage "personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity. See Exhibit "A," Section I, Coverage B, Exclusions, paragraph b.

53. The subject policy specifically excludes from coverage "personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period. See Exhibit "A," Section I, Coverage B, Exclusions, paragraph c.

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54. The subject policy specifically excludes from coverage "personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured. See Exhibit "A," Section I, Coverage B, Exclusions, paragraph d.

55. The subject policy specifically excludes from coverage "personal and advertising injury" for which the insured has assumed liability in a contract or agreement. See Exhibit "A," Section I, Coverage B, Exclusions, paragraph e.

56. The subject policy specifically excludes from coverage "personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement." See Exhibit "A," Section I, Coverage B, Exclusions, paragraph f.

57. The subject policy specifically excludes from coverage "personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement." See Exhibit "A," Section I, Coverage B, Exclusions, paragraph g.

58. The subject policy specifically excludes from coverage "personal and advertising injury" arising out of the infringement of a copyright, patent, trademark, trade secret or other intellectual property rights. See Exhibit "A," Section I, Coverage B, Exclusions, paragraph i.

59. The subject policy specifically excludes from coverage "personal and advertising injury" arising out of the unauthorized use of another's name or product in your email address, domain name or metatag, or any other similar tactics to mislead



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another's potential customers. See Exhibit "A," Section I, Coverage B, Exclusions, paragraph I.

60. The subject policy specifically excludes from coverage "bodily injury," "property damage," or "personal and advertising injury" due to the rendering or failure to render any professional service. See Exhibit "A," endorsement CG 21 16 07 98.

61. The subject policy specifically excludes from coverage any claim for damages by any Named Insured against another Named Insured because of "bodily injury" or "property damage" arising out of "your products" and included within the "products-completed operations hazard." See Exhibit "A," endorsement CG 21 41 11 85.

62. There is no coverage for the claims asserted by ConSeal against the insureds, and therefore there is no duty to defend or indemnify on the part of Plaintiff Aspen under the terms and conditions of the subject Commercial General Liability Insurance Policy and Commercial Property Insurance Policy attached hereto as Exhibit "A".

63. The insured violated Florida Statute § 627.426 by making material misrepresentations in the application for the subject insurance policy including, but not limited to, failing to disclose potential claims, and failing to identify known losses.

64. Aspen has complied with all conditions precedent to the filing of this action.



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**COUNT I**  
**DECLARATORY JUDGMENT**

65. The Plaintiff re-alleges and re-incorporates paragraphs 1 through 64 of this Complaint as if set forth in full herein.

66. Pursuant to the terms of Title 28, United States Code, § 2201, and Federal Rule 57, Federal Rules of Civil Procedure, the Plaintiff, Aspen, has a bonafide, actual, present, and practical need for a declaratory judgment of its rights under the subject Insurance policy, which is attached hereto as Exhibit "A".

67. Said declaration deals with a present, ascertainable state of facts, specifically, the Plaintiff, Aspen's duty to continue providing a defense to the insureds under the terms and conditions of the subject policies, and the Plaintiff's obligation to indemnify the insureds for the claims asserted by ConSeal.

68. The rights and obligations established under the subject policies of insurance are dependent upon the surrounding facts, or the law applicable to those facts.

69. The Plaintiff and the Defendants have actual, present, adverse, and antagonistic interests with respect to their rights and obligations under the subject insurance policy.

70. The Plaintiff and the Defendants are in doubt as to their rights and obligations under the subject insurance policy.

71. All antagonistic and adverse interests raised by this Complaint, and the subject insurance policy, are before this Court by proper process.

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WHEREFORE, the Plaintiff, Aspen, moves this Court to enter a judgment declaring that there is no coverage afforded under the Commercial General Liability Insurance Policy and Commercial Property Insurance Policy at issue for the claims asserted by ConSeal against the insureds, and that the Plaintiff is entitled to deny coverage and discontinue providing a defense to the insureds, and for such other and further relief as this Court deems just and proper.

Dated this 24<sup>th</sup> day of January, 2012.

**COLE, SCOTT & KISSANE, P.A.**  
Attorney for Plaintiff



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JS 44 (Rev. 12/07)

**CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

**I. (a) PLAINTIFFS**

Aspen Specialty Insurance Company, a North Dakota Corporation

**DEFENDANTS**

Fuel Freedom International, LLC; Jeunesse, LLC; and Innovative Fuel Technologies, LLC

(b) County of Residence of First Listed Plaintiff Hartford

(EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant Seminole

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES USE THE LOCATION OF THE LAND INVOLVED.

Attorneys (If Known)

Swartz, Campbell, LLC, 135 W. Central Blvd., Suite 310, Orlando, FL 32801 - Telephone: 407-209-1000

(c) Attorney's (Firm Name, Address, and Telephone Number)  
Daniel J. Kissane, Esq., Cole, Scott & Kissane, P.A., 4686 Sunbeam Road, Jacksonville, FL 32257 - Telephone: 904-672-4090

**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
- 2 U.S. Government Defendant
- 3 Federal Question (U.S. Government Not a Party)
- 4 Diversity (Indicate Citizenship of Parties in Item III)

**III. CITIZENSHIP OF PRINCIPAL PARTIES** (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- |                                         |                                       |                                           |                                                               |                                |                                |
|-----------------------------------------|---------------------------------------|-------------------------------------------|---------------------------------------------------------------|--------------------------------|--------------------------------|
| Citizen of This State                   | PTF <input type="checkbox"/> 1        | DEF <input checked="" type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State     | PTF <input type="checkbox"/> 4 | DEF <input type="checkbox"/> 4 |
| Citizen of Another State                | <input checked="" type="checkbox"/> 2 | <input type="checkbox"/> 2                | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5     | <input type="checkbox"/> 5     |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3            | <input type="checkbox"/> 3                | Foreign Nation                                                | <input type="checkbox"/> 6     | <input type="checkbox"/> 6     |

**IV. NATURE OF SUIT** (Place an "X" in One Box Only)

<input checked="" type="checkbox"/> 110 Insurance	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 362 Personal Injury - Med. Malpractice	<input type="checkbox"/> 610 Agriculture	<input type="checkbox"/> 422 Appeal 28 USC 158	<input type="checkbox"/> 400 State Reapportionment
<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 365 Personal Injury - Product Liability	<input type="checkbox"/> 620 Other Food & Drug	<input type="checkbox"/> 423 Withdrawal 28 USC 157	<input type="checkbox"/> 410 Antitrust
<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881	<input type="checkbox"/> 424 Patent	<input type="checkbox"/> 430 Banks and Banking
<input type="checkbox"/> 140 Negotiable Instrument	<input type="checkbox"/> 330 Federal Employers' Liability	<input type="checkbox"/> 370 Other Fraud	<input type="checkbox"/> 630 Liquor Laws	<input type="checkbox"/> 425 Trademark	<input type="checkbox"/> 450 Commerce
<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<input type="checkbox"/> 340 Marine	<input type="checkbox"/> 371 Truth in Lending	<input type="checkbox"/> 640 R.R. & Truck	<input type="checkbox"/> 426 Copyrights	<input type="checkbox"/> 460 Deportation
<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 380 Other Personal Property Damage	<input type="checkbox"/> 650 Airline Regs.	<input type="checkbox"/> 427 Patent	<input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations
<input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans)	<input type="checkbox"/> 350 Motor Vehicle	<input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 660 Occupational Safety/Health	<input type="checkbox"/> 428 Trademark	<input type="checkbox"/> 480 Consumer Credit
<input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits	<input type="checkbox"/> 355 Motor Vehicle Product Liability		<input type="checkbox"/> 690 Other	<input type="checkbox"/> 429 Trademark	<input type="checkbox"/> 490 Cable/Sat TV
<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 360 Other Personal Injury			<input type="checkbox"/> 430 Trademark	<input type="checkbox"/> 810 Selective Service
<input type="checkbox"/> 190 Other Contract				<input type="checkbox"/> 431 Trademark	<input type="checkbox"/> 850 Securities/Commodities/Exchange
<input type="checkbox"/> 195 Contract Product Liability				<input type="checkbox"/> 432 Trademark	<input type="checkbox"/> 875 Customer Challenge 12 USC 3410
<input type="checkbox"/> 196 Franchise				<input type="checkbox"/> 433 Trademark	<input type="checkbox"/> 890 Other Statutory Actions
<input type="checkbox"/> 210 Land Condemnation	<input type="checkbox"/> 441 Voting	<input type="checkbox"/> 510 Motions to Vacate Sentence	<input type="checkbox"/> 710 Fair Labor Standards Act	<input type="checkbox"/> 434 Trademark	<input type="checkbox"/> 891 Agricultural Acts
<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 442 Employment	<input type="checkbox"/> 530 General Habeas Corpus:	<input type="checkbox"/> 720 Labor/Mgmt. Relations	<input type="checkbox"/> 435 Trademark	<input type="checkbox"/> 892 Economic Stabilization Act
<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 443 Housing/Accommodations	<input type="checkbox"/> 535 Death Penalty	<input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act	<input type="checkbox"/> 436 Trademark	<input type="checkbox"/> 893 Environmental Matters
<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 444 Welfare	<input type="checkbox"/> 540 Mandamus & Other	<input type="checkbox"/> 740 Railway Labor Act	<input type="checkbox"/> 437 Trademark	<input type="checkbox"/> 894 Energy Allocation Act
<input type="checkbox"/> 245 Tort Product Liability	<input type="checkbox"/> 445 Amer. w/Disabilities - Employment	<input type="checkbox"/> 550 Civil Rights	<input type="checkbox"/> 790 Other Labor Litigation	<input type="checkbox"/> 438 Trademark	<input type="checkbox"/> 895 Freedom of Information Act
<input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 446 Amer. w/Disabilities - Other	<input type="checkbox"/> 555 Prison Condition	<input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 439 Trademark	<input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice
	<input type="checkbox"/> 440 Other Civil Rights			<input type="checkbox"/> 440 Trademark	<input type="checkbox"/> 950 Constitutionality of State Statutes

**V. ORIGIN**

(Place an "X" in One Box Only)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from another district (specify)
- 6 Multidistrict Litigation
- 7 Appeal to District Judge from Magistrate Judgment

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

Rule 57, F.R.C.P.; 28 U.S.C. 1332

Brief description of cause:

Declaratory Judgment Action

**VII. REQUESTED IN COMPLAINT:**

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 DEMAND \$

CHECK YES only if demanded in complaint:  
JURY DEMAND:  Yes  No

**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE

DOCKET NUMBER 2010-CA-011475-0

DATE

SIGNATURE OF ATTORNEY OF RECORD



Daniel J. Kissane (FB#0771287)

FOR OFFICE USE ONLY

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_

**EXHIBIT A**







**Common Policy Declarations**  
ASPPR011 07/07

ASPEN Specialty

**Insured Name & Mailing Address:**

Fuel Freedom International, LLC;  
Celltelconnect, LLC; Jeunesse LLC; RWR  
Holdings, LLC; Market Q, Inc.; Innovative  
Fuel Technologies, LLC  
650 Douglas Ave. #1040

Policy Number: ABV335310

**Broker Name & Mailing Address:**

Crump Insurance Services, Inc. – Orlando  
1211 State Road 436  
Suite 227  
Casselberry, FL 32707

Effective Date: 4 /23/20 10:12:01AM

Expiration Date: 4 /23/20 11:12:01AM

**Business Description:** Wholesaler - skin treatment, auto care products, nutritional

**Premium and Fee Summary:**

In return for the payment of the premium indicated below, and subject to all the terms of this policy, we agree to provide the insurance as stated in this policy.

Coverage	Premium	Fees
Commercial General Liability Coverage Part	\$ [REDACTED]	
Commercial Property Coverage Part	\$ [REDACTED]	
Liquor Liability Coverage Part	\$ NOT COVD	
Terrorism Premium	\$ NOT COVD	
Policy Fee		[REDACTED]
Inspection Fee		[REDACTED]
FL Surplus Lines Tax		[REDACTED]
FL Service Fee		[REDACTED]
FL Cat Fund		[REDACTED]
FL EMPA Surcharge		[REDACTED]
FL CPIC Assessment Tax		[REDACTED]
<b>Total Premium Due</b>	\$ [REDACTED]	
<b>Minimum Retained Premium</b>	\$ [REDACTED]	

**Coverage Forms Applicable:** Coverage form schedule as more specifically outlined in Aspen Form ASPPR006, *Schedule of Applicable Forms*

**FLORIDA:** This insurance issued pursuant to the Florida Surplus Lines Law. Persons insured by surplus lines carriers do not have the protection of the Florida Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer.

Prod Agent: Kerry Tail  
Address: 707 Pennsylvania Avenue, Suite 1300  
Altamonte Springs, FL

NO FLAT CANCELLATIONS PERMITTED

Surplus Lines Broker Name: Gary L. Sanborn  
Surplus Lines Broker Address: 240 E Central Parkway, Suite 3000  
Altamonte Springs, FL 32701  
Surplus Lines Broker License No.: A230773  
Surplus Lines State Taxes were filed: Florida

(Authorized Representative)

5/10/2010 CPRcr

**SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.**





**Schedule of Forms and Endorsements**  
ASPPR006 07/07

FL Declarations Aspen Specialty	ASP PR 011 07 07
Service of Suit	ASPCO002 01 10
Minimum Earned Premium Clause Percentage	ASP PR 072 08 07
Common Policy Conditions	IL 00 17 11 98
Commercial General Liability Decla	ASP GL 075 DEC 0909
Exclusion Asbestos Endorsement	ASP GL 001 01 04
Exclusion Total Lead	ASP GL 003 01 04
Exclusion Silica	ASP GL 007 01 04
Minimum Retained Audit Premium Endorsement	ASP GL 008 02 04
Exclusion Punitive Damages	ASP GL 015 04 04
Amendment Common Policy Conditions	ASP GL 044 05 04
Deductible Endorsement - Per Claim Form	ASP GL 064 12 04
Amendment Cross Suits Excl	ASP GL 133 08 07
Commercial General Liability Coverage Form	CG 00 01 10 01
Exclusion War Liability	CG 00 62 12 02
Exclusion Designated Professional Services	CG 21 16 07 98
Exclusion Intercompany Products Suits	CG 21 41 11 85
Exclusion Employment Related Practices	CG 21 47 07 98
Exclusion Total Pollution Endorsement	CG 21 49 09 99
Exclusion Fungi or Bacteria	CG 21 67 04 02
Exclusion Products Completed Operation	CG 21 04 11 85
Exclusion of Certified Acts of Terrorism	CG 21 73 01 08
Calculation of Premium	IL 00 03 07 02
Exclusion Nuclear Energy - Broad Form	IL 00 21 07 02
Commercial Property Coverage Part Declarations	ASP PR 067 08 07
Occurrence Limit of Liability Endorsement	ASP PR 001 10 06
Seepage Pollution Contamination Exclusion	ASP PR 081
Exterior Insulation and Finishing Systems	ASP PR 082 09 07
Fungus Exclusion and Limited Additional Coverage	ASP PR 089
Commercial Property Conditions	CP 00 90 07 88
Building and Personal Property Coverage Form	CP 00 10 04 02
Windstorm or Hail Percentage Deductible	CP 03 21 06 07
Causes of Loss Special Form	CP 10 30 04 02
Theft Exclusion	CP 10 33 06 95
Exclusion of Certain Computer Related Losses	IL 09 35 07 02
Exclusion of Certified Acts of Terrorism	IL 09 53 01 08

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **GENERAL SERVICE OF SUIT ENDORSEMENT**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

ALL COVERAGE PARTS IN THIS POLICY

Pursuant to any statute of any state or district of the United States of America which makes provision therefore, the insurer hereby designates the Commissioner, Superintendent or Director of Insurance or other officer specified for that purpose in the statute, and his or her successors in office, and duly authorized deputies in the state where this policy is issued, as the insurer's true and lawful attorney for service of legal process in action, suit or proceeding brought in the state where this policy is issued by or on behalf of an insured or beneficiary against the insurer arising out of the insurance issued under this policy.

The Company's registered forwarding address for purposes of receiving service from the Commissioner, Superintendent or Director of Insurance or other officer in each state shall be: Aspen Specialty Insurance Management, Inc., c/o General Counsel, 175 Capital Blvd., Rocky Hill, CT 06067; (860) 760-7758; Questions can be directed to: Compliance@aspenspecialty.com. In addition, please note state-specific instructions as follows:

In Arizona, service must be made on the Commissioner of Insurance, but a copy of any service of legal process should also be delivered or forwarded (for informational purposes only) to: Mr. John Rohwer, John Rohwer & Company, P.O. Box 2229, Phoenix, AZ 85002 or Gail Flock c/o CT Corporation System, 2394 East Camelback Road, Phoenix, AZ 85016.

In California, any service of legal process may also be delivered or forwarded to: Jere Keprios c/o CT Corporation, 818 West Seventh Street, Los Angeles, CA 90017.

In Colorado, any service of legal process may also be delivered or forwarded to: Christen Vinnola c/o The Corporation Company, 1675 Broadway, Suite 1200, Denver, CO 80202.

In Georgia, service must be made on the Commissioner of Insurance, but a copy of such service should also be delivered or forwarded (for informational purposes only) to: Dale W. Morris c/c CT Corporation System, 1201 Peachtree Street, NE, Atlanta, GA 30361.

In Hawaii, any service of legal process may also be delivered or forwarded to: Ronald V. Grant c/o CT Corporation Company, Inc. 900 Fort Street Mall, Suite 1800 Honolulu, HI 96813.

In Louisiana, any service of legal process may also be delivered or forwarded to: Lisa Uttech c/o CT Corporation Regional System, 5615 Corporate Blvd Suite 400B, Baton Rouge, LA 70808.

In Maine, service must be made on the Commissioner of Insurance, but a copy of such filing should also be delivered or forwarded (for informational purposes only) to: Peter B. Webster c/o CT Corporation System, 81 West Main Street, Yarmouth, ME 04096.

In Michigan, service of legal process may only be made on the Insurance Commissioner, but a copy of such filing should also be sent (for reference only) to: General Counsel, Aspen Insurance U.K. Limited c/o Aspen Specialty Insurance Management, Inc., 175 Capital Blvd., Rocky Hill, CT 06067.

In North Carolina, service of legal process may only be made on the Insurance Commissioner, but a copy of any service of legal process should also be delivered or forwarded (for reference only) to: Ron M. Strickland c/o CT Corporation System 150 Fayetteville Street Box 1011, Raleigh, NC 27601.

In Tennessee, any service of legal process may only be made on the Insurance Commissioner, but a copy of such filing should also be delivered or forwarded (for reference only) to: Mark Williams c/o CT Corporation System 800 S. Gay Street, Suite 2021, Knoxville, TN 37929.

In Texas, any service of legal process may only be made on the Insurance Commissioner, but a copy of such filing should also be delivered or forwarded (for reference only) to: Shirley Dillon c/o CT Corporation System, 350 North St. Paul Street, Dallas, TX 75201.

In Wyoming, any service of legal process should be made on the Insurance Commissioner, but a copy of such filing should also be delivered or forwarded (for reference only) to: Tammy Bellefeuille c/o CT Corporation System 1720 Carey Avenue, Cheyenne, WY 82001.

The foregoing designation of attorney for service of legal process upon the Company shall not constitute a waiver of the Company's rights to remove, remand, dismiss or transfer any suit or proceeding from any court, or to commence any suit or other proceeding in any court of competent jurisdiction.





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**MINIMUM EARNED PREMIUM CLAUSE -- PERCENTAGE**

In the event of cancellation of this policy by the Insured, a minimum premium of 25 % of the original policy premium shall become earned; any conditions of the policy to the contrary notwithstanding.

Failure of the Insured to make timely payment of premium shall be considered a request by the Insured for the Company of cancel. In the event of such cancellation by the company for non-payment of premium, the minimum premium shall be due and payable; provided, however, such non-payment cancellation shall be rescinded if the Insured remits the full premium due within 10 days of receiving it.

In the event of any other cancellation by the Company, the earned premium shall be computed pro rata, not subject to the minimum payment.

All other terms and conditions of this policy remain unchanged.

ASPPR072 08/07



## COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

### A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

### B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

### D. Inspections And Surveys

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

### F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.



ASPEN SPECIALTY  
POLICY NUMBER:

ASPGL075 DEC 0909

## COMMERCIAL GENERAL LIABILITY DECLARATIONS

ASPEN SPECIALTY 600 ATLANTIC AVENUE, 2 <sup>ST</sup> FL BOSTON, MA 02210		
NAMED INSURED:	Fuel Freedom International, LLC; Celltelconnect, LLC; Jeunessee LLC; RWR Holdings, LLC; Market Q, Inc.; Innovat	
MAILING ADDRESS:	650 Douglas Ave., #1040 Altamonte Springs, FL 32714	
POLICY PERIOD:	FROM 4/23/2010	TO 4/23/2011 AT 12:01 A.M. TIME AT
YOUR MAILING ADDRESS SHOWN ABOVE		

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

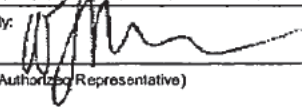
LIMITS OF INSURANCE		
EACH OCCURRENCE LIMIT	\$ 1,000,000	
DAMAGE TO PREMISES		
RENTED TO YOU LIMIT	\$ 100,000	Any one premises
MEDICAL EXPENSE LIMIT	\$ 5,000	Any one person
PERSONAL & ADVERTISING INJURY LIMIT	\$ 1,000,000	Any one person or organization
GENERAL AGGREGATE LIMIT	\$ 2,000,000	
PRODUCTS/COMPLETED OPERATIONS AGGREGATE LIMIT	\$ Excluded	

DESCRIPTION OF BUSINESS	
FORM OF BUSINESS:	
<input type="checkbox"/> INDIVIDUAL	<input type="checkbox"/> PARTNERSHIP
<input type="checkbox"/> LIMITED LIABILITY COMPANY	<input type="checkbox"/> ORGANIZATION, INCLUDING A CORPORATION (BUT NOT INCLUDING A PARTNERSHIP, JOINT VENTURE OR LIMITED LIABILITY COMPANY)
<input type="checkbox"/> OTHER	<input type="checkbox"/> JOINT VENTURE
	<input type="checkbox"/> TRUST
BUSINESS DESCRIPTION: Wholesaler - skin treatment, auto care products, nutritional	

ALL PREMISES YOU OWN, RENT OR OCCUPY	
LOCATION NUMBER	
001	650 Douglas Ave., Altamonte Springs, FL 32714
002	
003	
004	
005	
006	
007	
008	
009	
010	

CLASSIFICATION AND PREMIUM									
LOCATION NUMBER	CLASSIFICATION	BASE	EXPOSURE	RATE/1000		ADVANCE PREMIUM			
				Prem/ Ops	Prod Comp Ops	Prem/ Ops	Prod/Comp Ops		
1	12362	A)	12,500	12.50	Excluded	3,000 MP	Excluded		
Rating And Premium Basis (S) Gross Sales – Per \$1,000/Sale (P) Payroll – Per \$1,000/PAY (A) Area – Per \$1,000/Sq Ft (C) Total Cost – Per \$1,000/Cost (M) Admissions – Per 1,000/ADM (E) Each (U) Unit – Per Unit (T) Other (*) Indicates the following wording “Products/Completed Operations are subject to the General Aggregate Limit.”			ADVANCE PREMIUM DUE AND PAYABLE AT INCEPTION (SUBJECT TO AUDIT) \$ 3,000 MP					MINIMUM RETAINED AUDIT PREMIUM \$	MINIMUM RETAINED PREMIUM \$
AUDIT PER:OD (IF APPLICABLE)		<input type="checkbox"/> ANNUALLY	<input type="checkbox"/> SEM-ANNUALLY		<input type="checkbox"/> QUARTERLY		<input type="checkbox"/> MONTHLY		
ENDORSEMENTS ENDORSEMENTS ATTACHED TO THIS POLICY: SEE SCHEDULE OF APPLICABLE FORMS									

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned:	By: 
(Date)	(Authorized Representative)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY .**

## **ASBESTOS EXCLUSION ENDORSEMENT**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING :

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

1. The following Exclusion is added to SECTION I – COVERAGES, COVERAGE A. - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. – EXCLUSIONS and SECTION I – COVERAGES, COVERAGE B. – PERSONAL AND ADVERTISING INJURY LIABILITY, 2. – EXCLUSIONS:
  1. Any liability for “bodily injury”, “property damage”, “personal injury”, “advertising injury”, occupational disease, disability, shock, mental anguish or mental injury, at any time arising out of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust; or
  2. Any obligation of the “insured” to indemnify any party because of damages arising out of “bodily injury”, “property damage”, “personal injury”, “advertising injury”, occupational disease, disability, shock, mental anguish or mental injury, at any time as a result of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust; or
  3. Any obligation to defend any “suit” or claim against the “insured” alleging bodily injury”, “property damage”, “personal injury”, “advertising injury”, occupational disease, disability, shock, mental anguish or mental injury, resulting from or contributed to, by the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **TOTAL LEAD EXCLUSION**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following Exclusion is added to 2., Exclusions of the GENERAL LIABILITY COVERAGE FORM:

This Policy Does Not Apply To:

1. "Bodily Injury", "Property Damage", "Personal Injury", or "Advertising Injury" arising out of, resulting from, caused by or contributed to by the presence, ingestion, inhalation, or absorption of or exposure to lead, lead compounds, or lead contained in any materials;
2. Any cost or expense to abate, mitigate, remove, or dispose of lead, lead compounds or materials containing lead;
3. Any supervision, instruction, recommendations, warnings or advice given or which should have been given in connection with parts 1. or 2. above; or
4. Any obligation to share damages with or repay anyone else who must pay damages in connection with parts 1., 2., or 3. above.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SILICA EXCLUSION ENDORSEMENT**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

1. The following Exclusion is added to SECTION I – COVERAGES, COVERAGE A. - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. – EXCLUSIONS and SECTION I – COVERAGES, COVERAGE B. – PERSONAL AND ADVERTISING INJURY LIABILITY, 2. – EXCLUSIONS:
  1. Any liability for “bodily injury”, “property damage”, “personal injury”, “advertising injury”, occupational disease, disability, shock, mental anguish or mental injury, at any time arising out of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to silica, silicate, any silica material or any by-product, residue or compound containing silica or silicate; or
  2. Any obligation of the “insured” to indemnify any party because of damages arising out of “bodily injury”, “property damage”, “personal injury”, “advertising injury”, occupational disease, disability, shock, mental anguish or mental injury, at any time as a result of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to silica, silicate, any silica material or any by-product, residue or compound containing silica or silicate; or
  3. Any obligation to defend any “suit” or claim against the “insured” alleging bodily injury”, “property damage”, “personal injury”, “advertising injury”, occupational disease, disability, shock, mental anguish or mental injury, resulting from or contributed to, by the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to silica, silicate, any silica material or any by-product, residue or compound containing silica or silicate.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL GENERAL LIABILITY  
CONDITIONS AMENDMENT  
MINIMUM RETAINED AUDIT PREMIUM**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SECTION IV, COMMERCIAL GENERAL LIABILITY CONDITIONS, Paragraph 5, Premium Audit, subparagraph b, is deleted and replaced by the following:

- b. Premium shown in this Coverage Part as Advance Premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period. Audit premiums are due and payable upon notice to the First Named Insured. Premium Audit adjustments will be made to determine additional premiums only. You agree that there will be no downward adjustment of the Minimum Retained Audit Premium resulting from the Premium Audit provision of this policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – PUNITIVE DAMAGES**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to any claim of or indemnification for punitive or exemplary damages. If a suit seeking both compensatory and punitive or exemplary damages has been brought against you for a claim covered by this policy, we will provide defense for such action. We will not have any obligation to pay for any costs, interest or damages attributable to punitive or exemplary damages.

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**THIS AMENDMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

## **AMENDMENT – COMMON POLICY CONDITIONS**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The Common Policy Conditions (IL 00 17 11/98) are amended by the addition of the following:

**G. Other Insurance with This Company**

If this policy contains two or more Coverage Parts providing coverage for the same "occurrence," "accident," "cause of loss," "loss" or offense, the maximum limit of insurance under all Coverage Parts shall not exceed the highest limit of insurance under any one Coverage Part.

If this policy and any other policy issued to you by us apply to the same "occurrence," "accident," "cause of loss," "injury," "loss" or offense, the maximum limit of insurance under all of the policies shall not exceed the highest limit of insurance under any one policy. This condition does not apply to any policy issued by us which specifically provides that the policy is to apply as excess insurance over this policy.

ASPL044 0504

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**BODILY INJURY, PROPERTY DAMAGE, PERSONAL AND  
ADVERTISING INJURY LIABILITY DEDUCTIBLE  
ENDORSEMENT**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE

**SCHEDULE**

<b>Coverage</b>	<b>Amount and Basis of Deductible</b>
Bodily Injury Liability	\$ 500 per claimant
Property Damage Liability	\$ 500 per claimant
Personal Advertising Injury Liability (Personal Injury and Advertising Injury)	\$ 500 per claimant

**APPLICATION OF ENDORSEMENT**

Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury," "property damage," "personal advertising injury," ("personal injury" and "advertising injury") however caused:

1. Our obligation under the Bodily Injury Liability, Property Damage Liability, Personal and Advertising Injury Liability (Personal Injury and Advertising Injury) Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages, and the Limits of Insurance applicable to Each Occurrence or offense for such coverages will be reduced by the amount of such deductible. Aggregate Limits for such coverages shall not be reduced by the application of such deductible amount.
2. The deductible amounts apply to damages and all legal and loss adjustment expenses.
3. The deductible amounts stated in the Schedule above apply, respectively:
  - a. Under the Bodily Injury Liability Coverage to all damages because of the "bodily injury" sustained by one person;
  - b. Under Property Damage Liability Coverage to all damages because of the "property damage" sustained by one person, any organization or association; or
  - c. Under Personal and Advertising Injury Liability (Personal Injury and Advertising Injury) Coverages to all damages sustained by one person as a result of one "occurrence" or offense.
4. The terms of this insurance, including those with respect to our right and duty to defend any "suits" seeking those damages and your duties in the event of an "occurrence," offense, claim or "suit", apply irrespective of the application of the deductible amount.
5. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDMENT-CROSS SUITS**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCT/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This policy does not afford coverage to claims for damages arising out of bodily injury, personal and advertising injury, or property damage as defined, initiated, alleged or caused to be brought about by a Named Insured covered by this policy against any other Named Insured covered by this policy.

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**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

**SECTION I – COVERAGES****COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.



- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

**2. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

**f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
  - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;
    - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
    - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
  - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
  - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
    - (i) Any insured; or
    - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
  - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
  - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
  - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;

- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.



Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

**COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance ; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

## 2. Exclusions

This insurance does not apply to:

### a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

### b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

### c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

### d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

### e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

### f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

### g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

### h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

### i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

### j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

### k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.



**I. Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution-Related**

Any loss, cost or expense arising out of any:

- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**COVERAGE C MEDICAL PAYMENTS**

**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations; provided that:
    - (1) The accident takes place in the "coverage territory" and during the policy period;
    - (2) The expenses are incurred and reported to us within one year of the date of the accident; and
    - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
  - (1) First aid administered at the time of an accident;

- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

- a. **Any Insured**  
To any insured, except "volunteer workers".
- b. **Hired Person**  
To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. **Injury On Normally Occupied Premises**  
To a person injured on that part of premises you own or rent that the person normally occupies.
- d. **Workers Compensation And Similar Laws**  
To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. **Athletics Activities**  
To a person injured while taking part in athletics.
- f. **Products-Completed Operations Hazard**  
Included within the "products-completed operations hazard".
- g. **Coverage A Exclusions**  
Excluded under Coverage A.
- h. **War**  
Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

**SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**

- 1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.

- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All costs taxed against the insured in the "suit".
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b. This insurance applies to such liability assumed by the insured;
  - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
  - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
  - (1) Agrees in writing to:
    - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
    - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
    - (c) Notify any other insurer whose coverage is available to the indemnitee; and
    - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
  - (2) Provides us with written authorization to:
    - (a) Obtain records and other information related to the "suit"; and
    - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

**SECTION II – WHO IS AN INSURED**

1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
  - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
    - (1) "Bodily injury" or "personal and advertising injury":
      - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
      - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
      - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
      - (d) Arising out of his or her providing or failing to provide professional health care services.
    - (2) "Property damage" to property:
      - (a) Owned, occupied or used by,
      - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
  - b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
  - c. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.
  - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
  - a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
  - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.



4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
  - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

**SECTION III – LIMITS OF INSURANCE**

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
  - a. Medical expenses under Coverage C;
  - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
  - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage A; and
  - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**

**1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

**2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### 3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

### 4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

#### a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

#### b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
  - (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
  - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I – Coverage A – Bodily Injury And Property Damage Liability.
- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.



When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**6. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**8. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V – DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in a. above;
    - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
    - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;
 if such property can be restored to use by:
  - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.  
 Paragraph f. does not include that part of any contract or agreement:
    - (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
    - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
      - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
      - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
    - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
11. "Loading or unloading" means the handling of property:
- After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
  - While it is in or on an aircraft, watercraft or "auto"; or
  - While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
- Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  - Vehicles maintained for use solely on or next to premises you own or rent;
  - Vehicles that travel on crawler treads;
  - Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
    - Power cranes, shovels, loaders, diggers or drills; or
    - Road construction or resurfacing equipment such as graders, scrapers or rollers;
  - Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
    - Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
    - Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.
- However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
- Equipment designed primarily for:
    - Snow removal;
    - Road maintenance, but not construction or resurfacing; or
    - Street cleaning;
  - Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- False arrest, detention or imprisonment;
  - Malicious prosecution;
  - The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - The use of another's advertising idea in your "advertisement"; or
  - Infringing upon another's copyright, trade dress or slogan in your "advertisement".



15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
16. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
      - (a) When all of the work called for in your contract has been completed.
      - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
      - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
  - b. Does not include "bodily injury" or "property damage" arising out of:
    - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
    - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
    - (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.
17. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, electronic data is not tangible property.
- As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
21. "Your product":
- a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - (a) You;
      - (b) Others trading under your name; or
      - (c) A person or organization whose business or assets you have acquired; and
    - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
  - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.

truth



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## WAR LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion **i.** under Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:
- 2. Exclusions**
- This insurance does not apply to:
- i. War**
- "Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:
- (1) War, including undeclared or civil war; or
  - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- B. The following exclusion is added to Paragraph 2., **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability**:
- 2. Exclusions**
- This insurance does not apply to:
- WAR**
- "Personal and advertising injury", however caused, arising, directly or indirectly, out of:
- a. War, including undeclared or civil war; or
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- C. Exclusion **h.** under Paragraph 2., **Exclusions of Section I – Coverage C – Medical Payments** does not apply. Medical payments due to war are now subject to Exclusion **g.** of Paragraph 2., **Exclusions of Section I – Coverage C – Medical Payments** since "bodily injury" arising out of war is now excluded under Coverage **A.**

POLICY NUMBER: ABV335310

COMMERCIAL GENERAL LIABILITY  
CG 21 16 07 98

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – DESIGNATED PROFESSIONAL SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

<b>Description Of Professional Services:</b>
1. ALL PROFESSIONAL SERVICES
2.
3.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

COMMERCIAL GENERAL LIABILITY  
CG 21 41 11 85

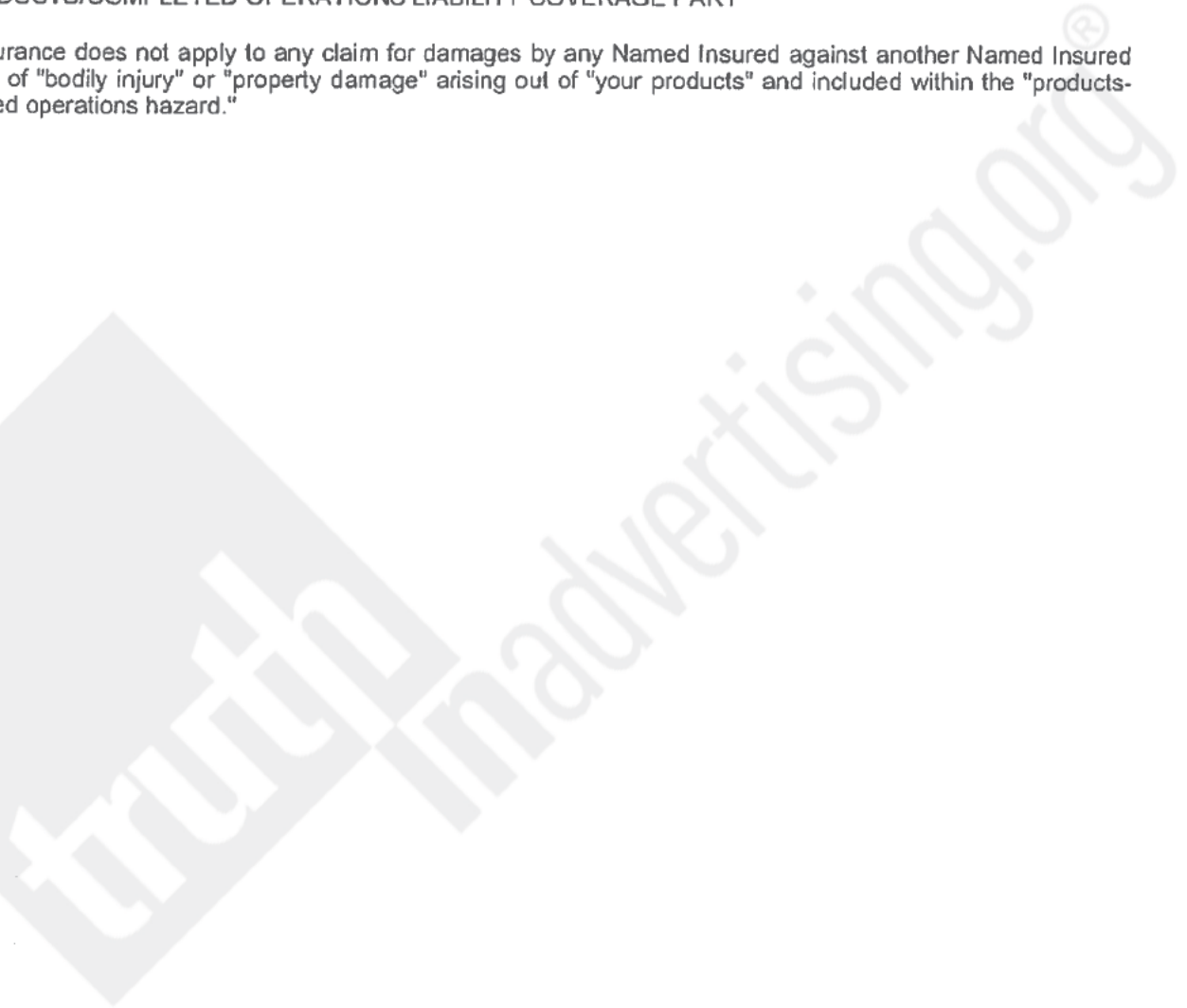
**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION – INTERCOMPANY PRODUCTS SUITS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This insurance does not apply to any claim for damages by any Named Insured against another Named Insured because of "bodily injury" or "property damage" arising out of "your products" and included within the "products-completed operations hazard."



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**EMPLOYMENT-RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

COMMERCIAL GENERAL LIABILITY  
CG 21 49 09 99

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

This insurance does not apply to:

#### f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
  - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

#### **2. Exclusions**

This insurance does not apply to:

##### **Fungi or Bacteria**

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

C. The following definition is added to the Definitions Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

COMMERCIAL GENERAL LIABILITY  
CG 21 04 11 85

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION – PRODUCTS-COMPLETED OPERATIONS HAZARD

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

This insurance does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard".

COMMERCIAL GENERAL LIABILITY  
CG 21 73 01 08

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**A. The following exclusion is added:**

This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

**B. The following definitions are added:**

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CALCULATION OF PREMIUM**

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART  
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PROFESSIONAL LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.



**Commercial Property Coverage Part Declarations**  
 ASPPR067 08/07

**POLICY NUMBER:** ABV335310

**EFFECTIVE DATE:** 4/23/2010

**NAMED INSURED:**

Fuel Freedom International, LLC; Celltellconnect, LLC; Jeunessee LLC; RWR Holdings, LLC; Market Q, Inc.; Innovative Fue

**RENEWAL OF:**

**DESCRIPTION OF PREMISES**

Prem. No.	Bldg. No.	Location Address
1	1	650 Douglas Ave., Altamonte Springs, FL 32714
1	2	650 Douglas Ave., Altamonte Springs, FL 32714

**COVERAGES PROVIDED** (Insurance at the described premises applies only for coverages for which a limit insurance is shown)

Prem. No.	Bldg. No.	Coverage	Limit of Insurance	Covered Causes of Loss	*Coins %	Rates
1	1	Building	450,000	Special	90%	.70
1	2	Building	150,000	Special	90%	.70

\*If Extra Expense Coverage, Limits on Loss Payment

**OPTIONAL COVERAGES** (Applicable only when entries are made in the schedule below)

Prem. No.	Bldg. No.	Exp. Date	Coverage	Agreed Value		Replacement Cost		
				Amount	Building	Personal Property	Including "Stock"	
1	1				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1	2				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Prem. No.	Bldg. No.	Inflation Guard Percentage		*Monthly Limit Indemnity (Fraction)	*Max. Period Of Indemnity	*Ext. Period Indemnity (Days)
		Building	Personal Property			
					<input type="checkbox"/>	
					<input type="checkbox"/>	
					<input type="checkbox"/>	

\*Applies to Business Income Only

**MORTGAGE HOLDER(S)**

Prem. No.	Bldg. No.	Mortgage Holder Name	Mailing Address

**DEDUCTIBLE:** \$1,000 per occurrence, except see form CP0321 - Subject to \$5,000 minimum

**FORMS AND ENDORSEMENTS**

Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue: Refer to ASPPR006 07/07

**SCHEDULE OF FORMS AND ENDORSEMENTS**

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

**OCCURRENCE LIMIT OF LIABILITY ENDORSEMENT**

It is understood and agreed that the following special terms and conditions apply to this policy:

1. Any loss paid hereunder as respects one occurrence shall not reduce the Limits(s) of Liability applicable to any other "Occurrence" except for those perils to which an annual aggregate limit applies. Where an aggregate loss limit applies, such amount shall be the maximum payable by us as respects all loss or damage arising out of such peril during the policy period irrespective of the number of "Occurrences". If the Limit of Liability is expressed as a portion of the layer, then our liability shall be proportional throughout such layer.

In each case of loss or damage covered by this policy, we shall not be liable unless the Insured sustains covered loss and/or damage in a single "Occurrence" in excess of the applicable retention or deductible amount and then shall be liable up to a maximum of the smallest applicable Limit of Liability.

When the policy covers more than one location, the Limit of Liability shall apply against the total loss or damage to all locations covered by this Policy in any one "Occurrence".

The term "Occurrence(s)" shall mean any one loss, disaster, or series of losses, arising out of one event. One event shall be considered to be all losses arising during a continuous period of 72 hours. When filing proof of loss, the Insured may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the first loss to any covered property occurs. An "Occurrence" must commence during the policy period and cause direct physical loss or physical damage to covered property, that is neither expected nor intended by the Insured, and the Limit of Liability and retention/deductible amount applicable to such "Occurrence" shall be those in effect at the time of commencement of such event or continuous or repeated exposure conditions. With respect to any event or exposure to conditions relating to or arising out of any interest in any property or entity, or relating to or arising out of such property or entity, acquired by an Insured, the inception date with respect thereto shall be no earlier than the time of such acquisition (except that this shall not affect coverage otherwise in effect in writing entered into prior to loss or damage). Under no circumstance shall any one "Occurrence" implicate coverage under this policy and any other prior or subsequent property insurance policy issued by us for the Insured.

2. The premium for this policy is based upon the statement of values on file with us, or attached to this policy. In the event of loss, hereunder, our liability, which is subject to terms of paragraph 1. above, shall be limited to the least of the following:
  - a. The actual adjusted amount of loss, less applicable deductibles(s).
  - b. The values as stated on the schedule on file with us, less applicable deductible(s).
  - c. The Limit of Liability, or Amount of Insurance shown on the face of this policy or endorsed onto this policy.





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION  
INCLUDING DEBRIS REMOVAL AND COST OF CLEAN UP EXTENSION and  
AUTHORITIES EXCLUSION**

and

**ASBESTOS MATERIAL REMOVAL LIMITATION**

SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION

Notwithstanding any provision in the Policy to which this Endorsement is attached, this Policy does not insure against loss, damage, costs or expenses in connection with any kind or description of seepage and/or pollution and/or contamination, direct or indirect, arising from any cause whatsoever.

Nevertheless, if fire is not excluded from this Policy and a fire arises directly or indirectly from seepage and/or pollution and/or contamination, any loss or damage insured under this Policy arising directly from that fire shall (subject to the terms, conditions and limitations of the Policy) be covered.

However, if the insured property is the subject of direct physical loss or damage for which underwriters have paid or agreed to pay, then this Policy (subject to its terms, conditions and limitations) insures against direct physical loss or damage to the property insured hereunder caused by resulting seepage and/or pollution and/or contamination.

The Insured shall give notice to the underwriters of intent to claim NO LATER THAN TWELVE (12) MONTHS AFTER THE DATE OF THE ORIGINAL PHYSICAL LOSS OR DAMAGE.

DEBRIS REMOVAL AND COST OF CLEAN UP EXTENSION

Notwithstanding the provisions of the preceding Exclusion in this Endorsement or any provision respecting seepage and/or pollution and/or contamination, and or debris removal and/or clean up in the Policy to which this Endorsement is attached, in the event of direct physical loss or damage to the property insured hereunder, this Policy (subject otherwise to its terms, conditions and limitations, including but not limited to any applicable deductible) also insures within the sum insured:

- (a) Expenses incurred in removal of debris of the property insured hereunder destroyed or damaged from the premises of the Insured; and/or
- (b) Cost of clean up, at the premises of the Insured, made necessary as a result of such loss or damage.

Provided that this Policy does not insure against the costs of decontamination or removal of water, soil or any other substance on or under such premises.

SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION: continued

It is a condition precedent to recovery under this Extension that Underwriters shall have paid or agreed to pay for physical loss or damage to the property insured hereunder unless such payment is precluded solely by the operation of any deductible and that the Insured shall give notice to the Underwriters of



intent to claim for cost of removal of debris or cost of clean up NO LATER THAN TWELVE (12) MONTHS AFTER THE DATE OF SUCH PHYSICAL LOSS OR DAMAGE.

#### AUTHORITIES EXCLUSION

Notwithstanding any of the preceding provisions of this Endorsement or any provision of the Policy to which this Endorsement is attached, this Policy does not insure against loss, damage, costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any Government Agency, Court or other Authority arising from any cause whatsoever. Without restricting the generality of the foregoing, the Policy does not cover claims arising out of the following U.S. legislation or amendments thereto:

- (a) Resource Conservation and Recovery Act (R.C.R.A.) commonly known as Solid Waste Disposal Act.
- (b) Comprehensive Environmental Response, Compensation and Liability Act (C.E.R.C.L.A.) commonly known as Superfund.
- (c) Superfund Amendments and Reauthorization Act (S.A.R.A) commonly known as Superfund Two.

#### ASBESTOS MATERIAL REMOVAL LIMITATION

This Policy does not insure loss, damage or expense to remove, or replace asbestos materials unless such materials are themselves damaged by an insured peril.

Notwithstanding that competent Government Authority may declare all or parts of the insured premises unfit for occupancy without removal or modifications to asbestos materials, the Company's liability is limited to the proportion represented by the cost to repair the damaged part of the premises, not the entire property.

Similarly, if the policy provides any coverage for business interruption, rental value or other loss of use or occupancy, such coverage shall be limited to the time necessary to repair or replace only the damaged portion(s) of the premises.

Nothing in the Endorsement shall override any radioactive contamination exclusion clause in the Policy to which this Endorsement is attached.

All other terms and conditions of this policy remain unchanged.

ASPPR081

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXTERIOR INSULATION AND FINISHING SYSTEMS EXCLUSION ENDORSEMENT**

Buildings constructed of Exterior Insulation and Finishing Systems (EIFS), Dryvit, or synthetic stucco are excluded from coverage under this policy.

All other terms and conditions of The Policy remain unchanged.



Issued By: Crump Insurance Services, Inc. – Orlando Division

Policy Number: ABV335310

Named Insured: Fuel Freedom International, LLC; Celltelconnect, LLC; Jeunesse LLC; RWR Holdings, LLC; Market Q, Inc.;

ASPPR082 09/07



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION AND LIMITED ADDITIONAL COVERAGE FOR FUNGUS**

This Endorsement modifies insurance provided under all Coverage Parts:

A. The following Exclusion is added:

**EXCLUSION – “Fungus”, Wet Rot, Dry Rot and Bacteria**

We will not pay for loss or damage caused directly or indirectly by the presence, growth, proliferation, spread or any activity of “fungus”, wet or dry rot or bacteria. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But if “fungus”, wet or dry rot or bacteria results in a “covered cause of loss”, we will pay for the loss or damage caused by the “covered cause of loss”.

This exclusion does not apply:

1. When “fungus”, wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage – Limited Coverage For “Fungus”, Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

B. The following Additional Coverage is added:

**ADDITIONAL COVERAGE – Limited Coverage for “Fungus”, Wet Rot, Dry Rot and Bacteria**

1. This limited coverage applies only when the “fungus”, wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence, and only if any loss resulting from the following is reported to us within 60 days of the occurrence.
  - a. A “covered cause of loss” other than fire or lightning; or
  - b. Flood, if the Flood Coverage Endorsement applies to the affected premises.
2. Under conditions described in item B.1. above, we will pay for loss or damage by “fungus”, wet or dry rot or bacteria. As used in the Limited Coverage, the term loss or damage means:
  - a. Direct physical loss or damage to Covered Property caused by “fungus”, wet or dry rot or bacteria, including the cost of removal of the “fungus”, wet or dry rot or bacteria;
  - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the “fungus”, wet or dry rot or bacteria; and
  - c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that “fungus, wet or dry rot or bacteria are present.





3. The coverage provided under this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more for the total of all loss or damage, that the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

- C. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

COMMERCIAL PROPERTY

## COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

### A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

### B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

### C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

### D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

### E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

### F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

### G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

### H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
  - a. During the policy period shown in the Declarations; and
  - b. Within the coverage territory.
2. The coverage territory is:
  - a. The United States of America (including its territories and possessions);
  - b. Puerto Rico; and
  - c. Canada.

**I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
  - a. Someone insured by this insurance;
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you; or
  - c. Your tenant.

This will not restrict your insurance.

## BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H. – Definitions.

### A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

#### 1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this Section, A.1., and limited in A.2., Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

a. **Building**, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
  - (a) Machinery and
  - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
  - (a) Fire extinguishing equipment;
  - (b) Outdoor furniture;
  - (c) Floor coverings; and
  - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
  - (a) Additions under construction, alterations and repairs to the building or structure;

- (b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. **Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property – Separation of Coverage form:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - (a) Made a part of the building or structure you occupy but do not own; and
  - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property of Others.



**c. Personal Property Of Others that is:**

- (1) In your care, custody or control; and
- (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**2. Property Not Covered**

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
  - (1) The lowest basement floor; or
  - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under Additional Coverages – Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This Paragraph n., does not apply to your "stock" of prepackaged software.
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data.
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
  - (1) Are licensed for use on public roads; or
  - (2) Are operated principally away from the described premises.This paragraph does not apply to:
  - (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
  - (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
  - (c) Rowboats or canoes out of water at the described premises; or
  - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-Owned Detached Trailers.

q. The following property while outside of buildings:

- (1) Grain, hay, straw or other crops;
- (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

**3. Covered Causes Of Loss**

See applicable Causes of Loss Form as shown in the Declarations.

**4. Additional Coverages**

**a. Debris Removal**

(1) Subject to Paragraphs (3) and (4), we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

(2) Debris Removal does not apply to costs to:

- (a) Extract "pollutants" from land or water; or
- (b) Remove, restore or replace polluted land or water.

(3) Subject to the exceptions in Paragraph (4), the following provisions apply:

- (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
- (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

(4) We will pay up to an additional \$10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$10,000.

**(5) Examples**

The following examples assume that there is no coinsurance penalty.

**Example #1**

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 50,000
Amount of Loss Payable	\$ 49,500
	(\$50,000 - \$500)
Debris Removal Expense	\$ 10,000
Debris Removal Expense Payable	\$ 10,000
	(\$10,000 is 20% of \$50,000)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

**Example #2**

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 80,000
Amount of Loss Payable	\$ 79,500
	(\$80,000 - \$500)
Debris Removal Expense	\$ 30,000
Debris Removal Expense Payable	
	Basic Amount \$ 10,500
	Additional Amount \$ 10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000; capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the loss payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

**b. Preservation Of Property**

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

**c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

**d. Pollutant Clean Up And Removal**

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

**e. Increased Cost Of Construction**

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e.(3) through e.(9) of this Additional Coverage.



- (3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
  - (a) You were required to comply with before the loss, even when the building was undamaged; and
  - (b) You failed to comply with.
- (5) Under this Additional Coverage, we will not pay for:
  - (a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
  - (b) Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of: \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.
- (7) With respect to this Additional Coverage:
  - (a) We will not pay for the Increased Cost of Construction:
    - (i) Until the property is actually repaired or replaced, at the same or another premises; and



- (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the same premises.
- (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the new premises.
- (8) This Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.
- (9) The costs addressed in the Loss Payment and Valuation Conditions, and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage, as stated in e.(6) of this Additional Coverage, is not subject to such limitation.

**f. Electronic Data**

- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered – Electronic Data.
- (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
- (3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage – Electronic Data, subject to the following:

- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage – Electronic Data is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.
  - (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage – Electronic Data includes Collapse as set forth in that form.
  - (c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage – Electronic Data.
  - (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.
- (4) The most we will pay under this Additional Coverage – Electronic Data is \$2,500 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

## 5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more or, a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

### a. Newly Acquired Or Constructed Property

#### (1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
  - (i) Similar use as the building described in the Declarations; or
  - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

#### (2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
  - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
  - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
  - (iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

#### (b) This Extension does not apply to:

- (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

- (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

**(3) Period Of Coverage**

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

**b. Personal Effects And Property Of Others**

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This extension does not apply to loss or damage by theft.
- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**c. Valuable Papers And Records (Other Than Electronic Data)**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered – Electronic Data.
- (2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.
- (3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.
- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

**d. Property Off-Premises**

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
  - (a) Temporarily at a location you do not own, lease or operate;
  - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
  - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
  - (a) In or on a vehicle; or



(b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

(3) The most we will pay for loss or damage under this Extension is \$10,000.

**e. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

**f. Non-Owned Detached Trailers**

(1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

- (a) The trailer is used in your business;
- (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
- (c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;

(b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.

(4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

**B. Exclusions And Limitations**

See applicable Causes of Loss Form as shown in the Declarations.

**C. Limits Of Insurance**

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs attached to buildings is \$1,000 per sign in any one occurrence.

The limits applicable to the Fire Department Service Charge and Pollutant Clean Up and Removal Additional Coverages are in addition to the Limits of Insurance.

Payments under the Preservation of Property Additional Coverage will not increase the applicable Limit of Insurance.

**D. Deductible**

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.



**Example No. 1:**

(This example assumes there is no coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Bldg. 1:	\$ 60,000
Limit of Insurance – Bldg. 2:	\$ 80,000
Loss to Bldg. 1:	\$ 60,100
Loss to Bldg. 2:	\$ 90,000

The amount of loss to Bldg. 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Bldg. 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Bldg. 1:

\$ 60,100
– 250
<b>\$ 59,850 Loss Payable – Bldg. 1</b>

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Bldg. 2. Loss payable for Bldg. 2 is the Limit of Insurance of \$80,000.

Total amount of loss payable: \$59,850 + 80,000 = \$139,850

**Example No. 2:**

(This example, too, assumes there is no coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example No. 1.

Loss to Bldg. 1:	\$ 70,000
(exceeds Limit of Insurance plus Deductible)	
Loss to Bldg. 2:	\$ 90,000
(exceeds Limit of Insurance plus Deductible)	
Loss Payable – Bldg. 1:	\$60,000
(Limit of Insurance)	
Loss Payable – Bldg. 2:	\$80,000
(Limit of Insurance)	
Total amount of loss payable:	\$140,000

**E. Loss Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

**1. Abandonment**

There can be no abandonment of any property to us.

**2. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- Pay its chosen appraiser; and
- Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**3. Duties In The Event Of Loss Or Damage**

- You must see that the following are done in the event of loss or damage to Covered Property:

- Notify the police if a law may have been broken.
- Give us prompt notice of the loss or damage. Include a description of the property involved.
- As soon as possible, give us a description of how, when and where the loss or damage occurred.
- Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - (8) Cooperate with us in the investigation or settlement of the claim.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- 4. Loss Payment**
- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
- (1) Pay the value of lost or damaged property;
  - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
  - (3) Take all or any part of the property at an agreed or appraised value; or
  - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.
- We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.
- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.

- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:
  - (1) We have reached agreement with you on the amount of loss; or
  - (2) An appraisal award has been made.

**5. Recovered Property**

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

**6. Vacancy**

**a. Description Of Terms**

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:
  - (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
  - (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
    - (i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
    - (ii) Used by the building owner to conduct customary operations.

- (2) Buildings under construction or renovation are not considered vacant.

**b. Vacancy Provisions**

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
  - (a) Vandalism;
  - (b) Sprinkler leakage, unless you have protected the system against freezing;
  - (c) Building glass breakage;
  - (d) Water damage;
  - (e) Theft; or
  - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

**7. Valuation**

We will determine the value of Covered Property in the event of loss or damage as follows:

- a. At actual cash value as of the time of loss or damage, except as provided in b., c., d. and e. below.
- b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property. However, the following property will be valued at the actual cash value even when attached to the building:

  - (1) Awnings or floor coverings;
  - (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
  - (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

- d. Glass at the cost of replacement with safety glazing material if required by law.

**e. Tenant's Improvements and Betterments at:**

- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
- (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
  - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
  - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- (3) Nothing if others pay for repairs or replacement.

**F. Additional Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

**1. Coinsurance**

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);



(3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and

(4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

**Example No. 1 (Underinsurance):**

When: The value of the property is \$ 250,000  
 The Coinsurance percentage for it is 80%  
 The Limit of Insurance for it is \$ 100,000  
 The Deductible is \$ 250  
 The amount of loss is \$ 40,000

Step (1):  $\$250,000 \times 80\% = \$200,000$   
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):  $\$100,000 \div \$200,000 = .50$

Step (3):  $\$40,000 \times .50 = \$20,000$

Step (4):  $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

**Example No. 2 (Adequate Insurance):**

When: The value of the property is \$ 250,000  
 The Coinsurance percentage for it is 80%  
 The Limit of Insurance for it is \$ 200,000  
 The Deductible is \$ 250  
 The amount of loss is \$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ( $\$250,000 \times 80\%$ ). Therefore, the Limit of Insurance in this Example is adequate and no penalty applies. We will pay no more than \$39,750 ( $\$40,000$  amount of loss minus the deductible of \$250).

b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

**Example No. 3:**

When: The value of property is:  
 Bldg. at Location No. 1 \$ 75,000  
 Bldg. at Location No. 2 \$ 100,000  
 Personal Property at Location No. 2 \$ 75,000  
 \$ 250,000

The Coinsurance percentage for it is 90%

The Limit of Insurance for Buildings and Personal Property at Location Nos. 1 and 2 is \$ 180,000  
 The Deductible is \$ 1,000

The amount of loss is:  
 Bldg. at Location No. 2 \$ 30,000  
 Personal Property at Location No. 2. \$ 20,000  
 \$ 50,000

Step (1):  $\$250,000 \times 90\% = \$225,000$   
 (the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):  $\$180,000 \div \$225,000 = .80$

Step (3):  $\$50,000 \times .80 = \$40,000$

Step (4):  $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

**2. Mortgageholders**

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
  - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
  - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and



- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

**G. Optional Coverages**

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

**1. Agreed Value**

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.
- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.

- c. The terms of this Optional Coverage apply only to loss or damage that occurs:

- (1) On or after the effective date of this Optional Coverage; and
- (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

**2. Inflation Guard**

- a. The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
  - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
  - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

**Example:**

If:	The applicable Limit of Insurance is	\$ 100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the policy year (or last policy change) is	146
	The amount of increase is \$100,000 x .08 x 146 ÷ 365 =	\$ 3,200

**3. Replacement Cost**

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of this Coverage Form.
- b. This Optional Coverage does not apply to:
  - (1) Personal property of others;
  - (2) Contents of a residence;

- (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
- (4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

- c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d. We will not pay on a replacement cost basis for any loss or damage:
  - (1) Until the lost or damaged property is actually repaired or replaced; and
  - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

- (3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Condition of this Coverage Form; and
- (4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:
  - (1) The Limit of Insurance applicable to the lost or damaged property;
  - (2) The cost to replace the lost or damaged property with other property:
    - (a) Of comparable material and quality; and
    - (b) Used for the same purpose; or
  - (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

#### 4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph 3.b.(1) of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.
- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

#### H. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

POLICY NUMBER: ABV335310

COMMERCIAL PROPERTY  
CP 03 21 06 07

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
BUILDERS RISK COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
STANDARD PROPERTY POLICY  
TOBACCO SALES WAREHOUSES COVERAGE FORM

### **SCHEDULE**

<b>Premises Number</b>	<b>Building Number</b>	<b>Windstorm Or Hail Deductible Percentage – Enter 1%, 2% Or 5%</b>
1	1	1%
1	2	1%

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded under the terms of the Water Exclusion or any other exclusion in this policy. If this policy is endorsed to cover Flood under the Flood Coverage Endorsement (or if you have a flood insurance policy), a separate Flood Deductible applies to loss or damage attributable to Flood, in accordance with the terms of that endorsement or policy.

As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings: Specific insurance covers each item of insurance (for example, each building or personal property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more items of insurance (for example, a building and personal property in that building, or two buildings) under a single Limit of Insurance. Items of insurance and corresponding Limit(s) of Insurance are shown in the Declarations.

### **WINDSTORM OR HAIL DEDUCTIBLE CALCULATIONS**

#### **A. Calculation Of The Deductible – All Policies**

1. A Deductible is calculated separately for, and applies separately to:
  - a. Each building that sustains loss or damage;
  - b. The personal property at each building at which there is loss or damage to personal property;
  - c. Personal property in the open.

If there is damage to both a building and personal property in that building, separate deductibles apply to the building and to the personal property.



2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition; Agreed Value Optional Coverage; any provision in a Value Reporting Form relating to full reporting or failure to submit reports.
3. When property is covered under the Coverage Extension for Newly Acquired Or Constructed Property: In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to a percentage of the value(s) of the property at time of loss. The applicable percentage for Newly Acquired Or Constructed Property is the highest percentage shown in the Schedule for any described premises.

**B. Calculation Of The Deductible – Specific Insurance Other than Builders' Risk**

**1. Property Not Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

**2. Property Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are the latest value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

**C. Calculation Of The Deductible – Blanket Insurance Other Than Builders' Risk**

**1. Property Not Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are those shown in the most recent Statement of Values on file with us.

**2. Property Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of that property as of the time of loss or damage.

**D. Calculation Of The Deductible – Builders' Risk Insurance**

**1. Builders' Risk Other Than Reporting Form**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the actual cash value(s) of that property as of the time of loss or damage.

**2. Builders' Risk Reporting Form**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used are the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of loss or damage.



**EXAMPLES – APPLICATION OF DEDUCTIBLE****EXAMPLE #1 – SPECIFIC INSURANCE (B.1.)**

The amount of loss to the damaged building is \$60,000.

The value of the damaged building at time of loss is \$100,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the Coinsurance requirement is \$80,000 (80% of \$100,000).

The actual Limit of Insurance on the damaged building is \$70,000.

The Deductible is 1%.

Step (1):  $\$70,000 \div \$80,000 = .875$

Step (2):  $\$60,000 \times .875 = \$52,500$

Step (3):  $\$70,000 \times 1\% = \$700$

Step (4):  $\$52,500 - \$700 = \$51,800$

The most we will pay is \$51,800. The remainder of the loss, \$8,200, is not covered due to the Coinsurance penalty for inadequate insurance (Steps (1) and (2)) and the application of the Deductible (Steps (3) and (4)).

**EXAMPLE #2 – SPECIFIC INSURANCE (B.1.)**

The amounts of loss to the damaged property are \$60,000 (Building) and \$40,000 (Personal Property in building).

The value of the damaged building at time of loss is \$100,000. The value of the personal property in that building is \$80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limits of Insurance needed to meet the Coinsurance requirement are \$80,000 (80% of \$100,000) for the building and \$64,000 (80% of \$80,000) for the personal property.

The actual Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the personal property (therefore no Coinsurance penalty).

The Deductible is 2%.

**BUILDING**

Step (1):  $\$80,000 \times 2\% = \$1,600$

Step (2):  $\$60,000 - \$1,600 = \$58,400$

**PERSONAL PROPERTY**

Step (1):  $\$64,000 \times 2\% = \$1,280$

Step (2):  $\$40,000 - \$1,280 = \$38,720$

The most we will pay is \$97,120. The portion of the total loss not covered due to application of the Deductible is \$2,880.

**EXAMPLE #3 – BLANKET INSURANCE (C.1.)**

The sum of the values of Building #1 (\$500,000), Building #2 (\$500,000) and Building #3 (\$1,000,000), as shown in the most recent Statement of Values on file with us, is \$2,000,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the Coinsurance requirement is \$1,800,000 (90% of \$2,000,000).

The actual Blanket Limit of Insurance covering Buildings #1, #2, and #3, shown in the Declarations, is \$1,800,000 (therefore no Coinsurance penalty).

Buildings #1 and #2 have sustained damage; the amounts of loss to these buildings are \$40,000 (Building #1) and \$20,000 (Building #2).

The Deductible is 2%.

**BUILDING #1**

Step (1):  $\$500,000 \times 2\% = \$10,000$

Step (2):  $\$40,000 - \$10,000 = \$30,000$

**BUILDING #2**

Step (1):  $\$500,000 \times 2\% = \$10,000$

Step (2):  $\$20,000 - \$10,000 = \$10,000$

The most we will pay is \$40,000. The portion of the total loss not covered due to application of the Deductible is \$20,000.

**EXAMPLE #4 – BLANKET INSURANCE (C.1.)**

The sum of the values of Building #1 (\$500,000), Building #2 (\$500,000), Personal Property at Building #1 (\$250,000) and Personal Property at Building #2 (\$250,000), as shown in the most recent Statement of Values on file with us, is \$1,500,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the Coinsurance requirement is \$1,350,000 (90% of \$1,500,000).

The actual Blanket Limit of Insurance covering Buildings #1 and #2 and Personal Property at Buildings #1 and #2, shown in the Declarations, is \$1,350,000. Therefore there is no Coinsurance penalty.

Building #1 and Personal Property at Building #1 have sustained damage; the amounts of loss are \$95,000 (Building) and \$5,000 (Personal Property).

The Deductible is 5%.

**BUILDING**

Step (1):  $\$500,000 \times 5\% = \$25,000$

Step (2):  $\$95,000 - \$25,000 = \$70,000$

**PERSONAL PROPERTY**

Step (1):  $\$250,000 \times 5\% = \$12,500$

The loss, \$5,000, does not exceed the Deductible.

The most we will pay is \$70,000. The remainder of the building loss, \$25,000, is not covered due to application of the Deductible. There is no loss payment for the personal property.

## CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section F. – Definitions.

### A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section B., Exclusions; or
2. Limited in Section C., Limitations; that follow.

### B. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

#### a. Ordinance Or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (1) An ordinance or law that is enforced even if the property has not been damaged; or
- (2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

#### b. Earth Movement

- (1) Earthquake, including any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

#### c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

**d. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

**e. Utility Services**

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply to the Business Income coverage or to Extra Expense coverage. Instead, the Special Exclusion in Paragraph B.4.a.(1) applies to these coverages.

**f. War And Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**g. Water**

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows from a sewer, drain or sump; or
- (4) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings.

But if Water, as described in g.(1) through g.(4) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

**h. "Fungus", Wet Rot, Dry Rot And Bacteria**

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions B.1.a. through B.1.h. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:
  - a. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.
 

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.
  - b. Delay, loss of use or loss of market.
  - c. Smoke, vapor or gas from agricultural smudging or industrial operations.
  - d.(1) Wear and tear;
  - (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
  - (3) Smog;
  - (4) Settling, cracking, shrinking or expansion;
  - (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.



(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(7) The following causes of loss to personal property:

- (a) Dampness or dryness of atmosphere;
- (b) Changes in or extremes of temperature; or
- (c) Marring or scratching.

But if an excluded cause of loss that is listed in 2.d.(1) through (7) results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.
- g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
  - (1) You do your best to maintain heat in the building or structure; or
  - (2) You drain the equipment and shut off the supply if the heat is not maintained.
- h. Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:
  - (1) Acting alone or in collusion with others; or

(2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees); but theft by employees (including leased employees) is not covered.

- i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - j. Rain, snow, ice or sleet to personal property in the open.
  - k. Collapse, except as provided below in the Additional Coverage for Collapse. But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.
  - l. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".
 

This exclusion, l., does not apply to damage to glass caused by chemicals applied to the glass.
  - m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
  - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

- c. Faulty, inadequate or defective:
- (1) Planning, zoning, development, surveying, siting;
  - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - (3) Materials used in repair, construction, renovation or remodeling; or
  - (4) Maintenance;
- of part or all of any property on or off the described premises.

**4. Special Exclusions**

The following provisions apply only to the specified Coverage Forms.

**a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form**

We will not pay for:

- (1) Any loss caused directly or indirectly by the failure of power or other utility service supplied to the described premises, however caused, if the failure occurs outside of a covered building. Failure includes lack of sufficient capacity and reduction in supply.  
But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss resulting from that Covered Cause of Loss.
- (2) Any loss caused by or resulting from:
  - (a) Damage or destruction of "finished stock"; or
  - (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.
- (3) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (4) Any increase of loss caused by or resulting from:
  - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or

- (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

- (5) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (6) Any other consequential loss.

**b. Leasehold Interest Coverage Form**

- (1) Paragraph B.1.a. Ordinance Or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
  - (a) Your cancelling the lease;
  - (b) The suspension, lapse or cancellation of any license; or
  - (c) Any other consequential loss.

**c. Legal Liability Coverage Form**

- (1) The following exclusions do not apply to insurance under this Coverage Form:
  - (a) Paragraph B.1.a., Ordinance Or Law;
  - (b) Paragraph B.1.c., Governmental Action;
  - (c) Paragraph B.1.d., Nuclear Hazard;
  - (d) Paragraph B.1.e., Utility Services; and
  - (e) Paragraph B.1.f., War And Military Action.

- (2) The following additional exclusions apply to insurance under this Coverage Form:

**(a) Contractual Liability**

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (i) Your assumption of liability was executed prior to the accident; and
- (ii) The building is Covered Property under this Coverage Form.

**(b) Nuclear Hazard**

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

**C. Limitations**

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
  - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
  - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

- c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
  - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
  - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
  - (2) Business Income coverage or Extra Expense coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
  - f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
  - a. Animals, and then only if they are killed or their destruction is made necessary.
  - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
    - (1) Glass; or
    - (2) Containers of property held for sale.
  - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.



However, this limitation does not apply:

- (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
  - (2) To Business Income coverage or to Extra Expense coverage.
3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
- a. \$2,500 for furs, fur garments and garments trimmed with fur.
  - b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
  - c. \$2,500 for patterns, dies, molds and forms.
  - d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, C.3., does not apply to Business Income coverage or to Extra Expense coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:
- a. Results in discharge of any substance from an automatic fire protection system; or
  - b. Is directly caused by freezing.

However, this limitation does not apply to Business Income coverage or to Extra Expense coverage.

#### D. Additional Coverage – Collapse

The term Covered Cause of Loss includes the Additional Coverage – Collapse as described and limited in D.1. through D.5. below.

##### 1. With respect to buildings:

- a. Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose;
- b. A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse;
- c. A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building;
- d. A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

##### 2. We will pay for direct physical loss or damage to Covered Property, caused by collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if the collapse is caused by one or more of the following:

- a. The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;
- b. Decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- c. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;



f. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in 2.a. through 2.e., we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.

The criteria set forth in 1.a. through 1.d. do not limit the coverage otherwise provided under this Causes of Loss Form for the causes of loss listed in 2.a., 2.d. and 2.e.

3. With respect to the following property:

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
  - b. Awnings, gutters and downspouts;
  - c. Yard fixtures;
  - d. Outdoor swimming pools;
  - e. Fences;
  - f. Piers, wharves and docks;
  - g. Beach or diving platforms or appurtenances;
  - h. Retaining walls; and
  - i. Walks, roadways and other paved surfaces;
- if the collapse is caused by a cause of loss listed in 2.b. through 2.f., we will pay for loss or damage to that property only if:

- a. Such loss or damage is a direct result of the collapse of a building insured under this Coverage Form; and
- b. The property is Covered Property under this Coverage Form.

4. If personal property abruptly falls down or caves in and such collapse is not the result of collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

- a. The collapse was caused by a Cause of Loss listed in 2.a. through 2.f. above;
- b. The personal property which collapses is inside a building; and
- c. The property which collapses is not of a kind listed in 3. above, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 4. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

Collapse of personal property does not mean cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

5. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.

**E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria**

1. The coverage described in E.2. and E.6. only applies when the "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under E.2. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss Form or under the Additional Coverage – Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense coverage form.
- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
- b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

## F. Additional Coverage Extensions

### 1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
- (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
  - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed.
  - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

### 2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

### 3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.

- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, F.3., does not increase the Limit of Insurance.

**G. Definitions**

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Specified Causes of Loss" means the following: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
  - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
    - (1) The cost of filling sinkholes; or

- (2) Sinking or collapse of land into man-made underground cavities.
- b. Falling objects does not include loss or damage to:
  - (1) Personal property in the open; or
  - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

COMMERCIAL PROPERTY  
CP 10 33 06 95

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **THEFT EXCLUSION**

This endorsement modifies insurance provided under the following:

### CAUSES OF LOSS – SPECIAL FORM

The following is added to the EXCLUSIONS section:

We will not pay for loss or damage caused by or resulting from theft.

But we will pay for:

1. Loss or damage that occurs due to looting at the time and place of a riot or civil commotion; or
2. Building damage caused by the breaking in or exiting of burglars.

And if theft results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
    - a.** Any of the following, whether belonging to any insured or to others:
      - (1) Computer hardware, including micro-processors;
      - (2) Computer application software;
      - (3) Computer operating systems and related software;
      - (4) Computer networks;
      - (5) Microprocessors (computer chips) not part of any computer system; or
      - (6) Any other computerized or electronic equipment or components; or
    - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;  
  
due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
  - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
  - 2.** Under the Commercial Property Coverage Part:
    - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
    - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;  
  
we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

POLICY NUMBER: ABV335310

IL 09 53 01 08

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 STANDARD PROPERTY POLICY

### SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph C) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A.** The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**B.** The following exclusion is added:

#### CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**C. Exception Covering Certain Fire Losses**

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

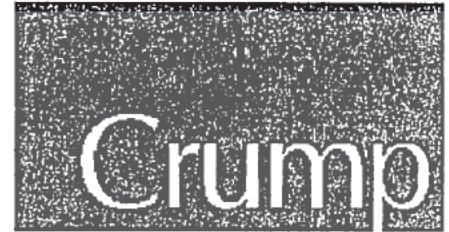
If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**D. Application Of Other Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.





May 10, 2010

Dorothy Willson  
Insurance By Ken Brown, Inc.  
PO Box 948117  
Maitland, FL 32794

RE: Fuel Freedom International, LLC  
ABV335310

Dear Dorothy,

We are pleased to enclose the policy you requested. Please review it carefully and let us know immediately if you believe any corrections or changes are necessary.

We would also suggest that you and/or your claims staff review and become familiar with the claims reporting and notice provisions of the policy in order that any such notices may be dealt with in the most expedient fashion.

We thank you for the opportunity to provide this coverage on behalf of your insured. Please contact us if we can be of further assistance.

Sincerely,

Mary L. Gary, Vice President  
MG/CPRcr

**Crump Insurance Services, Inc.**

240 E. Central Parkway, Suite 3000, Altamonte Springs, FL 32701  
IN-STATE: 800-678-4552 TEL: 407-678-4552 FAX: 407-678-4678  
WEB: [www.crumpins.com](http://www.crumpins.com)



## MINIMUM EARNED PREMIUM MINIMUM AND DEPOSIT PREMIUM

The following terms are often misunderstood, particularly among insureds or producers not accustomed to dealing with surplus lines insurance companies. It is important that the definitions are understood.

### MINIMUM AND DEPOSIT

This is the amount of premium due at inception. Although the policy is subject to adjustment based on a rate per exposure unit, under no circumstances will the annual earned premium be less than the minimum premium. Therefore, the policy may generate an additional premium on audit, but not a return.

If such a policy is cancelled mid-term, the earned premium is the GREATER of the annual minimum times the short rate or pro-rata factor, or the actual earned premium as determined by audit, subject to a short rate penalty if applicable.

### MINIMUM EARNED PREMIUM

A minimum earned premium endorsement can be attached to either a flat charge policy or an adjustable policy. In either case, this amount is the LEAST that will be retained by the insurance company once the policy goes into effect. The amount retained would be the GREATER of the actual earned premium whether calculated on a pro-rate or short rate basis, or the minimum earned premium.

### FLAT CANCELLATIONS

Surplus lines insurance companies normally do not allow flat cancellations. Once the policy is in effect, some premium will be earned. The collection and payment of premium are the responsibility of the retail agent.

If you need further explanation, please do not hesitate to contact us.

**EXHIBIT B**



IN THE CIRCUIT COURT OF THE  
NINTH JUDICIAL CIRCUIT OF  
FLORIDA IN AND FOR ORANGE  
COUNTY

CONSEAL INTERNATIONAL  
INCORPORATED, a Florida corporation,

CASE NO. 2010-CA-11475-0  
Division 43

Plaintiff,

v.

FUEL FREEDOM INTERNATIONAL, LLC,  
a Florida limited liability company, PARTNERS  
MANAGEMENT TEAM, INC., a Florida  
corporation, INNOVATIVE FUEL TECH-  
NOLOGIES, LLC, a Nevada limited liability  
company, and IFT COMMERCIAL SALES, INC.,  
a Florida corporation, OGALE ERANDAL RAY  
aka RANDY RAY, an Individual, WENDY R. RAY  
aka WENDY LEWIS, an Individual,  
ROBERT DAWSON, an Individual, and JEUNESSE,  
LLC, a Florida limited liability company, JEUNESSE  
CANADIAN HOLDINGS, INC., a Florida limited  
liability company and JEUNESSE GLOBAL  
HOLDINGS, LLC a Florida limited liability company

Defendants.

**SECOND AMENDED COMPLAINT**

Plaintiff, CONSEAL INTERNATIONAL INCORPORATED ("ConSeal"), sues  
Defendants, FUEL FREEDOM INTERNATIONAL, LLC ("FFI"), PARTNERS  
MANAGEMENT TEAM, INC. ("PMT"), INNOVATIVE FUEL TECHNOLOGIES, LLC  
("IFT"), and IFT COMMERCIAL SALES, INC. ("IFT Sales"), OGALE ERANDAL RAY a/k/a  
RANDY RAY ("Ray"), WENDY R. RAY a/k/a WENDY LEWIS ("Lewis"), ROBERT  
DAWSON ("Dawson"), and JEUNESSE, LLC, JEUNESSE CANADIAN HOLDINGS, INC.,  
and JEUNESSE GLOBAL HOLDINGS, LLC (collectively, "Jeunesse"), (all defendants shall be  
collectively, the "Defendants"), and alleges:

eFiled in the Office of Clerk of Court, Orange County Florida 2011 Sep 14 03:24 PM Lydia Gardner

**Summary of the Relief Requested**

1. ConSeal manufactures fuel additive products, which comply with and are registered with the Environmental Protection Agency and its regulations. ConSeal sells its products to distributors, including FFI. ConSeal previously filed a lawsuit against the Defendants in connection with the sale and distribution of counterfeit fuel additive products, which resulted in the entry of a Settlement Agreement on September 24, 2008. The Defendants promptly breached the Settlement Agreement and in February 2009 ConSeal agreed to enter into an Addendum to the Settlement Agreement. Based upon discovery provided in this action, Defendants fraudulently induced ConSeal to enter into the Settlement Agreement and Addendum because it is apparent that Defendants had no intention to perform their settlement obligations. On July 9, 2009, FFI's owners incorporated Jeunesse to sell products previously sold by FFI and has apparently allowed FFI and the other corporate defendants to become defunct entities in order to avoid liability to ConSeal. This lawsuit is filed based upon the Defendants' continued and willful breaches and unlawful acts relating to their agreements with ConSeal.

**Jurisdiction and Venue**

2. This is an action for damages in excess of \$15,000, and is otherwise within the jurisdiction of this Court.

3. Venue is proper in Orange County, Florida because all Defendants have expressly agreed that actions to enforce the parties' agreements at issue in this action shall lie in this county.

**Parties**

4. Plaintiff ConSeal is a Florida corporation having its principal place of business in Norwood, Massachusetts. ConSeal manufactures fuel additive products.



5. Defendant FFI is a Florida limited liability company having a principal place of business in Altamonte Springs, Seminole County, Florida. FFI is a distributor of fuel additive products, car care products and skin care products.

6. Defendant PMT is a Florida corporation having a principal place of business in Altamonte Springs, Seminole County, Florida. PMT is a distributor of fuel additive products.

7. Defendant IFT is a Nevada limited liability company having a principal place of business in Altamonte Springs, Seminole County, Florida. IFT is a distributor of fuel additive products.

8. Defendant IFT Sales is a Florida corporation having a principal place of business in Altamonte Springs, Seminole County, Florida. IFT Sales is a distributor of fuel additive products. Both IFT and IFT Sales are alter egos of FFI, all three of which conduct business at 650 Douglas Avenue, Suite 1000, Altamonte Springs, Florida 32714. IFT and IFT Sales will be collectively referred to as the "FFI Related Entities."

9. Defendants Jeunesse are all Florida limited liability companies, with, upon information and belief, the same ownership, having a principal place of business in Altamonte Springs, Seminole County, Florida. Jeunesse is a distributor of skin care products.

10. Defendant Ray is a Florida resident and is the Managing Member of FFI, is the Vice President of PMT, and is the managing member of Jeunesse.

11. Defendant Lewis is a Florida resident and is a principal owner/member of FFI and PMT and is a member of Jeunesse.

12. Defendant Dawson is believed to be a Nebraska resident and is an owner and member of FFI and upon information and belief is an owner of Jeunesse.

### General Allegations

13. ConSeal manufactures fuel additives and conditioners and related fuel-enhancing products under the brand names "FuelFX" and "ConSeal" (collectively referred to herein as "Licensed Products"). The centerpiece of the Licensed Products consists of pill-like caplets packaged in blister packs that are dropped into an automobile's fuel tank for purposes of improving fuel efficiency ("Caplet Fuel Additive Product").

14. ConSeal's Licensed Products are registered with the Environmental Protection Agency ("EPA") and bear the registration number assigned to ConSeal by the EPA.

15. Defendants FFI and PMT are companies. FFI being a multi-level marketing company, which were created for purposes of selling and distributing fuel additive products, and by agreement with ConSeal, ConSeal's Licensed Products through a vast network of distributors located in the United States and throughout the world.

### Non-Disclosure and Non-Circumvention Agreements

16. On or about October 2005, Defendants Ray, Lewis, and Dawson approached ConSeal with a proposal to sell and distribute the Licensed Products through the multi-level marketing company, FFI, which they had recently formed.

17. In order to facilitate discussions concerning their proposal, these Defendants each signed a Non-Disclosure and Non-Circumvention Agreement.

18. Among other things, the Non-Disclosure Agreements prohibited Ray, Lewis, and Dawson from circumventing ConSeal in any way for purposes of selling the Licensed Products and from disclosing ConSeal's confidential and proprietary information to any third parties; copies of the Non-Disclosure Agreements are attached as **Exhibit "A."**

**Market Segment Development Agreement**

19. After evaluating ConSeal's proprietary and confidential information related to the Licensed Products, Defendants, through FFI, on April 28, 2006 entered into a Market Segment Development Agreement ("Market Agreement"); a copy of which is attached as Exhibit "B."

20. The purpose of the Market Agreement was for ConSeal to grant FFI rights to sell the Licensed Products and use ConSeal's "Technology" in the network marketing of automotive gasoline fuel additives. Under the Market Agreement, ConSeal's "Technology" includes the related technology, i.e., how fuel additives work, products, know-how including EPA registration, of the fuel additive formulations, relating to the use of said technology in solid and liquid formation to improve fuel economy, increase engine life and increase performance. FFI agreed in the Market Agreement that "all trial data and results developed during the development program will be the exclusive property of ConSeal." See Market Agreement at ¶ D.

21. In the Market Agreement, FFI agreed to devote and expend substantial resources to advertise, promote and market the Licensed Products in order to maximize sales of the Licensed Products in the automotive aftermarket. In order to effectuate these purposes, one of the many salient provisions of the Market Agreement obligated FFI to purchase during "the term of this agreement and five years after its termination [FFI] will purchase one hundred percent (100%) of its requirements for fuel additive products exclusively from ConSeal." See Market Agreement at page 1, ¶2.

22. Also, in order to maintain ConSeal's support for FFI's network marketing rights, the Market Agreement obligated FFI to certain minimum quantity purchase requirements as follows:

Year Ending December 31, 2006	4.5 million caplets
Year Ending December 31, 2007	9 million caplets
Year Ending December 31, 2008	18 million caplets
Year Ending December 31, 2009	23 million caplets
Year Ending December 31, 2010	28 million caplets
And each year thereafter	32 million caplets

See Market Agreement at page 2, ¶2.

**International Merchandising and Licensing Agreement**

23. On May 22, 2006, ConSeal and FFI/PMT entered into an International Merchandising and Licensing Agreement (“License Agreement”); a copy of which is attached as Exhibit “C.”

24. Under the License Agreement, ConSeal licensed to FFI and PMT the exclusive right and license “to utilize the Property solely upon and in connection with the distribution and sale of the Licensed Products in the MLM/Network Marketing distribution channels.” See Paragraph 2(a) of License Agreement.

25. Like the Market Agreement, the License Agreement obligated FFI and PMT to minimum purchase requirements, as set forth above.

26. Section 8(c) of the License Agreement prohibited FFI and PMT from manufacturing, distributing, selling, or using any Licensed Product that differs from the approved samples provided to FFI and PMT by ConSeal.

27. Moreover, the License Agreement grants ConSeal ownership of any and all rights in the Licensed Products and adaptations or modifications of ConSeal’s Licensed Products. For example, Section 7(a) of the License Agreement states: “Upon creation of the Licensed Products, Licensee shall be deemed to have automatically assigned to Licensor all copyrights, trademarks and patents in the Property (and all adaptations, compilations, modifications, translations and versions thereof) embodied in the Licensed Products. In addition, Licensee shall execute any



instruments requested by Licensor to accomplish or confirm the foregoing and hereby irrevocably appoints Licensor as its attorney-in-fact to execute any instruments if Licensee does not do so (such appointment to be coupled with an interest). Any such assignment shall be without other consideration than the mutual covenants and considerations of this Agreement.”  
*See also* Licensing Agreement at p. 7, ¶9(a).

28. FFI and the Defendants created adaptations or modifications of ConSeal's Licensed Products and labeled them "MPG-Caps" and "MPG-Boost" during the course of their performance of obligations and rights under the Licensing Agreement. Pursuant to the License Agreement, these adaptations or modifications of ConSeal's Licensed Products, including the intellectual property, belong to ConSeal.

**Defendants' Failure to Pay for the Licensed Products**

29. Beginning on or around January 11, 2007, Defendants, without notice to ConSeal, stopped paying ConSeal's invoices for purchases of the Licensed Products.

30. In March 2008, ConSeal discovered that Defendants were distributing and selling an entirely different fuel additive product from the Caplet Fuel Additive Product, the one they were obligated to purchase from ConSeal under the Market Agreement and License Agreement.

31. In response to ConSeal's inquiries, Defendants' agent, David Matichak, promised on numerous occasions that payment would be provided by wire transfer and was immediately forthcoming.

32. In reliance on Matichak's promises, ConSeal continued, until as late as February 2008, to fill Defendants' orders and deliver additional shipments of the Licensed Products.

33. Despite Matchak's promises and ConSeal's continued shipments, Defendants did not pay the outstanding invoices.

34. Instead, Defendants contrived a pretext for not paying for the Licensed Products, contending that the Caplet Fuel Additive Product is deficient in consistency, color and ingredients.

35. Defendants' contention was specious because ConSeal had not changed the manufacture of the Caplet Fuel Additive Product.

36. The total amount that was owed by Defendants, as reflected in the invoices attached hereto as **Composite Exhibit "D,"** and in the statement of account attached hereto as **Exhibit "E,"** was \$467,493.31, plus interest.

#### **Defendants' Sale of Counterfeit Products**

37. In March 2008, ConSeal discovered that Defendants were and are now distributing and selling an entirely different fuel additive product from the Caplet Fuel Additive Product, the one they are obligated to purchase from ConSeal under the Market Agreement and License Agreement ("Counterfeit Fuel Additive Product").

38. Defendants are selling the Counterfeit Fuel Additive Product under the name MPG-CAPS, the same trademark under which Defendants were selling ConSeal's Caplet Fuel Additive Product; this mark is owned by ConSeal under their agreements. Moreover, under the Market Agreement, FFI was required to purchase during "the term of this agreement and five years after its termination ... one hundred percent (100%) of its requirements for fuel additive products exclusively from ConSeal." *See* Market Agreement at page 1, ¶2.

39. Defendants' Counterfeit Fuel Additive Product appears to be different than the Caplet Fuel Additive Product. A Representative Sample of Defendants' Counterfeit Fuel Additive Product and packaging is depicted in **Exhibit "F."**

40. Defendants do not themselves manufacture any products, and have obviously conspired with one or more third parties to disclose and utilize ConSeal's confidential, proprietary information and Technology, which Defendants repeatedly promised to maintain in confidence under the parties' agreements.

41. Incredibly, Defendants were marking their Counterfeit Fuel Additive Product with ConSeal's EPA registration number until ConSeal protested, completely defrauding the public into believing that their Counterfeit Fuel Additive Product had been registered by the EPA when, at the time, it obviously had not.

42. Defendants' misconduct in connection with the sale of the Counterfeit Fuel Additive Product is egregious, reckless and intentionally injurious on so many levels, including Defendants' blatant breaches of the Agreements with ConSeal, gross deception of the public into believing the Counterfeit Fuel Additive Product is the same as the Caplet Fuel Additive Product, and methodical and sinister defrauding of the consuming public into believing that their Counterfeit Fuel Additive Product had been registered by the EPA by ConSeal when in fact it had not.

#### **Prior Lawsuit and Settlement**

43. On March 28, 2008, ConSeal filed an eight count Complaint styled *ConSeal International Incorporated v. Fuel Freedom International, LLC, et al.* Case No.: 08-CA-1781-15-K against the Defendants including the following claims: Count 1 for breach of the License Agreement; Count 2 for breach of the Market Agreement; Count 3 for breach of the Non-

Disclosure Agreement; Count 4 for Deceptive and Unfair Trade Practices; Count 5 for Account Stated (the account balance was \$467,493.31, plus interest); Count 6 for Open Account; Count 7 for breach of Personal Guaranty of Ray; and Count 8 for injunctive relief (hereafter, the "Lawsuit").

44. On September 24, 2008, the Plaintiff and Defendants entered into a Settlement Agreement to resolve the Lawsuit; a true and correct copy of which is attached hereto as Exhibit "G" (hereafter, the "Settlement Agreement").

45. The Settlement Agreement required FFI to pay ConSeal a settlement sum for the acknowledged outstanding invoices of \$467,493.31, \$66,995.88 in attorneys' fees, ongoing minimum monthly purchases of fuel additive products by FFI from ConSeal pursuant to a newly executed Manufacture and Purchase Agreement ("Purchase Agreement") that is incorporated in and attached to the Settlement Agreement as Exhibit B, agreed to injunctive relief regarding certain trademarks, and provided requirements to provide financial and non-financial disclosures, the execution of mutual releases, and other provisions.

46. A material financial component of the parties' Settlement Agreement included FFI's agreement to continue to make monthly minimum purchases of ConSeal's fuel additive products. See Exhibit B attached to Exhibit D. In fact, on September 24, 2008, Ray and Lewis, both principal owners and members/officers of FFI and PMT, signed a Personal Guaranty of Randy Ray and Wendy Lewis ("Guaranty") to ensure that ConSeal would be paid for the continued monthly minimum orders placed by FFI after July 1, 2008; a true and correct copy of which is attached hereto as Exhibit "H."

47. Upon information and belief, Ray, Lewis and Dawson executed the Settlement Agreement and Settlement Addendum, both individually and as officers and directors of FFI and



the FFI Related Entities knowing that the Defendants did not intend to comply with their obligations under these agreements.

48. For example, the following misrepresentations were made in order to fraudulently or negligently induce ConSeal into entering the Settlement Agreement and later the Settlement Addendum:

a. Randy Ray said to Donna Gilmore on August 29, 2008 by email that the purpose of the Settlement Agreement "would allow us to work together as Business Friend" and that the negotiated "minimum monthly purchases of 250,000 grams must be for both Caps and Crumbs. And FFI must have the right to reduce the amount of the orders if there is no demand" (notably, the "demand" requirement was not included in the final form of the Settlement Agreement):

b. Randy Ray said to Donna Gilmore on September 9, 2008 by email that: "We anticipate ordering [fuel additive products] in large quantities so we can re-bottle in order to save money";

c. Randy Ray said to Donna Gilmore on September 9, 2008 by email regarding the delay in entering the Settlement Agreement that: "We are willing to sign the agreement and begin making payments and commence ordering";

d. Randy Ray reassured Donna Gilmore on October 2, 2008 by email that: "David Matichak is preparing the first order (or he may have already sent it to you) and that should be taken care of by next week";

e. Rob Dawson reassured Donna Gilmore on November 18, 2008 by email regarding FFI's failure to work with ConSeal to timely deliver product: "I swear to you that we are doing our best. Don't give up on us";

f. Rob Dawson advises Donna Gilmore on December 2, 2008 regarding FFI's failure to pay the agreed Settlement Sums and place the agreed monthly minimum orders via email: "We are really struggling with cash flow. The credit crisis has really hurt our cash flow as the merchant processors have wanted substantial security deposits for our processing. We think these issues are resolved, but it has really pinched our cash flow. We are expecting a release of security deposits from one of our merchant processors (we were supposed to have it last week) that will give us a boost. I'm sorry that it is also affecting you. We are taking all steps that we can to improve our operating cash flow including the lay off of some employees yesterday. I promise you we are doing our best, but we need the funds from our processor to get you the payments. We have to get those items paid as we need to order more product, not only b/c of our agreement, but because we have to get inventory replaced to continue operations. I hate talking to you b/c I can't promise an exact date but I am very hopeful that it will be this week"; Ryan Ogden reconfirmed this statement to Donna Gilmore via email on December 2, 2008;

g. Ryan Ogden told Donna Gilmore on January 12, 2009 via email that: "Donna, our sales were really hammered over the Holidays and they still haven't fully come back. As a result, our cash flow has frozen up and I was not able to send the scheduled payment. Donna, this is not an issue where we have chosen to pay other people instead of you or anything like that. Rob and Wendy had been very committed to sticking to the schedule and working with you. Unfortunately, things just dried up";

h. Ryan Ogden told Donna Gilmore on January 12, 2009 via email that: "Unfortunately, the circumstances that caused this were out of our control. If there were any way possible to make that payment, it would have happened. Rob and Wendy have

been very clear in making you a top priority for any cash that is available. Please don't give up hope on us, there are several good things in the works that should go through at any time. Randy, Wendy and Rob are working every angle they can to help relieve our situation and to better take care of you. We've had to re-evaluate our inventory situation given the lower volume of sales, but I will work with David Matichak and get an order into you very soon. I understand your position regarding payments on orders, and we can work with it. We should have our inventory figured out by the time you get back and we will get in touch again. Again, our apologies for the business conditions that caused this bump in the road. We'll get them worked out":

i. Rob Dawson advises Donna Gilmore on January 21, 2009 regarding FFI's failure to pay the agreed Settlement Sums and place the agreed monthly minimum orders via email: "We have had cash flow problems as we previously said. It was more challenging through the holiday season and has been slow to recover. As I'm sure you are aware, the fuel additive business is suffering with lower fuel prices. We are doing everything we can to get cash in place to make payments. Unfortunately, we weren't able to make the recent payments. We have not been dishonest with you, but simply have not had the ability to pay. We have never intentionally jerked you around and are sorry you feel that way";

j. Randy Ray reassured Donna Gilmore on January 21, 2009 via email that the reason that FFI has failed to pay the settlement sums and place the minimum monthly orders is merely because of slow business saying, "Wendy and I are in Europe trying to sell MPG-CAPs";

k. Ryan Ogden on January 22, 2009 told Donna Gilmore via email. "All that I can do is apologize and let you know that through my conversations with Rob and Wendy

that they are committed to doing all that we can to keep sending money and hoping that you will stick with us while we get things straightened out";

l. Rob Dawson states to Donna Gilmore on January 27, 2009 regarding FFI's failure to pay the agreed Settlement Sums and place the agreed monthly minimum orders, "Let's try to work it out. In the process of doing that, you need to accept that you have not been misled or lied to. The business changed and we are doing our best. I agree, we want to order product and make payments";

m. Ryan Ogden said to Donna Gilmore copying Rob Dawson on February 3, 2009 via email "hope you are well. I am sorry for the delay in responding to you. As Randy and the others have explained to you, we've gone through a difficult period from a sales perspective. The Holiday season (including Chinese New Year) is a time for celebration, but it is not a good time for business in our industry. We continue to try to climb out of the hole that we are in due to this drop in revenue, but we're still optimistic about the future. Even more encouraging is the fact that we have a commitment that we will start to see a little outside funding within the next 2 to 3 weeks. From what I have been told, this funding is something that we can count on for certain. As soon as we receive this funding, we will be able to pick up on the payment schedule and also place a good product order. I am often a skeptical person, but I feel good that this is going to happen. If you could please bear with us for just a couple more weeks, we would really appreciate it and I truly believe it will be worth it for you"; FFI's potential funding through a "bank loan" was reconfirmed by Ryan Ogden to Donna Gilmore copying Rob Dawson on February 3, 2009 via email;



n. Randy Ray said to Donna Gilmore on February 11, 2009 via email, "We have made the cuts, it is starting to work because our out-flow is now less than our in-flow (we just need a few more weeks) and we will be in a position to make predictable payments, can't do anything more now. Getting frustrated with us is not going to produce cash with which to pay you. We are working to improve sales (cash inflow) and that will permit us to start paying down the A/P. Simple as that. Yelling, wasting money on Attorney's, sending nasty emails won't change a thing. Just make everyone frustrated. Please continue to work with us and do not make our situation worse by turning the Attorney Dogs onto us, it just makes the situation worse, and we will remember those people that were understanding and worked with us when the dust settles from this crisis":

o. Ryan Ogden said to Donna Gilmore on February 11, 2009 via email, "Rob, Randy and Wendy truly are committed to taking care of their obligations and also keeping this issue productive and out of court... Before you head too far down the legal path, please remember that we should be able to catch up with our payments and start sending money again in the very near future (probably next week)":

p. Ryan Ogden inquired about potentially making purchase orders to ConSeal via email on February 13, 2009;

q. Ryan Ogden said to Donna Gilmore on February 17, 2009 via email, "I will say that it is not good business to commit to buy things that you can't afford. Right now, our sales volume is much lower. It doesn't make much business to stock pile inventory that we can't sell and can't pay for – I assume you would agree with that. As much as I don't like it, that is the current state of affairs. However, I do know that we would like to continue to work with you and have you supply inventory...I'm sure it will be the

beginning of many more orders, but I can't guarantee the timing of the orders. I hope that we can work together and have a good business relationship...";

r. Wendy Lewis reassured Donna Gilmore via email on March 24, 2009 and copied Ryan Ogden, Randy Ray and Rob Dawson by stating, "We have been moving product from all over the world around to cover areas that have inventory shortages. If we have too much product in one location, we move the product from there to another area of the world. Additionally, we have not placed any new P.O.'s. We have only taken delivery of product that was being held from previous P.O.'s";

s. From the date the original Lawsuit was filed through the date of the parties' execution of the Settlement Agreement, Randy Ray, Wendy Lewis, Rob Dawson and Ryan Ogden made additional oral misrepresentations to Donna Gilmore that: (1) FFI would make the monthly minimum product purchases, which were valued by ConSeal to be not be less than \$81,657.00 per month, in exchange for the resolution of the Lawsuit as well as other comprises made by ConSeal in the Settlement Agreement, and that Randy Ray and Wendy Lewis would personally guarantee this financial obligation, (2) FFI had the need to purchase the agreed monthly minimum product purchases from ConSeal on an ongoing basis to be at least five years in duration; (3) FFI had the financial ability to pay for the agreed monthly minimum product purchases from ConSeal on an ongoing basis to be at least five years in duration, and (4) FFI had the financial ability to make the agreed lump sum payments under the Settlement Agreement. The exact dates and words used are not recalled by ConSeal.

1. From the date the parties executed the Settlement Agreement through the date the parties executed the Settlement Addendum, Randy Ray, Wendy Lewis, Rob Dawson and

Ryan Ogden made additional oral misrepresentations to Donna Gilmore that: (1) after the Settlement Agreement was executed FFI's business took a sharp decline, which prevented FFI from making the agreed monthly minimum purchases and Settlement Agreement lump sum payments; (2) that FFI had a steep decline in its sales of fuel additive products, which prevented their ability to make the monthly minimum purchases; (3) that FFI was merely moving around fuel additive products previously purchased or paid for under prior purchase orders made prior to ConSeal's filing of the original Lawsuit (ConSeal originally sued because FFI breached their agreement to purchase products exclusively from ConSeal); and (4) FFI was not placing any purchase orders with competitors of ConSeal since the parties began their negotiation of the Settlement Agreement in or around August 2008.

The above representations will be hereafter referred to as the "Misrepresentations."

49. Almost immediately after executing the Settlement Agreement, the Defendants committed numerous breaches of the Settlement Agreement claiming to have financial difficulties that prevented them from complying with the agreement. Strikingly, Defendants knew that they did not have the intention and/or financial means to make the monthly minimum product purchases (or pay the lump sum Settlement Sum or agreed attorneys' fees), but induced ConSeal to enter the Settlement Agreement based upon their repetitive assurances that new orders would be placed. Moreover, FFI was actively placing and receiving orders from ConSeal's competitor, Chemplex, for the same products they were negotiating with ConSeal to purchase under their Settlement Agreement and which FFI later agreed would not be purchased under the Settlement Addendum.

50. After months of negotiations in order to enforce the Settlement Agreement and to avoid further litigation, in or around February 2009, Plaintiff and the Defendants entered into the First Addendum to Settlement Agreement ("Settlement Addendum"); a copy of which is attached hereto as **Exhibit "I."**

51. The Settlement Addendum revised certain terms of the Settlement Agreement, including that: (1) it permitted Defendants to pay monies owed under the Settlement Agreement on a payment plan rather than as a lump sum; (2) required the Defendants to disclose FFI's financial condition in writing to ConSeal to sufficiently allow ConSeal to evaluate whether FFI was able to accelerate its payments; (3) Defendants agreed that Defendant FFI would consent to final judgment for damages in the amount of \$255,216.40, plus post-judgment interest; and (4) suspended FFI's duties to make the monthly fuel additive purchases until ten days after the settlement sums were paid (the agreed five (5) year period that FFI was obligated to make these monthly minimum purchase orders was preserved by the parties); however, FFI was not permitted to purchase fuel additive products from any other source during this time period. FFI duly filed the Consent Final Judgment with the Court.

52. At the time the Settlement Agreement and Settlement Addendum were executed by the Defendants, they knowingly and intentionally planned to not make the monthly minimum purchase orders, and at the time that Defendants executed the Settlement Addendum, the Defendants had no intention of honoring their agreement to not purchase fuel additive products from any other source during the time their obligation to ConSeal was suspended.



**Defendants' Breach of the Settlement**

53. Defendants again breached their settlement obligations, unfortunately, and despite ConSeal's demand for the Defendants' compliance with the terms of the Settlement Agreement and Settlement Addendum, Defendants are still in willful non-compliance:

a. **Monthly Product Purchases.** Under ¶ 2.3 of the Purchase Agreement, FFI was required to purchase a minimum amount of 250,000 grams per month of the MPG-Caps and Crumbs fuel additive products. Based upon the Defendants' claim of a poor financial condition and inability to purchase fuel additive products *from any source*, in ¶ 3 of the Settlement Addendum, ConSeal agreed to suspend FFI's minimum monthly purchases until ten days after the last payment of the outstanding balance of ConSeal's overdue invoices was paid. FFI has failed to make the minimum monthly purchase, and, upon information and belief, FFI, in conspiracy with the other Defendants, has instead used an alter ego to continue FFI's business by purchasing fuel additive products from other sources in contravention of the Settlement Agreement and Settlement Addendum. Specifically, under ¶ 3 of the Settlement Addendum, FFI was required to refrain from purchasing fuel additives from any source other than ConSeal as long as its payment obligations under the Settlement Addendum were suspended and cannot avoid its agreements with ConSeal by using alter egos to circumvent its agreements with ConSeal:

b. **Trademark Infringement.** Under ¶ 6 of the Settlement Agreement, Defendants acknowledged ConSeal's ownership of the EXTREME and SULFRX trademarks and were required not to use said marks or any confusingly similar variations

of the marks without first obtaining a written license from ConSeal. FFI has used ConSeal's trademarks in violation of the Settlement Agreement; and

c. **Financial Disclosures.** Under ¶ 2(c) of the Settlement Addendum, within sixty (60) days of execution of the Addendum and every sixty (60) days thereafter, FFI was required to disclose its financial condition in writing to ConSeal to permit ConSeal to determine whether payments under the Addendum's payment plan should be accelerated in the event that FFI's purported poor financial condition were to improve. To date, FFI has not provided a single written disclosure to ConSeal related to FFI's financial condition;

d. **Disclosure of Fuel Additive Suppliers.** Under ¶ 7 of the Settlement Agreement, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson must disclose, in writing, all sources from which they have purchased fuel additive products.

54. Jeunesse was incorporated, effective July 9, 2009, with the Florida Department of State, Division of Corporations at the corporate offices of FFI. Jeunesse was incorporated after FFI was aware that suit would be imminently filed by ConSeal for the Defendants' breaches of the Settlement Agreement and Settlement Addendum.

55. Upon information and belief, Jeunesse was organized by the same owners of FFI, i.e., Ray, Lewis and Dawson, as a mere instrumentality to mislead ConSeal and to prevent ConSeal from obtaining a judgment that could be collected upon. Jeunesse uses the same employees, officers and independent contractors to conduct the same business, with the similar product, through the same distribution channels as FFI and also uses the same business location with similar if not the same owners/investors as FFI.

56. Plaintiff has retained the undersigned law firm to represent it in this action and has agreed to pay a reasonable fee for its services, together with costs of this action.

57. All conditions precedent to the filing of this action have occurred, been waived or performed.

**Count 1**  
**(Breach of Settlement Agreement and Settlement  
Addendum Against FFI and Jeunesse)**

58. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

59. On or about September 24, 2008, ConSeal entered into the Settlement Agreement with FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson and the same parties entered into the Settlement Addendum in or about February 2009.

60. FFI breached its obligations in the Settlement Agreement and Settlement Addendum by failing to disclose its financial condition and fuel additive suppliers, by failing to make monthly minimum fuel additive purchases, and by infringing ConSeal's trademarks.

61. As a result of FFI's breaches of the Settlement Agreement and Settlement Addendum, ConSeal has been damaged.

62. ConSeal is entitled to recover damages for FFI's required minimum monthly payments for fuel additive purchases, which would not be less than \$81,657.00 per month (based upon the monthly minimum purchases of 250,000 grams of products required of FFI by the Purchase Agreement, which was divided between 150,000 grams of MPG-Caps at \$2.16 per blister pack (i.e., \$64,800 monthly minimum purchase) and 100,000 grams of solid fuel additives (i.e., \$16,857 monthly minimum purchase)). Accordingly, as of June 1, 2011, ConSeal is owed

approximately \$2,613,024.00 of damages in connection with the monthly minimum purchase requirements and damages continue to accrue monthly.

63. Additionally, under ¶ 13 of the Settlement Agreement, Defendants are liable to ConSeal for liquidated damages in the amount of \$100,000 for a breach of a non-payment obligation such as failure to make financial and non-financial disclosures as well as its wrongful use of ConSeal's trademarks.

64. Pursuant to ¶ 17 of the Settlement Agreement and ¶ 19 of the Purchase Agreement, ConSeal is entitled to recover its reasonable attorneys' fees and costs in enforcing these agreements.

65. Jeunesse is merely a continuation of FFI's business operations under a different corporate name and entity or Jeunesse is the alter ego of FFI.

66. Jeunesse is using the same personnel as FFI to sell the same type of products as FFI sold, i.e., skin care products, through the same distributions channels, in the same office using the same vendors.

67. Based upon the fraudulent continuation of FFI's business operations by Jeunesse for the purpose of avoiding liability under the Settlement Agreement and Settlement Addendum with ConSeal, Jeunesse is liable to ConSeal for amounts due from FFI to ConSeal for its breaches of these agreements.

WHEREFORE, ConSeal demands damages against Defendants, FFI and Jeunesse, plus attorney's fees and costs, and any further relief this Court deems is just and appropriate.

**Count 2**

**(Breach of Contract Against PMT, IFT, IFT Sales, Ray, Lewis and Dawson)**

68. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.



69. On or about September 24, 2008, ConSeal entered into the Settlement Agreement with FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson and the same parties entered into the Settlement Addendum in or about February 2009.

70. FFI breached its obligations in the Settlement Agreement and Settlement Addendum by failing to disclose its financial condition and fuel additive suppliers, by failing to make monthly minimum fuel additive purchases, and by infringing ConSeal's trademarks.

71. PMT, IFT, IFT Sales, Ray, Lewis and Dawson breached their obligations in the Settlement Agreement and Settlement Addendum by failing to disclose their fuel additive suppliers.

72. PMT, IFT, IFT Sales, Ray, Lewis and Dawson have an implied obligation to act in good faith to continue to purchase, sell and distribute ConSeal's Licensed Products through FFI consistent with the express provisions of these agreements. Specifically, a material term of the Settlement Agreement and Settlement Addendum was ConSeal's express negotiation of continued minimum monthly purchases of fuel additive products from ConSeal. In fact, Ray and Lewis personally guaranteed ConSeal's payment for these purchases. PMT, IFT, IFT Sales, Ray, Lewis and Dawson cannot circumvent their agreement to continue to have FFI purchase these products from ConSeal by merely purchasing fuel additive products by and through IFT, IFT Sales or another related entity to circumvent the parties' express understanding.

73. Moreover, upon information and belief, FFI also has used its affiliated companies, the FFI Related Entities, who are also parties to the Settlement Agreement and Settlement Addendum to avoid its obligations related to the minimum fuel additive purchase requirements by diverting fuel additive customer orders through the IFT Companies.

74. Upon further information and belief, the FFI Related Entities are also agents and/or alter egos of FFI. FFI and the FFI Related Entities all engage in business related to the sale and distribution of fuel additives, and all are believed to share the same facilities, officers, employees and customer pool.

75. Accordingly, while FFI may have maintained an appearance of compliance with the prohibition against purchasing fuel additives from other parties during the suspension of the minimum purchase requirements, FFI has surreptitiously used its agents/alter egos, the FFI Related Entities, to continue selling and distributing fuel additives purchased from third parties and not from ConSeal to FFI's customers. FFI's actions constitute a clear breach of the Settlement Agreement and Settlement Addendum not only by FFI, but also by PMT, IFT, IFT Sales, Ray, Lewis and Dawson, all of whom are parties to and are bound by the terms of the Settlement Agreement and Settlement Addendum under ¶24 of the Settlement Agreement and ¶22 of the Settlement Agreement.

76. Defendants have not complied with their obligations to have FFI make monthly minimum purchases of fuel additive products from ConSeal in accordance with the Settlement Agreement and Settlement Addendum. FFI placed its last order for fuel additives with ConSeal on May 29, 2009.

77. As a result of the Defendants breaches of the Settlement Agreement and Settlement Addendum, ConSeal has been damaged.

78. ConSeal is entitled to recover damages for FFI's required minimum monthly payments for fuel additive purchases, which would not be less than \$81,657.00 per month (based upon the monthly minimum purchases of 250,000 grams of products required of FFI by the Purchase Agreement, which was divided between 150,000 grams of MPG-Caps at \$2.16 per

blister pack (i.e., \$64,800 monthly minimum purchase) and 100,000 grams of solid fuel additives (i.e., \$16,857 monthly minimum purchase)). Accordingly, as of June 1, 2011, ConSeal is owed approximately \$2,613,024.00 of damages in connection with the monthly minimum purchase requirements and damages continue to accrue monthly.

79. ConSeal is entitled to recover from Ray and Lewis, individually, for FFI's<sup>®</sup> guaranteed minimum monthly payments for fuel additive purchases pursuant to their personal and continuing Guaranty.

80. Additionally, under ¶ 13 of the Settlement Agreement, Defendants are liable to ConSeal for liquidated damages in the amount of \$100,000 for a breach of a non-payment obligation such as failure to make financial and non-financial disclosures as well as breach of ConSeal's trademarks.

81. Pursuant to ¶ 17 of the Settlement Agreement and ¶ 19 of the Purchase Agreement, ConSeal is entitled to recover its reasonable attorneys' fees and costs in enforcing these agreements.

WHEREFORE, ConSeal demands damages against Defendants, PMT, IFT, IFT Sales, Ray, Lewis and Dawson, plus attorney's fees and costs, and any further relief that this Court deems is just and appropriate.

**Count 3**

**Breach of Fiduciary Duty Against Ray, Dawson and Lewis**

82. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

83. On or about September 24, 2008, ConSeal entered into the Settlement Agreement with FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson and the same parties entered into the Settlement Addendum in or about February 2009.

84. Upon information and belief, the owners, officers and directors of FFI, PMT, IFT, and IFT Sales are Ray, Dawson and Lewis and these entities are controlled by these three individuals.

85. Ray, Lewis and Dawson as individuals and as officers and directors of FFI, PMT, IFT, and IFT Sales entered into the Settlement Agreement and/or the Settlement Addendum at a time in which they knew that FFI could not or would not fulfill its obligations under this agreement.

86. At all times material, ConSeal was a creditor of FFI and its alter egos FFI, PMT, IFT, and IFT Sales.

87. At all times material, FFI, PMT, IFT, and IFT Sales were insolvent or imminently insolvent when ConSeal's claim accrued against FFI, PMT, IFT, and IFT Sales.

88. Ray, Lewis and Dawson, in their capacity as officers and directors of FFI, PMT, IFT, and IFT Sales owed a fiduciary duty to ConSeal, their creditor, to not wrongfully misappropriate assets and convert assets of FFI rendering FFI unable to pay its creditors.

89. Ray, Lewis and Dawson breached their fiduciary duty to both FFI and its creditor, ConSeal, by causing FFI to transfer assets, including, without limitation personnel, office supplies, good will, business relationships with its distributors and customers, to Jeunesse, and upon information and belief, monies and/or other assets to Ray, Lewis and Dawson.

90. As a direct and approximate cause of Ray, Lewis and Dawson's breach of their fiduciary duty, ConSeal has sustained damages.

WHEREFORE, ConSeal demands damages against Defendants, Ray, Lewis and Dawson, and any further relief that this Court deems is just and appropriate.



**Count 4**  
**(Tortious Interference with Contract Against PMT, IFT, IFT Sales,  
Ray, Lewis and Dawson)**

91. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

92. On or about September 24, 2008, ConSeal entered into the Settlement Agreement and Purchase Agreement with FFI and a Settlement Addendum in or about February 2009, which required FFI to make monthly minimum purchases of fuel additive products as follows:

2.3. Minimum Monthly Purchases; Non-Exclusive Purchase Arrangement. Upon execution of the Settlement Agreement, and for a period of five (5) years from the date of the Settlement Agreement, Buyer shall purchase from ConSeal the Solid Products known as "MPG-Caps" and "Crumbs" on a non-exclusive basis, to be sold under names or trademarks owned by or licensed to Buyer, in a minimum amount of 250,000 grams per month, not less than 150,000 grams of which shall be MPG-Caps; provided, however, that in the event the manufacture or sale of such Solid Products is prohibited or restricted by governmental regulators, Buyer's monthly purchase requirement shall be reduced in proportion to the reduced availability or ability to sell due to such governmental or regulatory action. This Agreement is not an exclusive purchase agreement, and although Buyer is under no obligation to purchase fuel additive products solely from ConSeal Buyer shall satisfy this monthly minimum purchase requirement with ConSeal before ordering fuel additive products from alternative sources.

*See Exhibit 1 (emphasis added).*

93. Pursuant to the Schedule 1 of product costs attached to the Purchase Agreement, FFI was obligated to make minimum purchases and payments of \$81,657.00 per month to ConSeal. ConSeal is entitled to recover damages for FFI required minimum monthly payments for fuel additive purchases, which would not be less than \$81,657.00 per month (based upon the monthly minimum purchases of 250,000 grams of products required of FFI by the Purchase Agreement, which was divided between 150,000 grams of MPG-Caps at \$2.16 per blister pack

(i.e., \$64,800 monthly minimum purchase) and 100,000 grams of solid fuel additives (i.e., \$16,857 monthly minimum purchase)).

94. Almost immediately after the Plaintiff and Defendants entered into the Settlement Agreement, the Defendants claimed that FFI was unable to comply with its payment obligations to ConSeal and based upon these statements. ConSeal was induced to enter into the Settlement Addendum, which provided in pertinent part that:

3. **Purchase of Fuel Additive Products.** FFI's duties and obligations under ¶ 5 of the Agreement and the Manufacturing and Purchase Agreement attached as Exhibit B thereto shall be suspended until ten (10) days after the last alternating payment made by FFI under ¶ 2c above, at which time all of FFI's duties and obligations there under shall immediately commence. Notwithstanding the foregoing, FFI shall not purchase fuel additive products from any source other than ConSeal during the time that FFI's obligations under ¶ 5 of the Agreement and the Manufacturing and Purchase Agreement are being suspended.

*See Exhibit 2 (emphasis added).*

95. PMT, IFT, IFT Sales, Ray, Lewis and Dawson were all parties to the Settlement Agreement and Settlement Addendum, and therefore, had express knowledge of FFI's agreements with ConSeal; however, PMT, IFT, IFT Sales, Ray, Lewis and Dawson were not parties to the agreement between ConSeal and FFI relating to the minimum purchases.

96. Upon information and belief, PMT, IFT, IFT Sales, Ray, Lewis and Dawson intentionally and without justification interfered with ConSeal's agreements with FFI by using the FFI Related Entities or other related companies to purchase fuel additive products from other companies, rather than by using the FFI entity for these purchases, to interfere with ConSeal's agreements with FFI.

97. As a result of PMT, IFT, IFT Sales, Ray, Lewis and Dawson's interference, ConSeal has been damaged.

WHEREFORE, ConSeal demands damages against Defendants, PMT, IFT, IFT Sales, Ray, Lewis and Dawson, plus costs, and for such other and further relief as this Court deems appropriate.

**Count 5**  
**(Specific Performance of Contract)**

98. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

99. Under ¶ 2(c) of the Settlement Addendum, within sixty (60) days of execution of the Settlement Addendum and every sixty (60) days thereafter, FFI was required to disclose its financial condition in writing to ConSeal to permit ConSeal to determine whether payments under the Settlement Addendum's payment plan should be accelerated in the event that FFI's purported poor financial condition were to improve.

100. FFI did not provide written disclosures to ConSeal related to FFI's financial condition.

101. Under ¶ 7 of the Settlement Agreement, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson must disclose, in writing, all sources from which they have purchased fuel additive products.

102. As of the date this lawsuit was filed, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson had not disclosed all sources from which they have purchased fuel additive products as required by their agreement with ConSeal.

103. Under ¶ 6 of the Settlement Agreement, Defendants acknowledged ConSeal's ownership of the EXTREME and SULFRX trademarks and were required not to use said marks or any confusingly similar variations of the marks without first obtaining a written license from ConSeal.

104. Upon information and belief, Defendants have used ConSeal's EXTREME and SULFRX trademarks in violation of the Settlement Agreement.

105. ConSeal has no adequate remedies at law to recover damages.

106. ConSeal has a substantial likelihood of success on the merits set forth in this Complaint.

107. Granting specific enforcement of the parties' agreement will serve the public's interest.

108. Pursuant to ¶ 17 of the Settlement Agreement and ¶ 19 of the Purchase Agreement, ConSeal is entitled to recover its reasonable attorneys' fees and costs in enforcing these agreements.

WHEREFORE, ConSeal demands disclosure of the agreed-upon information and a temporary and permanent injunctive relief against the Defendants use of ConSeal's EXTREME and SULFRX trademarks, plus attorney's fees and costs, and any further relief that this Court deems is just and appropriate.

**COUNT 6**

**(Civil Conspiracy Against FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson)**

109. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

110. Defendants, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson are parties to a civil conspiracy.

111. Defendants, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson, conspired together to fraudulently or negligently induce ConSeal to enter into the Settlement Agreement and Settlement Addendum.



112. Specifically, Dawson, Ray, Lewis and Ogden, falsely or negligently made the Misrepresentations to ConSeal's Donna Gilmore.

113. The Misrepresentations were a material fact upon which ConSeal based its decision to enter into the Settlement Agreement and Settlement Addendum.

114. Ray, Lewis, Dawson and Ogden knew or should have known that the Misrepresentations were false and intended ConSeal to rely on the Misrepresentations in entering into the Settlement Agreement and Settlement Addendum.

115. ConSeal relied on the Misrepresentation to its detriment.

116. ConSeal consequently was damaged.

117. In addition, PMT, IFT, IFT Sales, Ray, Lewis and Dawson tortiously interfered with FFI's contractual and business relationship with ConSeal as more specifically alleged in paragraphs 92 to 97, which are adopted and incorporated herein.

118. Finally, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson had a malicious motive and coerced through their numbers to economically influence FFI not to make monthly minimum purchases of fuel additive products from ConSeal and to divert FFI's purchases and business to other entities to ConSeal's detriment.

119. FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson each owed a duty to ConSeal and intentionally violated that duty by performing overt acts in furtherance of the conspiracy.

120. Defendants' conspiracy and their overt acts caused Plaintiff ConSeal to suffer damages.

121. ConSeal reserves the right to proffer evidence, which would provide a reasonable basis for its recovery of punitive damages in that FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson's actions amounted to intentional misconduct as defined by Section 768.72(3), Fla. Stat.

WHEREFORE, Plaintiff, ConSeal, demands judgment against Defendants, FFI, PMT, IFT, IFT Sales, Jeunesse, Ray, Lewis and Dawson, jointly and severally, for the relief requested herein, and for such other and further relief as this Court deems appropriate.

**COUNT 7**  
**(Fraud Against All Defendants)**

122. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

123. Defendants, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson all participated in defrauding ConSeal into entering into the Settlement Agreement and Addendum to Settlement Agreement.

124. From March 28, 2008 through the date that the Settlement Agreement was executed on September 24, 2008, Ray, Lewis, Dawson and Ogden made the Misrepresentations to Donna Gilmore of ConSeal.

125. Defendants knew that FFI's purchase of monthly minimum purchases of fuel additive products was a material fact upon which ConSeal entered into the Settlement Agreement. For example, despite the Defendants' breaches of their agreement to purchase 100% of FFI's fuel additive product needs from ConSeal and Defendants' manufacturer and sale of a Counterfeit Fuel Additive Product as well as other claims, ConSeal merely agreed to accept payment of the amount of its past due invoices and its fees and costs in exchange for ConSeal's agreement to terminate its prior agreements with the Defendants as well as ConSeal's rights to the trademark's MPG-Caps and MPG-Boost. ConSeal would never have entered into the Settlement Agreement if it had known that FFI did not intend to make the agreed-upon monthly minimum product purchases.

126. Defendants knew that this representation that FFI would make the agreed monthly minimum product purchases was false at the time they made the misrepresentation because FFI was not even in the financial position to timely pay ConSeal's past-due invoices and attorneys' fees let alone make continued monthly minimum purchases. Moreover, while making these representations to ConSeal, upon information and belief, FFI was still purchasing large quantities of product from the same manufacturer that made the Counterfeit Fuel Additive Product, i.e., Chemplex Automotive Group, Inc.

127. It was Defendants' intention that these misrepresentations induce ConSeal to enter into the Settlement Agreement to the injury of ConSeal. To its detriment, ConSeal relied on this representation when it entered into the Settlement Agreement.

128. Moreover, Defendants made the Misrepresentations that FFI was not making fuel additive purchases from other manufacturers and that FFI was merely moving around product from one of its warehouses to others to cover orders.

129. Defendants made the Misrepresentations to induce ConSeal to rely on the Misrepresentations in entering into the Addendum to Settlement and Defendants knew these misrepresentations were false when made because Defendants were purchasing and/or receiving fuel additive product from manufacturers other than ConSeal and continued to receive and purchase fuel additive products in express violation of the Settlement Addendum after that agreement was signed.

130. ConSeal relied on these misrepresentations to its detriment.

131. To the extent that this Court finds that Defendants fraudulently induced ConSeal to enter into the Settlement Agreement and Settlement Addendum, ConSeal agrees to return the parties to the status quo.

132. ConSeal reserves the right to proffer evidence, which would provide a reasonable basis for its recovery of punitive damages in that FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson's actions were grossly negligent or amounted to intentional misconduct as defined by Section 768.72(3), Fla. Stat.

WHEREFORE, Plaintiff, ConSeal, demands judgment against Defendants, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson and FFI's alter ego Jeunesse to either enforce the benefit of the bargain or to vacate the Settlement Agreement and Addendum to Settlement and restore the parties to the status quo, and for such other and further relief as this Court deems appropriate.

**COUNT 8**  
**(Negligent Inducement Against All Defendants)**

133. Allegations numbers 1 through 57 and 123 through 132 are adopted and incorporated as if stated herein.

134. Defendants, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson all participated in negligently inducing ConSeal into entering into the Settlement Agreement and Settlement Addendum by making the Misrepresentations.

135. From March 28, 2008 through the date that the Settlement Agreement was executed on September 24, 2008, Ray, Lewis, Dawson and Ogden, individually and as agents and/or employees of FFI, PMT, IFT and IFT Sales made Misrepresentations concerning material facts that they may have believed were true, but were in fact false. Specifically, they advised ConSeal that should it enter into the Settlement Agreement, FFI would make lump sum payments to ConSeal and that FFI would immediately commence making monthly minimum product purchases under the price and conditions set forth in the parties' agreement.

136. From September 24, 2008 through the date the Settlement Addendum was executed, Ray, Lewis, Dawson and Ogden, individually and as agents and/or employees of FFI,



PMT, IFT and IFT Sales made Misrepresentations concerning material facts that they may have believed were true, but were in fact false.

137. Defendants were negligent in making the above described Misrepresentations because they knew or should have known that the statements were false.

138. Defendants made these Misrepresentations to ConSeal with the intention and/or expectation that ConSeal would be induced into entering the Settlement Agreement and Settlement Addendum and ConSeal did justifiably rely on said Misrepresentations in entering these agreements.

WHEREFORE, Plaintiff, ConSeal, demands judgment against Defendants, FFI, PMT, IFT, IFT Sales, Ray, Lewis and Dawson and FFI's alter ego Jeunesse to either enforce the benefit of the bargain or to vacate the Settlement Agreement and Addendum to Settlement and restore the parties to the status quo, and for such other and further relief as this Court deems appropriate.

**COUNT 9**

**(In the alternative, Breach of License Agreement against FFI, Jeunesse and PMT )**

139. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

140. Defendants FFI and PMT have flagrantly breached numerous provisions of the License Agreement, including, but not limited to:

- a. failing to pay ConSeal's invoices for the Licensed Products ordered and shipped by Defendants;
- b. failing to comply with the minimum purchase requirements in breach of paragraph 8(g);

- c. failing to use their best efforts to continuously package, sell and ship all of the Licensed Products in commercially reasonable quantities in breach of paragraph 4(b);
- d. selling the Counterfeit Fuel Additive Product bearing ConSeal's EPA registration number in breach of paragraphs 4(c) and 6(a);
- e. failing to maintain the confidentiality of ConSeal's proprietary information, knowledge and trade secrets in breach of paragraph 4(d) by, among other things, contracting with third party manufacturers to unlawfully manufacture and sell the Counterfeit Fuel Additive Product;
- f. failing to use their best efforts to promote the Licensed Products in breach of paragraph 4(f)(i);
- g. packaging and selling the Counterfeit Fuel Additive Product with the same Property as Defendants packaged and sold the Caplet Fuel Additive Product in breach of paragraph 6(a) and (c);
- h. selling the Counterfeit Fuel Additive Product which is inferior in quality to the Caplet Fuel Additive Product in breach of the quality standards requirements described in paragraph 8(b); and
- i. packaging and selling the Counterfeit Fuel Additive Product, which differs from the approved samples of the Licensed Products, in breach of paragraph 8(c).

141. As a result of Defendants' breaches of the License Agreement, ConSeal has been damaged.

142. Jeunesse as the mere instrumentality and/or alter ego of FFI is liable to ConSeal for any judgment ConSeal receives against FFI.

143. Under paragraph 10(c), ConSeal is entitled to interest on the amounts owing at a rate equal to one and one-half percent (1.5%) per month, plus attorney's fees and costs from the date the amount is due until said date of payment.

WHEREFORE, Plaintiff, ConSeal, demands judgment against Defendants, FFI and PMT, and Jeunesse as the alter ego of FFI, and for such other and further relief as this Court deems appropriate.

**COUNT 10**

**(In the alternative, Breach of Market Agreement against FFI and Jeunesse )**

144. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

145. FFI has flagrantly breached the Market Agreement, including, but not limited to:
- a) failing to purchase 100% of its requirements for fuel additive products exclusively from ConSeal in breach of paragraph 2;
  - b) failing to comply with the minimum purchase requirements in breach of Buyer's Clause paragraph 2; and
  - c) disclosing ConSeal's Confidential Information in breach of Buyer's Clause 2.E.1 by, among other things, contracting with third party manufacturers to unlawfully manufacture and sell the Counterfeit Fuel Additive Product.

146. As a result of Defendants' breaches of the Market Agreement, ConSeal has been damaged.

147. Jeunesse as the mere instrumentality and/or alter ego of FFI is liable to ConSeal for any judgment ConSeal receives against FFI.

WHEREFORE, Plaintiff, ConSeal, demands judgment against Defendants, FFI and Jeunesse as the alter ego of FFI, and for such other and further relief as this Court deems appropriate.

**COUNT 11**

**(In the alternative, Breach of Non-Disclosure Agreements against Ray, Lewis and Dawson)**

148. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

149. Defendants have flagrantly breached the Non-Disclosure Agreements, including, but not limited to: (a) disclosing ConSeal's Confidential and Proprietary Information in breach of paragraphs 3, 5 and 7 by, among other things, contracting with third party manufacturers to unlawfully manufacture and sell the Counterfeit Fuel Additive Product; and (b) circumventing ConSeal by manufacturing and selling the Counterfeit Fuel Additive Product in breach of paragraph 2.

150. As a result of Defendants' breaches of the Non-Disclosure Agreements, ConSeal has been damaged.

WHEREFORE, Plaintiff, ConSeal, demands judgment against Defendants, Ray, Lewis and Dawson, and for such other and further relief as this Court deems appropriate.

**COUNT 12**

**(In the alternative, Deceptive and Unfair Trade Practices against FFI, Jeunesse and PMT)**

151. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

152. By selling and distributing the Counterfeit Fuel Additive Product using ConSeal's EPA registration number, Defendants are engaging in unfair methods of competition,



unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of trade or commerce in violation of Fla. Stat. §501.204, et. seq.

153. Jeunesse as the mere instrumentality and/or alter ego of FFI is liable to ConSeal for any judgment ConSeal receives against FFI.

WHEREFORE, Plaintiff, ConSeal, demands judgment against Defendants, FFI and Jeunesse as the alter ego of FFI, and for such other and further relief as this Court deems appropriate.

**COUNT 13**

**(In the alternative, Account Stated against FFI, Jeunesse and PMT)**

154. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

155. Defendants ordered Licensed Products from ConSeal, and ConSeal delivered same to Defendants.

156. The balance of \$467,493.31, plus interest, is correct and due, and Defendants have never disputed same.

157. Defendants expressly and implicitly promised to pay the balance.

158. ConSeal is entitled to maintain this sum paid under the Settlement Agreement should the Settlement Agreement be vacated.

WHEREFORE, ConSeal demands a judgment for damages against Defendants, plus interest and costs.

**COUNT 14**

**(In the alternative, Open Account against FFI, Jeunesse and PMT)**

159. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

160. Defendants owe ConSeal \$467,493.31 that is due with interest since November 28, 2007, according to the attached statement of account in Exhibit E.

161. ConSeal is entitled to maintain this sum paid under the Settlement Agreement should the Settlement Agreement be vacated.

WHEREFORE, ConSeal demands a judgment for damages against Defendants, plus interest and costs.

**COUNT 15**

**(In the alternative, Breach of Personal Guaranty against Ray)**

162. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

163. Defendant Ray personally guaranteed "any obligation of [FFI]" as reflected in Exhibit "J" hereto.

164. FFI owes ConSeal damages under the causes of action set forth herein

165. Ray expressly waived notice of default under the Individual Personal Guaranty; however, Ray has been provided notice of the obligations owed to ConSeal as set forth in this action.

166. ConSeal is entitled to recover its attorneys' fees pursuant to the terms of the Personal Guaranty.

167. ConSeal is entitled to maintain the sum paid for past due invoices under the Settlement Agreement should the Settlement Agreement be vacated.

WHEREFORE, ConSeal demands a judgment for damages against Defendant Ray, plus interest and costs, plus attorneys' fees pursuant to the terms of the Personal Guaranty.

**COUNT 16**  
**(Injunctive Relief against All Defendants)**

168. Allegations numbers 1 through 57 are adopted and incorporated as if stated herein.

169. ConSeal requests temporary and permanent injunctive relief to enjoin Defendants from advertising, manufacturing, selling, distributing, and using the Counterfeit Fuel Additive Product, ConSeal's EPA registration number, and ConSeal's other confidential and proprietary information as described in the License Agreement, the Market Agreement, and the Non-Disclosure Agreements, or alternatively, in the Settlement Agreement and Addendum to Settlement.

170. In the Non-Disclosure Agreements, Defendants Ray, Lewis, and Dawson acknowledged and agreed that any breach by them would constitute irreparable harm to ConSeal, that monetary damages will be inadequate to compensate ConSeal for such breach, and that in addition to or in lieu of damages, ConSeal is entitled to temporary injunctive relief to prevent the breach. *See* Section 8 of each Non-Disclosure Agreement.

171. ConSeal has suffered and will continue to suffer irreparable harm because of the Defendants' unlawful conduct.

172. ConSeal has no adequate remedy at law for the Defendants' unlawful conduct.

173. ConSeal has a substantial likelihood of success on the merits set forth in this Complaint.

174. An injunction will serve the public's interest by preventing, among other things, deception of the public based on Defendants' unauthorized use of ConSeal's EPA registration number other confidential and proprietary information as described in the License Agreement.

the Market Agreement, and the Non-Disclosure Agreements, or alternatively, in the Settlement Agreement and Addendum to Settlement.

WHEREFORE, ConSeal respectfully requests this Court to grant it temporary and permanent injunctive relief against the Defendants, including enjoining defendants and their agents, attorneys, employees, subcontractors and others in active concert and/or participation with them from promoting, distributing, copying, creating derivative works or otherwise infringing ConSeal's Licenses Products, ordering Defendants to return to ConSeal all information in their possession, custody or control or in the possession, custody or control of their agents, employees, subcontractors, attorneys, and anyone acting in concert with them, ordering Defendants and all of their agents, employees, subcontractors and others in active concert and/or participation with them be enjoined and prevented from directly or indirectly using, reproducing, manufacturing, installing, advertising, promoting, selling or distributing any cabinets based upon ConSeal's Licenses Products, or which are substantially similar thereto.

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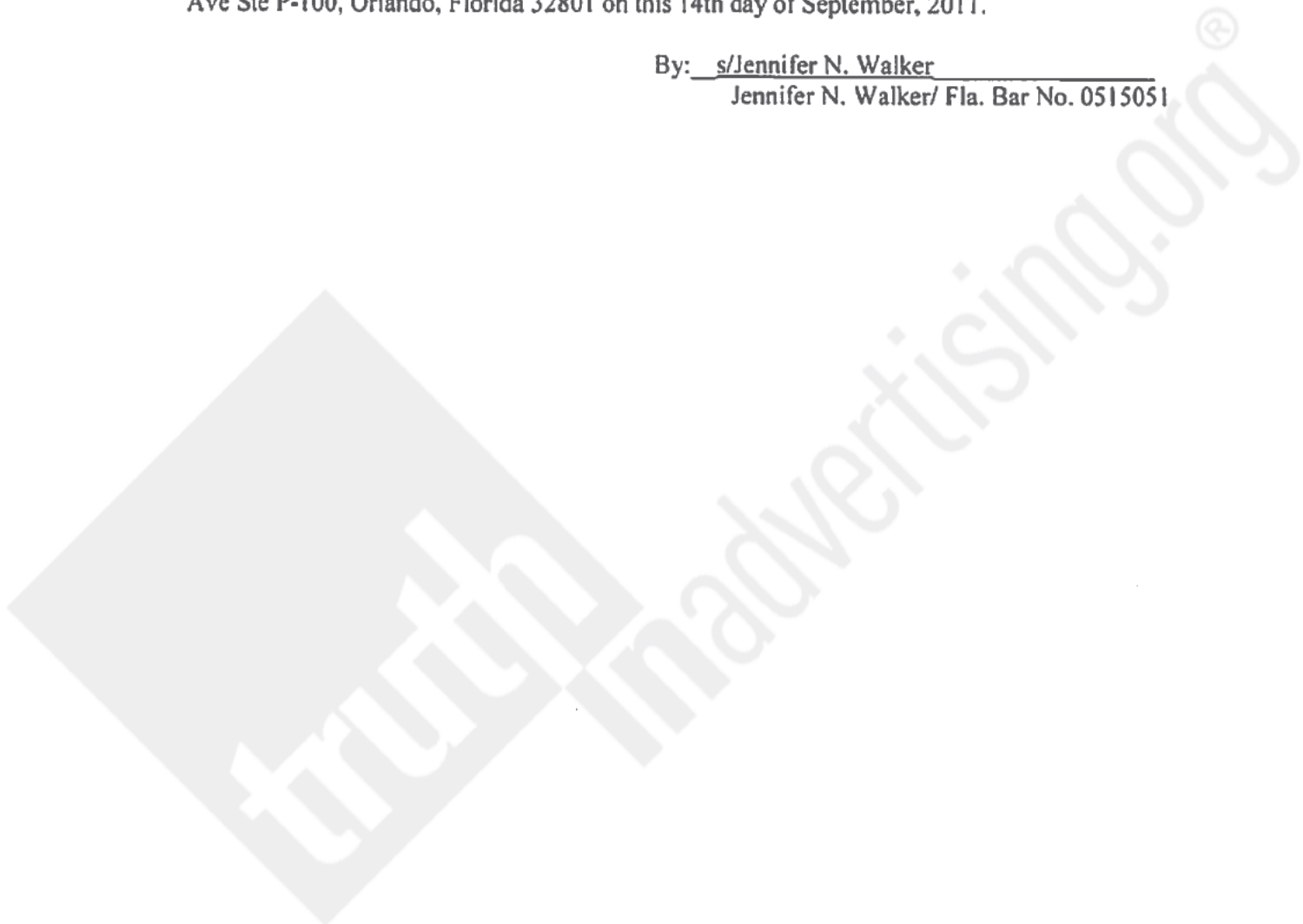
By: s/Jennifer N. Walker  
Jennifer N. Walker  
Fla. Bar No. 0515051  
James David Johnson  
Fla. Bar No. 578029



**CERTIFICATE OF SERVICE**

WE HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically to Carl D. Motes, Esq., Arnold, Matheny & Eagan, P.A., 605 E. Robinson Street, Suite 730, Orlando, Florida 32801 and George Carr, Esq., Swartz Campbell, LLC, 250 S Orange Ave Ste P-100, Orlando, Florida 32801 on this 14th day of September, 2011.

By: s/Jennifer N. Walker  
Jennifer N. Walker/ Fla. Bar No. 0515051



eFiled in the Office of Clerk of Court, Orange County Florida 2011 Sep 14 03:24 PM Lydia Gardner

**CONFIDENTIAL**

**NON-DISCLOSURE AGREEMENT**

THIS AGREEMENT is made this 14th day of September, 2011, between the undersigned International Business Machines Corporation, a corporation organized under the laws of the State of New York, and its wholly owned subsidiary, International Business Machines Corporation, a corporation organized under the laws of the State of Florida, hereinafter referred to as the "Party."

Whereas, the Party is engaged in the development of a new product, and the Party desires to protect its confidential information and trade secrets from disclosure to third parties, and

Whereas, the Party desires to engage the services of the undersigned to provide certain services, and the Party desires to protect its confidential information and trade secrets from disclosure to third parties, and

Whereas, the Party desires to protect its confidential information and trade secrets from disclosure to third parties, and the Party desires to engage the services of the undersigned to provide certain services, and

Whereas, the Party desires to protect its confidential information and trade secrets from disclosure to third parties, and the Party desires to engage the services of the undersigned to provide certain services, and

Whereas, the Party desires to protect its confidential information and trade secrets from disclosure to third parties, and the Party desires to engage the services of the undersigned to provide certain services, and

Whereas, the Party desires to protect its confidential information and trade secrets from disclosure to third parties, and the Party desires to engage the services of the undersigned to provide certain services, and

Whereas, the Party desires to protect its confidential information and trade secrets from disclosure to third parties, and the Party desires to engage the services of the undersigned to provide certain services, and

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evaluation or negotiation period, as the case may be, only as specifically authorized by the Discloser in writing or pursuant to this Agreement.

5. The Recipient shall not use any Confidential and Proprietary Information provided to it by the Discloser in its business, services, or its products or services supplied to or made by others for the Recipient, if such action or use constitutes or results in a breach of this Agreement.

6. The Recipient understands and agrees that no license, implied or otherwise, is given to the Recipient for any of the Discloser's intellectual property (including such as patents, copyrights, trade secrets, or any other Confidential and Proprietary Information) obtained from the Discloser, except as may be otherwise expressly set forth in a separate written agreement executed by a duly authorized officer of the Discloser.

7. For the purpose of this Agreement, "Confidential and Proprietary Information" of the Discloser shall mean and intend the following:

- (a) Information in written or oral form, disclosed by the Discloser to the Recipient in the course of any and all of their communications and dealings in connection with the Discussions, including, without limitation, the following: business relations, documents prepared by the Discloser or any third parties distributed to the Recipient, product designs, plans, data, drawings, sketches, samples, models and devices, software, firmware, hardware, machinery or equipment, and all documentation relating to all formulas, production processes or marketing techniques, and all pricing and customer data and customer lists, related financial information relating to the Discloser, all discoveries, concepts and ideas, whether patentable or protectable by copyright or otherwise, or held as trade secrets, and any other materials or information relating to the business or activities of the Discloser, that are disclosed to the Recipient pursuant to this Agreement.
- (b) Such information in written or oral form generated for the Discloser by third parties, regardless of whether the Discloser or said third parties shall have made the disclosure to the Recipient pursuant to this Agreement.
- (c) Information generated jointly by the Recipient and the Discloser, or solely by the Recipient as a result of the disclosure of such Confidential and Proprietary Information of the Discloser, as is contemplated by this Agreement, and prior to entering into a written agreement addressing non-disclosure of such Confidential and Proprietary Information.
- (d) Failure to mark any of the Confidential and Proprietary Information as "confidential" or by some similar term shall not affect its status as the Proprietary and Confidential Information of the Discloser as otherwise set forth in the Agreement.
- (e) The Confidential and Proprietary Information of the Discloser shall not include such information as shall:
  - (i) Be within the public domain without wrongful act of the Recipient pursuant hereto at the time of disclosure thereof to the Recipient by the Discloser;
  - (ii) Have been developed by the Recipient independently of such disclosure, or is known by the Recipient at any time through disclosure by a person (not a Party to this Agreement) who has a bona fide right to make such disclosures;
  - (iii) Be used or disclosed with specific prior written authorization of the Discloser, but only within the specific written terms of such authorization.

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8. The Recipient understands and agrees that the Discloser will suffer irreparable harm in the event of any breach of this Agreement by the Recipient and that monetary damages will be inadequate to compensate the Discloser for such breach. Accordingly, the Recipient agrees that the Discloser, in addition to and not in lieu of other rights, remedies or damages, shall be entitled to temporary or permanent injunctive relief in order to prevent or restrain any breach hereunder.

9. This Agreement shall terminate ten (10) years after the date hereof, and it may be extended thereafter by the Parties' mutual written agreement, and the noncircumvention provisions shall survive any termination of this Agreement for a period of five (5) years after such termination.

10. Under this Agreement, there is no obligation to purchase from or to sell to the other party any services or items, and there is no agency or partnership relationship created between the Parties. In the event the parties decide, after the Discussions, to work together in a business relationship, it is contemplated that the parties will execute a further agreement or agreements to define and govern such business relationship and that such agreement or agreements may amend the terms of this Agreement.

11. This Agreement shall be governed by and interpreted in accordance with the internal laws of the Commonwealth of Massachusetts, excluding conflict of laws principles. The intention of all of any provision of this Agreement or any portion thereof shall not affect the enforceability of the remaining provisions hereof, and the Parties agree that any provision hereof modified by a Court may be enforced as so modified. ~~THE PARTIES HERETO HEREBY WAIVE ALL RIGHTS TO A TRIAL JURY~~ and consent to the jurisdiction of the Courts in Middlesex County, Massachusetts, and the Federal Courts located in the Commonwealth of Massachusetts, and waive all defenses, of venue and convenient jurisdiction. This Agreement shall be binding on the Parties hereto, and on their heirs, assigns or other entities who, when acting in which any other business or investment relationship may exist or other such Party, adds or in conjunction with others from time to time.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement under seal as of the 11<sup>th</sup> day of January, 2006.

CONSEAL INTERNATIONAL, INC.

FUEL FREEDOM INTERNATIONAL, LLC

By: [Signature]  
Stephen P. [Name], President  
90 Kears Road, Suite 2  
Natick, Massachusetts 02062

By: [Signature]  
Randy Ray  
650 Douglas Avenue, Suite 1020  
Altamonte Springs, FL 32714



*Rob Davidson* *RD*

**ORIGINAL**

**NON-DISCLOSURE AND  
NON-CIRCUMVENTION AGREEMENT**

THIS AGREEMENT is made as of the date set forth below by and between ConSens International, Inc., a Florida corporation with a usual place of business located in Norwood, Massachusetts ("ConSens"), and Paul Freedom International, LLC, a corporation, with a usual place of business located at 650 Douglas Avenue, Suite 1024, Altamonte Springs, Florida (FL), herein the "Parties" or separately a "Party."

**RECELAIS**

A. ConSens and PFI plan to engage in discussions concerning a possible Agreement or Agreements governing the use of certain technologies and the potential formulation, production and marketing of certain products (the "Discussions"), and

B. In connection with such Discussions, and the possible subsequent Agreements, the Parties hereto will be disclosing to each other certain Confidential and Proprietary Information (as defined below). The Party disclosing its Confidential and Proprietary Information to the other Party hereto is herein called the "Discloser," and the other Party who is a the recipient of such Confidential and Proprietary Information is herein called the "Recipient."

NOW, THEREFORE, in consideration of the time and efforts of ConSens and of PFI, and of ConSens and their respective employees and agents, in connection with the above described discussions and possible subsequent agreements, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto hereby agree, as follows:

1. The Recipient will not reveal, show, employ or disseminate and neither will any third party not in its employ and not bound by this Agreement any of the Discloser's Confidential and Proprietary Information ("Information") without the prior written consent of the Discloser, except that consultants retained by the Recipient who are obligated to hold all such Information in confidence to the same degree as employees of the Recipient, and to whom disclosure is provided, and any lawyer or law firm advising the Recipient, may receive such Information in order to assist the Recipient in its Discussions with the Discloser, and in connection with all related matters including any subsequent agreements. The term "the Recipient" as used in this Agreement, shall include all employees, agents, servants, consultants, accountants and lawyers acting for and on behalf of the Recipient as provided herein.

2. Both parties agree that it will not circumvent the other for purposes of selling its products or services directly or through any third party or any of its affiliates, or any other related organization brought to the attention of the other party by way of said Discussions.

3. The Recipient will not use any of said Confidential and Proprietary Information in its business, or in any business with which it is affiliated or associated in any way, regardless of the outcome of the intended evaluation or any resulting negotiations; without the express prior written consent of the Discloser.

4. Upon the conclusion of the Discussions, and subject to such further agreements as may be entered into as the result of or relating to the Discussions, the Recipient shall return to the Discloser all copies of documents or other embodiments of such Information provided by the Discloser, retaining no duplicate copies or other electronic form thereof, it being agreed that all original information shall be the exclusive property of the Discloser, and shall be held or copied by the Recipient during or after the

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evaluation or negotiation period, as the case may be, only as specifically authorized by the Discloser in writing or pursuant to this Agreement.

5. The Recipient will not use any Confidential and Proprietary Information provided to it by the Discloser in its products or services, or in products or services compiled in, or made by others for the Recipient, if such action or use constitutes or results in a breach of this Agreement.

6. The Recipient understands and agrees that no license, implied or otherwise, is given to the Recipient for any of the Discloser's intellectual property rights such as patents, copyrights, trade secrets, or any other Confidential and Proprietary Information obtained from the Discloser, except as may be otherwise expressly set forth in a separate written agreement executed by a duly authorized officer of the Discloser.

For the purpose of this Agreement, "Confidential and Proprietary Information" of the Discloser shall mean and intend the following:

- (a) Information in written or oral form, disclosed by the Discloser to the Recipient in the course of any and all of their communications and dealings in connection with the Discloser's business, including without limitation the following: plans, reports or descriptions prepared by the Discloser or any third parties identified in the documents, product concepts, plans, data, drawings, sketches, samples, models and devices, and software, firmware, hardware, assembly or equipment and all documentation relating thereto; all formulas, production processes or marketing techniques and all pricing and customer data and customer list related thereto; financial information belonging to the Discloser; all discoveries, concepts and ideas, whether patentable or unpatentable, by copyright or otherwise, or held as trade secrets and any other materials or information relating to the business or activities of the Discloser, that are disclosed in the context of this Agreement;
- (b) Such information in written or oral form, generated for the Discloser by third parties, regardless of whether the Discloser or said third parties shall have made the disclosure to the Recipient pursuant to this Agreement;
- (c) Information generated jointly by the Recipient and the Discloser, or solely by the Recipient as a result of the disclosure of such Confidential and Proprietary Information of the Discloser as is contemplated by this Agreement and made to be covered with a written agreement addressing non-disclosure of such Confidential and Proprietary Information;
- (d) Failure to mark any of the Confidential and Proprietary Information as "Confidential" or by some similar term shall not affect its status as the Confidential and Confidential Information of the Discloser as otherwise set forth in the Agreement;
- (e) The Confidential and Proprietary Information of the Discloser shall not include such information as shall:
  - (i) Be within the public domain without violation of the Agreement pursuant hereto at the time of disclosure thereof to the Recipient by the Discloser;
  - (ii) Have been developed by the Recipient independently of such disclosure, or is known by the Recipient at any time through disclosure by a person (not a Party to this Agreement) who has a bona fide right to make such disclosure;
  - (iii) Be used or disclosed with specific prior written authorization of the Discloser, but only within the specific written terms of such authorization.

8. The Recipient understands and agrees that the Discloser will suffer irreparable harm in the event of any breach of this Agreement by the Recipient and that monetary damages will be inadequate to compensate the Discloser for such breach. Accordingly, the Recipient agrees that the Discloser, in addition to and not in lieu of their right, remedies or damages, shall be entitled to temporary or permanent injunctive relief in order to prevent or restrain any breach hereunder.

9. This Agreement shall terminate ten (10) years after the date hereof and it may be extended thereafter by the Parties' mutual written agreement and the non-competition provisions shall survive any termination of this Agreement for a period of five (5) years after such termination.

10. Under this Agreement, there is no obligation to purchase from or to sell to the other party any service or item and there is no agency or partnership relationship created between the parties. In the event the parties decide after the Discussions to work together in a business relationship, it is contemplated that the parties will execute a further agreement or agreements to reflect and confirm such business relationship and that such agreement or agreements may amend the terms of this Agreement.

11. This Agreement shall be governed by and interpreted in accordance with the internal laws of the Commonwealth of Massachusetts, excluding a conflict of laws principle. The enforceability of any section of this agreement, or any portion thereof, shall not affect the enforceability of the remaining provisions hereof. The Parties agree that any provision hereof modified by a Court may be adopted as so modified. **THE PARTIES HERETO HEREBY WAIVE ALL RIGHTS TO A TRIAL BY JURY**, and consent to the jurisdiction of the Courts in Middlesex County, Massachusetts and the Federal Courts located in the Commonwealth of Massachusetts, and waive all defenses of venue or inconvenient jurisdiction. This Agreement shall be binding on the Parties hereto and on their affiliates, agents or other entities with which either of them has any other business or investment relationship that may exist or arise from time to time.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement under seal as of the 11<sup>th</sup> day of January, 2006.

CONSEAL INTERNATIONAL, INC.

FUEL FREEDOM INTERNATIONAL, LLC

By: [Signature]  
Stephen C. Kelly, President  
90 Kerry Road, Suite 2  
Northwood, Massachusetts 02062

By: [Signature]  
650 Douglas Avenue, Suite 620  
Altamonte Springs, FL 32714



ORIGINAL

NON-DISCLOSURE AND  
NON-CIRCUMVENTION AGREEMENT

THIS AGREEMENT is made as of the date set forth below by and between ConSeal International, Inc., a Florida corporation with its usual place of business located in Norwood, Massachusetts ("ConSeal") and Wendy L. PACE, an individual residing at [redacted] and Red Freedom International, LLC, a corporation with a usual place of business located at 650 Douglas Avenue, Suite 1020, Altamonte Springs, Florida ("RFI"), herein the "Parties" or separately a "Party".

RECITALS

A. ConSeal and RFI plan to engage in discussions concerning a possible Agreement or Agreements governing the use of certain technologies and the potential formulation, production and marketing of certain products (the "Discussions") and

B. In connection with such Discussions and the possible subsequent Agreements, the Parties hereto will be disclosing to each other certain Confidential and Proprietary Information (as defined below). The Party disclosing Confidential and Proprietary Information to the other Party herein is herein called the "Discloser" and the other Party herein who is the recipient of such Confidential and Proprietary Information herein called the "Recipient".

NOW, WHEREFORE, in consideration of the time and efforts of RFI and of ConSeal and their respective employees and agents in connection with the above described Discussions and possible subsequent agreements and for other good and valuable consideration, the receipt and substance of which is hereby acknowledged, the Parties hereto have agreed as follows:

1. The Recipient will not reveal, disseminate or discuss in any manner with any third party not in its employ and not bound by this agreement any of the Discloser's Confidential and Proprietary Information ("Information") without the prior written consent of the Discloser, except that consultants retained by the Recipient, who are obligated to hold all such information in confidence to the same degree as employees of the Recipient, and to whom disclosure is permitted hereunder, and any lawyer or law firm assisting the Recipient in receiving or implementing in order to assist in the execution of its Discussions with the Discloser, and or counsel and other related matters, including any other such agreements. The term "the Recipient" as used in this agreement shall include all employees, agents, servants, consultants, accountants and lawyers acting for and on behalf of the Recipient as provided herein.

2. Both parties agree that it will not circumvent the intent for purposes of selling its products or services directly to or through any third party or any of its affiliates, or any other related organization brought to the attention of the other party by way of said Discussions.

3. The Recipient will not use any of said Confidential and Proprietary Information in its business, or in any business with which it is affiliated or associated in any way, regardless of the outcome of the intended evaluation or any resulting negotiations, without the express prior written consent of the Discloser.

4. Upon the conclusion of the Discussions and whether or such further agreements or may be entered into as the result of or following the Discussions, the Recipient shall return to the Discloser all copies of documents or other embodiments of such information provided by the Discloser, including any duplicate copies or other electronic form thereof, it shall delete all of such information and be the exclusive property of the Discloser, and shall be held or copied by the Recipient during or after the



evaluation or negotiation period, as the case may be, only as specifically authorized by the Discloser in writing or pursuant to this Agreement.

5. The Recipient will not use any Confidential and Proprietary Information provided to it by the Discloser in its products or services, or in products or services supplied to or made by officers for the Recipient, if such action or use constitutes or results in a breach of this Agreement.

6. The Recipient understands and agrees that no license, implied or otherwise, is given to the Recipient for any of the Discloser's intellectual property rights, such as patents, copyrights, trade secrets, or any other Confidential and Proprietary Information obtained from the Discloser, except as may be otherwise expressly set forth in a separate written agreement executed by a duly authorized officer of the Discloser.

7. For the purpose of this Agreement "Confidential and Proprietary Information" of the Discloser shall mean and intend the following:

- (a) Information in written or oral form, disclosed by the Discloser to the Recipient in the course of any and all of their communications and dealings in connection with the Discussions, including, without limitation, the following: business reports or descriptions prepared by the Discloser or any third parties distributed to the Recipient; product concepts; plans; data; drawings; sketches; samples; models and devices; any software, firmware, hardware, machinery or equipment, and all documentation relating thereto; all formulas; production processes or marketing techniques; and all pricing and customer data and customer lists related thereto; financial information relating to the Discloser; all discoveries, concepts and ideas, whether patentable or non-patentable by copyright or otherwise, or held as trade secrets; and any other intellectual property information relating to the business or activities of the Discloser, that are disclosed to the Recipient pursuant to this Agreement;
- (b) Such information in written or oral form, generated for the Discloser by third parties, regardless of whether the Discloser or said third parties shall have made the disclosure to the Recipient pursuant to this Agreement;
- (c) Information generated solely by the Recipient and the Discloser, or solely by the Recipient, as a result of the disclosure of such Confidential and Proprietary Information of the Discloser as is contemplated by this Agreement and prior to entering into a written agreement addressing non-disclosure of such Confidential and Proprietary Information;
- (d) Failure to mark any of the Confidential and Proprietary Information as "confidential" or by some similar term shall not affect its status as Confidential and Proprietary Information of the Discloser as otherwise set forth in the Agreement;
- (e) The Confidential and Proprietary Information of the Discloser shall not include such information as shall:
  - (i) Be within the public domain without wrongful act of the Recipient pursuant hereto at the time of disclosure thereof to the Recipient by the Discloser;
  - (ii) Have been developed by the Recipient independently of such disclosure, or is known by the Recipient at any time through disclosure by a person (not a Party to this Agreement) who has a bona fide right to make such disclosures;
  - (iii) Be used or disclosed with specific prior written authorization of the Discloser, but only within the specific written terms of such authorization.

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8. The Recipient understands and agrees that the Discloser will suffer any possible harm in the event of any breach of this Agreement by the Recipient and that monetary damages will be inadequate to compensate the Discloser for such breach. Accordingly, the Recipient agrees that the Discloser, in addition to any and all other rights, remedies or damages, shall be entitled to temporary or permanent injunctive relief in order to prevent or restrain any breach hereunder.

9. This Agreement shall terminate ten (10) years after the date hereof, and it may be extended thereafter by the Parties' mutual written agreement, and the non-competition provisions shall survive any termination of this Agreement for a period of five (5) years after such termination.

10. Under this Agreement, there is no obligation to purchase from or to sell to the other party any service or item, and there is no agency or partnership relationship created between the parties. In the event the parties decide after the Discussions to work together in a business relationship, it is contemplated that the parties will execute a further agreement or agreements to define and govern such business relationship and that such agreement or agreements may amend the terms of this Agreement.


11. This Agreement shall be governed by and interpreted in accordance with the substantive laws of the Commonwealth of Massachusetts, excluding conflict of laws principles. The intent and aim of any section of this Agreement or any portion thereof shall not be the enforcement of the remaining provisions hereof, and the Parties agree that any provision hereof modified by a Court shall be construed so modified. **THE PARTIES HERETO HEREBY WAIVE ALL RIGHTS TO A TRIAL JURY** and consent to the jurisdiction of the Courts in Middlesex County, Massachusetts and the Superior Court located in the Commonwealth of Massachusetts, and waive all defenses of venue, due diligence and jurisdiction. This agreement shall be binding on the Parties herein and on their affiliates, agents, officers, entities with which they or they or any other business or investment relationship may exist or enter, such Party, alone or in conjunction with others from time to time.

IN WITNESS WHEREOF, the Parties herein have executed this Agreement under seal as of the 11<sup>th</sup> day of February, 2006.

CONSEAL INTERNATIONAL, INC.

FREE FREEDOM INTERNATIONAL, LLC

By:   
Stephen E. Kelly, President  
90 Kerry Plaza, Suite 200  
Norwood, Massachusetts 02062

By:   
Wendy Lawton  
650 Douglas Avenue, Suite 1020  
Altamonte Springs, FL 32714





**MARKET SEGMENT DEVELOPMENT AGREEMENT**

ConSeal International, Inc. (hereinafter CONSEAL) is the owner of certain fuel enhancing technology for use in commercial pump fuels. CONSEAL also possesses know-how and other intellectual property, including EPA registration of the fuel additive formulations, relating to the use of said technology in solid and liquid form to improve fuel economy, increase engine life, and increase performance. The related technology products and know-how are hereinafter referred to as "TECHNOLOGY." CONSEAL is interested in having Fuel Freedom International, LLC (hereinafter "FFI") use the TECHNOLOGY for the purpose of developing substantial sales as more specifically stated in paragraph 1 below to the automotive aftermarket. FFI is also interested in developing this market.

In consideration of FFI's assets and investment in marketing programs to develop substantial sales to this market for the TECHNOLOGY, CONSEAL grants FFI market development rights in the market segment identified below, under CONSEAL's technology and know-how, for the purpose of developing substantial sales based on the TECHNOLOGY, provided that the term of this agreement is twelve (12) months from January 1, 2006, if the first six months quantity requirements is satisfied. This agreement will be automatically renewed on a year to year basis contingent solely on achieving the minimum volume of sales of the product sold by CONSEAL to FFI in the preceding year as detailed in the following sections of this agreement.

Now, therefore, in consideration of the mutual covenants herein and intending to be legally bound, the parties hereby agree as follows:

1. The market is the network marketing of automotive gasoline fuel additives for aftermarket use, sales support material development and marketing programs to establish worldwide distribution. CONSEAL agrees that for the initial six month period from January 1, 2006 through June 30, 2006, of this agreement, it will provide products for purchase by FFI, and the TECHNOLOGY, at support levels, on a confidential basis. CONSEAL will actively support the market segment development rights of this contract.
2. FFI agrees that for the term of this agreement and two years after its termination, it will purchase not limited percent (100%) of its requirements for fuel additive products exclusively from CONSEAL, to protect the integrity of CONSEAL's technology.
3. CONSEAL AND FFI agree that FFI shall be granted the exclusive right to market the products through the multi-level marketing structure for the term of this agreement. Additionally, CONSEAL will not sell the products to any vendors other than the existing vendors currently marketing the products.

**Buyer's Clause:**

1. **Price Increases:** CONSEAL reserves the right to increase its price quarterly. If this reveals that a price increase is necessary, CONSEAL and FFI will



meet to negotiate a price increase to be agreed to by both parties. If the parties are unable to reach agreement, this Agreement will terminate. CONSEAL ACKNOWLEDGES that FFI has made substantial commitments and investments in developing the market and CONSEAL will make price adjustments consistent with changes in CONSEAL's production costs changes.

2. Minimum Quantity Requirements:

A. This agreement will automatically renew on an annual basis if the purchase of product for the full order quantities and market presentation from FFI in the preceding period have met the following minimums:

First Two Quarters Ending June 30, 2006	4.5 million caplets
Year Ending December 31, 2006	9 million caplets
Year Ending December 31, 2007	14 million caplets
Year Ending December 31, 2008	22 million caplets
Year Ending December 31, 2009	28 million caplets
Year Ending December 31, 2010	32 million caplets
And each year thereafter	

B. As long as FFI purchases at least the minimum quantities specified in A above, CONSEAL guarantees supply of full additive caplets to the quantity estimated six months in advance by FFI.

C. Should FFI's purchases of product under Paragraph A above fail to meet requirements for 2011 or any year thereafter specified in this contract, the product and TECHNOLOGY will still be available to FFI for purchase and use under the same restrictions as to confidentiality stated below, but without active technology support or market segment rights as enumerated in paragraph 1.

D. In consideration for the grant of the actively supported market development rights described above, FFI will allocate a significant portion (at least 20%) of its corporate resources for the development of the automotive gasoline fuel additive in the market marketing program and market presentation for the CONSEAL fuel additive program. CONSEAL will cooperate with FFI in developing the market, provided that all findings and results developed during the development program will be the exclusive property of CONSEAL.

E. CONSEAL considers the TECHNOLOGY, as well as all the trial data and results of the trial evaluation of the TECHNOLOGY, to be proprietary and confidential information. CONSEAL considers its know-how relating to the use of the proprietary information to be CONFIDENTIAL INFORMATION. CONSEAL does not normally disclose CONFIDENTIAL INFORMATION to third parties. Accordingly, before CONFIDENTIAL INFORMATION can be exchanged by FFI and CONSEAL, CONSEAL and FFI agree as follows:

1. CONFIDENTIAL INFORMATION shall not be disclosed to any third party by FFI without the express written permission of CONSEAL. The obligations of confidence and non-use contained herein shall expire ten (10)



years after the cancellation of this contract and shall not apply to any information for which the party receiving the CONFIDENTIAL INFORMATION can show by written evidence:

1. all of it comes part of the public domain through no act or omission of the receiving party;

2. it is in the possession of the receiving party (but not received from the other party) prior to receipt;

3. it is disclosed as evidenced by the receiving party's written records to the disclosing party by a third party having no obligation of confidence to the disclosing party;

4. it is developed independently by employees of the receiving party as evidenced by the receiving party's written records.

The CONFIDENTIAL INFORMATION is not or does not come within the public domain merely because features of the CONFIDENTIAL INFORMATION may be found separately or within a general disclosure in the public domain.

2. The CONFIDENTIAL INFORMATION shall be accessible to the CONFIDENTIAL INFORMATION RIGHTS to only those of its employees having need during the normal course of their employment to have access to such information, and that such employees are or will be bound by a security agreement containing obligations that are the same as or substantially similar to those contained herein.

3. Should the CONFIDENTIAL INFORMATION disclose hereunder be required by law to be made available to any state or federal agency, such requirements must be immediately disclosed. If it is most likely that such requirements will result in withdrawal from the jurisdiction of the receiving party, both parties shall, however, use all reasonable efforts to prevent disclosure of any such CONFIDENTIAL INFORMATION.

4. On termination of this agreement for any reason, any and all of the CONFIDENTIAL INFORMATION shall be returned to the disclosing party.

5. This agreement cannot be terminated by either party except for specific breach of contract terms after provision of thirty (30) days written notice and breach to the other party. Failure to remedy this breach within the thirty (30) day period from notice will terminate this agreement effective thirty (30) days after expiration of the thirty (30) day written notification period. The provisions of Paragraphs B and F shall survive termination.

6. This agreement shall be construed according to the laws of the Commonwealth of Massachusetts.

In witness whereof, the parties have caused this agreement to be signed by their duly authorized representatives.

Accepted and Agreed to:  
ConSeal International, Inc.

By: [Signature]  
Title: [Signature]  
Date: 1-26-12

Fuel Freedom International, LLC

By: [Signature]  
Title: [Signature]  
Date: 1-26-12



[Signature]



**INTERNATIONAL MERCHANDISING AND LICENSING AGREEMENT**

THIS AGREEMENT (the "Agreement"), which is valid for all intents and purposes of the law, is made on this, the 22nd day of May, 2011, by and between ConSeal International, Inc. (hereinafter known as "Licensor") whose registered office is located at 20 Kerye Place, Suite 4, Norwood, MA 02062 and Farmers Management Team, Inc. and Fuel Freedom International, LLC (as Licensee and Distributor, hereinafter known as "Licensee") whose registered office is located at 650 Douglas Avenue, Suite 1049, Altamonte Springs, FL 32714.

Licensee and Licensor agree to and stipulate the provisions contained herein below:

**WHEREAS:**

- (1) Licensor owns the Exclusive Worldwide Marketing, Sales and Distribution Rights to the Products manufactured by Ingersoll Rand and/or ConSeal and related products including but not limited to fuel oil and transmission fluid conditioners and lubrication products for the automotive aftermarket and other fuel and lubrication markets, and the graphics and artwork and related matter depicting these products as set forth in Schedule A of this Agreement; AND,
- (2) Licensee desires to acquire the licensing, sales, marketing and distribution rights from Licensor to package, distribute, market and sell the full range of Licensed Products under, but not limited to, products as specified in Schedule B;
- (3) Licensee represents and warrants to Licensor that it has thoroughly investigated the services described herein, is convinced of their functional value and the economic and marketing potential of these services and further warrants that the Licensee will undertake any development, research or based upon the products, patents, performance or technical data furnished to Licensee by Licensor, business further across the markets to his market and be responsible for any and all warranties or claims or implied, concerning said products;
- (4) Licensee agrees upon the fees, terms and conditions of this agreement as outlined in Schedule C attached hereto.

THEREFORE, the parties agree as follows: **THEir**

**1. DEFINITIONS:** Unless otherwise provided, the terms shall be defined as follows:

**Graphics, Artwork and Printed Matter (the Property)** mean all likenesses of the Products known as "FuelFX<sup>SM</sup> Products" and of any other Licensed Products previously created or, while this Agreement remains in effect, created for use in connection with all related products marketing, but not limited to all other designs, artwork and printed matter created therefore.

**Copyrights, Trademarks and Patents** means all copyrights, trademarks and patents now or hereafter owned by Licensor in connection with the Property and the mark and all derivative works based on or arising material from the Property, including but not limited to all pictorial, graphic and technical works (by electronic, internet and interactive works and (c) any industrial designs or patents relating to the Property or the Licensed Products.

The inclusion of (a) and (b) above shall not be deemed to result in Licensee possessing the right to represent with regard to those types of works. It only means that Licensee shall have the right to represent Licensor with respect to the Licensed Products as they appear on the said goods under this Agreement.

**Merchandising Rights** means the right to use the Property in connection with the marketing, distribution, sale and advertising of the licensed products specified in Schedule B (hereinafter referred to as "Licensed Products").

**Publishing rights** means the right to publish and distribute in the various required languages, all types of publications or Licensed Printed Products based upon utilizing the Property.



Advertising and Promotional means the right to use the Property in connection with the preparation and use of materials designed to advertise and promote the products, services or general operations of Licensee, including but not limited to advertisements prepared for all print and audio-visual media uses (including radio, television, motion pictures, CD-ROM, DVD and Satallite), packaging materials, point of sale displays, premiums and promotional items.

Syndication Rights means the right to use the Copyrights and Trademarks in connection with the distribution of the Property in English and in the various required languages.

Property means certain proprietary physical and intellectual property, including but not limited to Trademarks, Patents, Copyrights, logos, designs, slogans, and other similar materials used in connection with the Licensed Products.

Trademarks mean the name of the Property and the names of the products including all other trademarks used in connection with the Property.

USD and US\$ mean United States of America Dollars.

**2. GRANT OF LICENSE**

a) Grant  
Licensor hereby grants to Licensee, and Licensee hereby accepts upon the terms and conditions herein specified, the exclusive right and license to utilize the Property solely upon and in connection with the distribution and sale of the Licensed Products in the MLM/Network Marketing (multi-level marketing) distribution channels. In the event of any question about whether any specific product or products are Licensed Products, the determinations of Licensor shall be conclusive.

b) Retail Condition of Licensed Products  
The Licensed Products packaged under this Agreement shall be sold by the Licensee in a fully furnished condition for immediate or eventual sale at the wholesale price to the general public in the same condition and for the use intended by Licensor and in no event shall the Licensed Products be sold in any way if the Licensee knows or should have known that the Licensed Products will be resold, altered, modified, repackaged, filled, made part of something else or used in any other unauthorized manner by any party in the chain of distribution.

**3. PERIOD OF AGREEMENT**

All provisions of the Agreement shall take full effect as of the date first written above and shall be a perpetual license.

**4. LICENSEE'S RIGHTS AND OBLIGATIONS**

a) Subcontracting  
Licensee shall have the right to subcontract for the packaging and distribution of the Licensed Products and Materials, provided however, that irrespective of any limitation or any other agreements between Licensee and a subcontractor, Licensee agrees that any such subcontract shall (a) be fully subject to and bound by every provision of this Agreement, (b) be made aware that it may not sell any Licensed Products packaged for it in any way but Licensee (or) agree that any related design, label, packaging or other materials associated with or associated with the Property shall become the property of Licensor and that Licensee shall bear responsibility for obtaining any relevant supporting legal documentation and agree to immediately cease all manufacturing of Licensed Products upon notice of termination or expiration of this Agreement and shall provide that a subcontractor's subcontracting of any provision of this Agreement shall be considered a breach by Licensee. Licensee shall maintain a primary and complete list of all such subcontractors and shall update this list each month. Licensee agrees to immediately notify any subcontractor in writing upon termination or expiration of this Agreement, with a copy sent to Licensor.

b) Best Efforts  
Licensee shall use its best efforts to continuously package, sell and ship all of the Licensed Products in commercially reasonable quantities and shall continuously and diligently during the term maintain an inventory of Licensed Products and procure and maintain facilities and train personnel sufficient and adequate to accomplish the foregoing.  
In no event, once sales have commenced, shall Licensee allow a period of more than sixty (60) days to elapse during which it does not sell the Licensed Products in commercially reasonable quantities.



Failure to comply with any of the foregoing may result in removal from this license of one or more of the unused or unexpended Licensed Products upon written notice from Licensor.

c) Compliance with Laws Licensor warrants and represents that it will comply with all laws, regulations, ordinances, governmental standards and the like, applicable to the packaging and sale of the Licensed Products and agrees to indemnify and hold Licensor harmless in this regard.

d) Confidentiality During the License Term and thereafter, Licensee shall keep confidential any of Licensor's confidential, proprietary information, knowledge or trade secrets such as, but not limited to, marketing and advertising plans, licensing plans, market research data and the like, of which it becomes aware during the course of its relationship with Licensor. If Licensee is uncertain about the status of a particular piece of information, it shall consult Licensor to determine such status. This confidentiality obligation shall cease when the public, through no fault of the Licensee, generally knows the information.

e) Indemnification Licensor agrees to defend, indemnify and hold Licensor, its subsidiaries, affiliates, licensees, successors and assigns harmless from any and all third party claims, judgments, damages, costs and expenses, including reasonable attorneys' fees, which may be asserted against Licensor or any of its subsidiaries, affiliates, licensees, successors or assigns, which may be incurred by any of them arising out of, in connection with, or the distribution of the Licensed Products, or any information disclosed by Licensee of the Property and/or breach by Licensee of any provisions of this Agreement, and that Licensor shall give prompt notice and reasonable cooperation and assistance to Licensee relative to any such claim or suit brought to its attention. This provision shall survive termination upon expiration of this Agreement. The limitations in this paragraph shall not limit the insurance coverage provided by Licensor.

(f) Performance of Services Subject to the terms, provisions and conditions of this Agreement, Licensee is deemed to be the representative of the Licensor and shall perform the services in performing the following services:

- (i) Promoting the Property and Property;
- (ii) Negotiating the terms of license agreements with prospective Sub Licensees relative to the advertising and Promoting Rights, the Merchandising Rights and subject to the provisions of all applicable clauses herein regarding such agreements;
- (iii) To promote the Property to advertising agencies in order to cause it to be advertised on a regular basis thus creating interest in the Licensed Products;
- (iv) Services all license agreements with Sub Licensees, including but not limited to;
- (v) Services, compliance of the packaging and labeling Sub Licensees under such agreements;
- (vi) Providing to Sub Licensees with necessary rights in the Property as they may require in order to make effective use of the Property under their agreements;
- (vii) Ensuring that all payment obligations and trademark requirements are satisfied by Sub Licensees in accordance with the terms of their Agreements;
- (viii) Ensuring that Sub Licensees submit to Licensor, in prior approval, all materials using the Property which they propose to package in their Licensed Products;
- (ix) Ensuring that there is no third material in any Licensed Product produced by a Sub Licensee wherever located and that such third material is in the predominant language of the Sub Licensee's home country;
- (x) otherwise assisting the Sub Licensees in promoting the Property;

g) Samples Free of Charge Once Licensee has packaged any Licensed Products, Licensee shall send to Licensor, free of any charge, five (5) complimentary samples of every kind of merchandise, packaging produced for sale in any country of any language of the world.

h) Marketing Plans and Reports (i) Prior to the beginning of each calendar half year commencing with January 1, 2007, and during this Agreement remains in effect, Licensee shall deliver to Licensor a plan outlining Licensee's intended activities with respect to the



exploitation of the Property during the upcoming calendar year and a budget of proposed expenditures with respect to such activities.

(ii) The budget for advertising and promoting the distribution and sales of the Licensed Products must not be less than ten percent (10%) of the Net Sales for the calendar year during the license term.

**5. DEAL MEMO LICENSE AGREEMENTS**

Licensed, having executed with a prospective Sub-Licensee the terms of a license agreement covering the Advertising and Promotional Rights of the Licensed Products, shall forward to Licensor a "Deal Memo Sheet" constituting the business terms of the proposed License Agreement and whatever pertinent information concerning the potential Sub-Licensee. Licensor shall have a right of approval, not to be unreasonably withheld, over the business terms outlined in a particular Deal Memo Sheet. If Licensor fails to respond to a particular Deal Memo Sheet within thirty (30) business days of its receipt of such Deal Memo Sheet, Licensor shall be deemed to have approved the proposed license arrangements for all types of rights involved.

Licensed shall provide Licensor with fully executed copies of all License Agreements signed with Sub-Licensees.

**6. THE PROPERTY**

a) Approval  
Licensed shall use the Property only in such form and manner as is specifically approved in writing by Licensor and upon request by Licensor, after receiving all necessary markings and notices of copyright, registration or trademark ownership relationship specified by Licensor or any other notice of Licensor's rights, including copyrights, trademarks and patents. Licensor shall have the right to approve all advertising, displays and other material using the Property prepared by Licensee.

b) Licensee Corporation  
Licensee agrees to join with Licensor in any application to enter Licensee as a registered or permitted user, or the like, of the Property with any appropriate governmental agency or entity. Upon termination or expiration of this Agreement for any reason whatsoever, Licensor may immediately apply to cancel Licensee's name as registered or permitted user and Licensee shall consent to such cancellation and shall join in any cancellation petition.

c) Restrictions on Other Marks and Trade Names  
During or after the Term, Licensee shall not use any other trademarks or other property similar to the Property. During or after the Term, Licensee shall not use, in whole or in part, the Property or Licensor's name, or anything similar thereto as part of Licensee's name or as the name of any entity directly or indirectly associated with Licensee's activities.

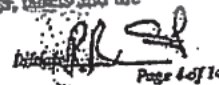
d) Termination  
Immediately upon termination or expiration of this Agreement, Licensee shall immediately cease all use of the Property and all rights granted to Licensee hereunder shall revert to Licensor.

**7. PROTECTION OF RIGHTS**

a) General  
Licensee shall cooperate fully and in good faith with Licensor for the purpose of Licensor's securing and preserving Licensor's (or any grantor of Licensor's) rights in and to the Property.

Upon creation of the Licensed Products, Licensee shall be deemed to have automatically assigned to Licensor all copyrights, trademarks and patents in the Licensed Products, in all languages, compilations, translations and versions thereof embodied in the Licensed Products. In addition, Licensee shall execute any instruments requested by Licensor to accomplish or confirm the foregoing and timely irrevocably appear to Licensor as necessary in fact to execute any instruments if Licensee does not do so such appointment to be coupled with an interest. Any such assignment shall be without other consideration than the mutual covenants and considerations of this Agreement.

b) Trademarks  
Licensee acknowledges and agrees that the names, symbols, designs, likenesses and visual representations, among other things, comprising the Property are owned by Licensor, and that it shall cause to appear on everything which uses, bears or displays the Property or any part thereof, including all Licensed Products, tags, labels and the

  
Page 4 of 14



advertising, promotional, packaging and display material thereof a notice proclaiming and identifying the relevant portions of the Property appearing therein as property of Licensor, as for example, by labeling with name and likeness with the copyright trademark and patent notices, or an abbreviated version thereof, approved by Licensor or otherwise as Licensor may deem appropriate.

Every Licensed Product and all advertising, promotional, packaging and display material therefore made by the Licensee shall bear an appropriate notice of approval as set forth below (or an equivalent if given prior written approval by Licensor) in order to notify the public that Licensor's standards are maintained.

This [identify the Licensed Product] is marketed under License from ConSea International, Inc.

**c) Reference to Source**

All trademarks and other indicia used by Licensee in connection with the Licensed Products which ought to suggest that they are goods of source shall, with all of the goodwill relating thereto, remain the property of Licensor, provided that Licensee may use a House Mark with the Licensed Products without being deemed to have assigned it to the Licensor so long as it fairly appears only as Licensee's House Mark.

**d) Confusing Use**

Licensor shall not use, and shall use its best efforts to keep others from using, the Property and Property Rights in any manner likely to cause confusion or dilution of the value of the Property in the governing jurisdiction or in any manner that does not make clear that the front or back cover of the Licensed Product is solely by Licensee. Licensee shall not use or communicate with the Property, and shall use its best efforts to keep others from using or communicating with the Property, any other trademarks, or other indicia in connection with the Licensed Products, or anything so as to suggest such other trademarks, clear, distinct and prominent, may have been created or may be owned, controlled, licensed or approved by Licensor or that they are in any way related to the Property of Licensor.

**e) Registrations**

Licensor shall fully cooperate with and assist Licensee in the prosecution of any registration, trademark, patent or service mark applications relating to the Property that Licensee may desire to file and to maintain such registrations, trademarks, patents and service marks. Licensee shall, upon request, supply to Licensor within reasonable time and effort all information and documents required in connection with such applications. Licensor shall, upon any instance where it is reasonably deemed necessary or desirable to defend or enforce any trademark, patent or service mark of Licensor included in the Property and the copyright, trademark and patent included therein in any territory for which the filing of a registered user application is required, or to take such action, shall commence with the filing of such registered user application, but shall continue only so long as this Agreement remains in effect.

**f) Ongoing Cooperation**

Licensor shall, in connection with its duty to use the Property in its territory, the advertising and promotion, give immediate attention and take necessary action to suppress, terminate, or prevent circulation and distribution of Licensee in connection with the Licensed Products or other material using the Property, Licensor shall give Licensee immediate notice of all complaints that might affect the good standing of the Property and Property Rights or the reputation of Licensor and act of all complaints that might result in legal action between Licensor and a third party, and cooperate with Licensor upon request to achieve as good a reputation and press for the Property and Property Rights as possible.

**g) Copyright/Trademark/Notice**

It is a condition of this Agreement that prior to public distribution, Licensee shall cause to appear the copyright/trademark notice specified in Paragraph (7)(b) above in an abbreviated version thereof approved by Licensor on all Licensed Product Items or otherwise as Licensor may instruct or approve in writing upon request.

**h) Secured Copyright/Trademark**

Licensor may secure, in its name for the sake of clarity, including Licensee, in limited by agreement, to the fullest extent possible, the copyrights in the Property, and the registrations, patents and extensions thereof, contained in the Licensed Products, including all adaptations, amendments, modifications and versions of the Property. All Licensed Products and other materials produced under this Agreement shall be produced as works made for hire for Licensor.



8. QUALITY STANDARDS AND CONTROL

a) Quality Standards

All Licensed Products and related materials including the Property, such as, but not limited to, containers, packaging, wrapping materials, labels, tags, shipping materials, promotional materials, catalogs, brochures and other printed and visual materials to be used in connection with the Licensed Products (collectively the Licensed Products/Materials) must meet the standards of value and quality prescribed by Licensee. All Licensed Products/Materials shall be of the highest quality and of such quality as will, in Licensee's sole judgment, protect and enhance the Property, maintain a consistent and uniform production level, and in all cases, the quality shall be at least as high as the quality of samples approved by Licensee.

b) Control

Licensee shall ensure at all times that the Licensed Products/Materials meet or better Licensee's standards of value and quality and Licensee shall cooperate in all reasonable ways with Licensee in enabling Licensee to determine that all Licensed Products/Materials meet said standards. Any Licensed Products/Materials that do not meet Licensee's standards, upon reasonable notice, may be rejected at any time during production without Licensee's payment and Licensee shall be responsible for the cost of rework and disposal of the rejected Licensed Products/Materials and for the cost of any inspection of the manufacturing process and related activities and for any expenses of Licensee and of reasonable quantities of samples (five (5) units of any item of Licensed Products/Materials, at Licensee's expense, for the purposes of value inspection and review.

c) Prior Approval

No Licensed Product shall be packaged, stored, sold or used by Licensee prior to Licensee's written approval of pre-production prototypes or samples of the Licensed Products/Materials. Further written approval shall be necessary if there is any change proposed by Licensee to the pre-approved, graded, described or otherwise like from any previously approved Licensed Products/Materials. Licensee will receive approval or disapproval of samples submitted prior to manufacturing or sale within thirty (30) days of submission. In the event of disapproval, Licensee shall promptly advise Licensee of the reasons for disapproval. Licensee's disapproval, if not accompanied by a written, specific reply within the time specified, shall be deemed approval by Licensee. If Licensee's disapproval does not notify Licensee of Licensee's disapproval within an additional fifteen (15) days, the Licensed Products/Materials shall not be manufactured, distributed, sold or used which differ from the approved samples.

d) Deficiency

Licensee agrees to accept from Licensee information or notices in writing as to any Licensed Products/Materials manufactured by Licensee that do not meet the standards of value and quality prescribed by Licensee. Licensee shall be responsible for the cost of rework and disposal of the rejected Licensed Products/Materials and for the cost of any inspection of the manufacturing process and related activities and for any expenses of Licensee and of reasonable quantities of samples (five (5) units of any item of Licensed Products/Materials, at Licensee's expense, for the purposes of value inspection and review). In the event the deficiency is that of a Licensed Product or material, the entire quantity of the Product or material existing work in progress or finished and on hand, including the inventory, shall, at Licensee's expense, either be corrected to Licensee's satisfaction or shall be destroyed. Proof of such destruction shall be promptly supplied to Licensee.

e) Distribution

Licensee will sell the Licensed Products only as finished products. Licensee will not (i) associate or commingle Licensed Products with products bearing characteristics of Licensed Products or (ii) represent or be deemed to represent Licensed Products as if in connection with the Licensed Products. Licensee will not market any Licensed Products or utilize any property, license, name, or process, device, trademark, confidential or copyrighted information of Licensee which could have such adverse effect.

f) Change in Character of Licensee

It is understood that the grant of this license herein by Licensee is predicated upon the present character and composition of Licensee's management and Licensee's general good standing and reputation in the business community; and is therefore personal to the Licensee. In the event of the sale or transfer of a substantial portion of the assets of Licensee's business or of a change in the controlling interest in Licensee's business or of a merger or consolidation of Licensee's business with any other entity, or in the event of a substantial change in the management of Licensee or of Licensee's property being expropriated, confiscated, nationalized by the government, or in the event of the de-facto control of Licensee or of any of its subsidiaries by agencies being assumed by a government,



or government agency or representative, Licensor may, at its option, terminate this license on thirty (30) days written notice to Licensee.

**g) Diligent Distribution**

Licensee agrees to meet minimum purchase requirements as outlined on Schedule D. If such amounts are not met, Company may, in addition to all other options and remedies available to it hereunder, terminate this Agreement on written notice. Such notice shall be effective when mailed to Licensee with no prior notice to Licensee being required.

**b) Other Breach**

If Licensee shall violate, breach or be in default of any of its covenants or obligations under this Agreement, Licensor in addition to all other rights available to it hereunder shall have the right to terminate this Agreement upon thirty (30) days notice in writing and such notice of termination shall become effective unless, within the said thirty (30) day period Licensee shall remedy the violation, breach or unauthorised use of the Property and comply with all conditions of this Agreement and reasonably satisfy Licensor that it has done so and that all reasonable steps have been taken to prevent a recurrence thereof.

**l) Other Licenses and Properties**

In the event Licensee violates its obligations under any other license agreement between Licensor and Licensee (or any affiliate of Licensee), or if Licensee (or any affiliate of Licensee) uses the Property in any way in excess of the scope of the license granted herein, Licensor shall have the right to terminate this Agreement. In either event, Licensor's right to terminate shall be effective upon ten (10) days notice in writing and such notice shall become effective unless Licensee shall completely remedy the violation within the ten (10) day period and satisfy Licensor that such violation has been remedied and that all reasonable steps have been taken to prevent a recurrence thereof.

**9. OBLIGATIONS ON EXPIRATION OR TERMINATION**

**a) Reversion of Rights**

Immediately upon the expiration or termination of this Agreement for any cause whatsoever, the rights granted to Licensee hereunder shall cease and revert to Licensor. Licensee shall be free to license others during any or all of the rights granted herein effective on and after the date of expiration or termination. For this purpose, Licensee shall be deemed to have automatically assigned to Licensor, upon such expiration or termination, all interests in or to the Property and all adaptations, compilations, modifications, translations and various forms thereof, and (except for Licensee's name mark) all other copyrights, trademarks, slogans and service marks assigned and used solely in connection therewith which have been or may be assigned by Licensee or which may vest in Licensee and which have not already been assigned by Licensor. Upon the expiration or termination of this Agreement, Licensee shall execute any instruments requested by Licensor to establish or confirm the foregoing and hereby irrevocably appoints Licensor as its attorney-in-fact to execute such instruments if Licensee does not so appoint to be completed with an interest. Any such assignment shall be without consideration other than the mutual covenants and consideration of this Agreement.

In addition, upon and after such expiration or termination of this Agreement for whatever reason, Licensee will refrain from further use of the Property or Licensor's name, or any further reference to any of them, direct or indirect, or for anything deemed by Licensor to be similar to the Property.

**b) Return of artwork**

Upon termination or expiration of this Agreement for any reason whatsoever, Licensee shall return to Licensor all artwork, including but not limited to all reproductions, molds and all artwork specially produced for Licensee by Licensor or others, whether or not paid for by Licensee.

**c) No Release**

The termination or expiration of this Agreement shall not release any party of any obligation to pay any monies that became due or owing or which arose out of any transaction prior to the date of termination or expiration, and all such financial obligations theretofore made shall become immediately due and payable.

**d) Inventory**

Fifteen (15) days before the expiration of this Agreement and, in the event of its termination, fifteen (15) days after receipt of notice of termination or the happening of the event which terminates this Agreement, where no notice is required, a statement executed by an officer of Licensee certifying the number and description of the Licensed Products in inventory and in process, whether or not at Licensee's facilities shall be furnished by Licensee to



Licensor shall have the right to take a physical inventory to ascertain or verify such inventory and statement, and Licensee's failure to furnish such statements or the refusal by Licensee to submit to such physical inventory shall forfeit Licensee's right to dispose of such Licensed Products as provided in clause 9(f) hereof.

**e) Disposal**

After expiration of this Agreement, for the period or disposal period specified below, Licensee may, except as otherwise provided in this Agreement, dispose of them on an exclusive basis, and in compliance with all of the terms and conditions hereof, these Licensed Products which are or stand or in process of becoming or termination. Notwithstanding anything herein to the contrary, Licensee shall not sell or dispose of any Licensed Products after termination of this Agreement. Post-Termination Disposal Period shall be three (3) months after Licensee is terminated.

**f) Undisposed Licensed Products**

Upon expiration or termination of this license, within the expiration of the period for disposal, which is provided under the previous subsection, this or other Licensed Products, materials and all other items, to any, used to make any of the Licensed Products or any of the process materials, shall be deemed to be automatically reversion to Licensor. Licensee shall immediately return such remaining Licensed Products, materials and items to Licensor at its expense to Licensor, and Licensor shall have the right to enter the business premises of Licensee and take possession of them or Licensee shall deliver such Licensed Products/Materials and items as requested by Licensor, and shall furnish Licensor with a certificate of destruction executed by an officer of Licensee.

**10. REMEDIES**

**a) General**

In addition to the right to terminate, Licensor may, upon any default by Licensee, take whatever action it deems reasonably necessary to protect its rights and interests hereunder, and termination of this Agreement shall be without prejudice to any rights or remedies that Licensee may otherwise have against Licensor.

**b) Use after Termination**

Licensed acknowledges that its failure to cease the use of the Property or to cease sale or distribution of the Products at the termination or expiration of this Agreement, except as expressly provided herein, will result in immediate and irreparable damage to Licensor and to those of its subsequent licensees. Licensor acknowledges and admits that there is no adequate remedy at law for such failure and Licensee agrees that in the event of such failure, Licensor shall be entitled to injunctive relief and such other and further relief as any court with jurisdiction may deem just and proper.

**c) Interest, Damages and Cost**

In the event Licensee shall default in the payment of monies required to be paid to Licensor hereunder, in addition to any remedies which Licensor may have against Licensee to receive from Licensee, interest on the said monies as may be owing from the date of default at a rate equal to the prime rate plus one-half percent (1.5%) per annum shall accrue. Licensee is in breach or default hereof when the date of payment Licensee shall be responsible for the damages and expenses caused to Licensor for such default, including but not limited to, the cost of a temporary restraining order or an injunction or the obtaining of damages.

**11. FORCE MAJEURE**

Licensor and Licensee shall not be in default of their obligations hereunder and this Agreement shall terminate with respect to the Territory or any part thereof if such force majeure event continues for more than ninety (90) days as to which governmental regulations or other causes arising out of a state of national emergency renders performance impossible and the party so informs the other in writing of such causes and its desire for the Agreement to be terminated. In such event, all financial obligations, provided until the time of termination, shall become immediately due and payable and no part of any deposit shall be repayable.

**12. MISCELLANEOUS**

**a) Assignment**

Any interest or obligation under this Agreement shall not be assigned by Licensor without the prior written consent of the Licensee, which consent shall not be unreasonably withheld, but no such assignment by Licensee shall release

Licensee from any of its obligations or liabilities hereunder. This Agreement and the provisions hereof shall be binding at all times upon and issue to the benefit of the parties hereto, their successors and permitted assigns, any



attempted assignment in violation of the provisions hereof shall be void *ab initio* and the assignee shall obtain no rights by reason thereof.

**b) Relationship between Licensor and Licensee**

Nothing herein shall create, be deemed to create or be construed as creating any partnership, employer-employee, joint venture or agency relationship between the parties hereto nor shall it be deemed to render Licensor liable for any of the debts or obligations of Licensee. Licensee shall in no way be considered an agent or representative of Licensor in any dealings which Licensee may have with any third party and neither of the parties hereto nor any of their employees or agents shall have the power or authority to bind or obligate the other party.

**c) No Waiver**

The failure or delay of either party to exercise its rights under this Agreement or the compliance of any act, omission or default, no matter how long the same may continue, or admission upon a single performance of any of the terms or provisions herein, shall not be deemed or construed as a waiver. A waiver by either party of default in one or more instances shall not be construed as a continuing waiver or as a waiver in other instances.

**d) Survival and Separability**

If this Agreement is subject to the approval of any government or governmental agency or similar entity, and such approval is obtained but later revoked or is nullified and agreed to by the parties that this Agreement is immediately rendered null and void and terminated with neither party liable for any resultant damages, costs or expenses of the other. Notwithstanding to any person or circumstance shall in any event be held to be illegal, unenforceable or otherwise unenforceable by a court of competent jurisdiction on any ground of any contract law or statute that in such event and within the jurisdiction in which it is held to be unenforceable, it shall be amended, construed or severed and deleted herefrom and the remaining portions hereof shall survive and shall be enforceable to the fullest extent provided by law and shall be interpreted to give effect to the intention of the parties insofar as best is possible.

**e) Entirety of Agreement; Amendment**

This Agreement constitutes and contains the entire agreement and understanding of the parties hereto relating to its subject matter and no oral or written representations, understandings, promises or any other oral materials not embodied herein shall be of any force or effect.

This Agreement may be modified or amended only by a written instrument executed by both parties. Once so executed, such amendments shall become an integral part of this Agreement, subject to all the terms and conditions herein and shall have full force and effect.

Nothing contained herein shall be deemed an explicit or implied warranty on the part of Licensor that efforts to gain copyright, trademark or patent registration will be successful, or that the Registry has or will in the future have any commercial value, and it is understood that no liability shall attach to Licensor for any failure to secure such registrations.

**f) Notices**

All notices and other communications which either party hereto is required or may desire to give to the other, except for payments and statements which shall be sent to the specified addresses, may be given by certified or registered mail, in a properly stamped envelope bearing the party's address, as set forth in page 1 of this Agreement, or such other address as is specified in writing. Notices may be sent by facsimile so long as confirmation copies are sent via mail. Such notices shall be deemed received on the date of mailing. Notices sent by facsimile transmission shall be deemed received upon confirmation of transmission thereof.

**g) Governing Law**

(i) This Agreement shall be governed by and construed in accordance with the laws of The State of Florida, in The United States of America, for contracts to be made, made or to be wholly performed therein.

(ii) Any dispute under this Agreement which may arise between the parties regarding the interpretation, execution and/or termination of this contract will be resolved by an arbitrator of the American Arbitration Association in Boston, Massachusetts, chosen by the parties whose decision shall be final and binding, and enforceable in a court of competent jurisdiction. Massachusetts laws shall govern.



IN WITNESS WHEREOF, the parties have executed this Agreement on the date first set forth above.

Confirmed and Agreed by LICENSOR:

ConSeal International, Inc.

By:



Stephen C. Peary, President & CEO

6-9-06

Date



Witness

Confirmed and Agreed by LICENSEE:

Partners Management Team, Inc. and Fuel Freedom International, LLC

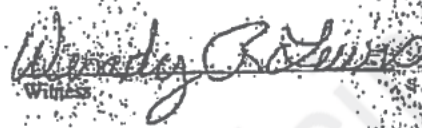
By:



Randy Ray, ~~Individual~~

Partners Management Team, Inc.  
Company Fuel Freedom International, LLC

Date



Witness

~~Wendy Lewis, Individual~~

~~Company~~

~~Date~~

~~Witness~~

INTERNATIONAL MERCHANDISING AND LICENSING AGREEMENT

Schedule "A"

Products

Pursuant to the agreement, the Products are as follows:

Fuel additive, conditioners and related fuel enhancing products manufactured, presented and sold as either FuelFX® or ConSeal International, Inc. products.

INTERNATIONAL MERCHANDISING AND LICENSING AGREEMENT

Schedule B

Territory

Pursuant to the agreement, the territory is defined as:

WORLDWIDE



**INTERNATIONAL MERCHANDISING AND LICENSING AGREEMENT**

**Schedule "C"**

**Fees, Terms & Conditions**

**1. FEES**

Licensee will pay to Licensor, upon the execution of this agreement, the sum of \$250,000 (USD) in U.S. dollars.

**2. ORDERS AND PAYMENT**

All Product orders may be placed with ConSeal International, Inc. by teletype, facsimile or mail and payment may be securely effected by any available means by bank funds transfer method. Any orders mailed must be accompanied by evidence of payment as follows: Fifty percent (50%) of the amount of the order to be paid when the order is placed. The balance of fifty percent (50%) of the order is to be paid upon receipt of notice that the product is ready for shipment. All such payments shall be made in USD to ConSeal International, Inc., by bank check, cashier's check, or bank wire transfer to:

Bank of America  
Account number 947734936  
Routing number for wire 026009593  
For payment to the attention of ConSeal International, Inc.

All withholding taxes, duties, and chargeable bank commission fees for checks and wire transfers shall be borne by the Licensee.

**3. SHIPPING**

All transportation, shipping and handling charges are to be borne by Licensee. Licensee must provide Licensor with the name, address, telephone number, fax number, account number and e-mail address, if any, to Licensee's contracted shipping carrier(s) so that Licensor may also notify shipper when goods are ready for shipment or to arrange for shipping containers or other packaging as required.

INTERNATIONAL MERCHANDISING AND LICENSING AGREEMENT

Schedule "D"

Purchase Requirements

Licensee agrees to purchase in accordance with the minimum purchase requirements as outlined below:

Year Ending December 31, 2006	4.5 million 1 gm. caplets
Year Ending December 31, 2007	9 million 1 gm. caplets
Year Ending December 31, 2008	18 million 1 gm. caplets
Year Ending December 31, 2009	23 million 1 gm. caplets
Year Ending December 31, 2010	28 million 1 gm. caplets
And each year thereafter	32 million 1 gm. Caplets

All other products shall be purchased at minimum quantities of 300 U.S. gallons for liquid products and 300 pounds for dry products.



90 Kerry Place, St. 2  
 Norwood, MA 02062  
 (781) 278-0010

# Invoice

Date	Invoice #
11/28/2007	07-1804

Bill To
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

Ship To
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

P.O. No.	Terms	Due Date	Ship Date
14710	1/3 Dep./Balance at Ship	11/28/2007	11/28/2007

Item	Quantity	Description	Rate	Amount
FFI-.5x10	120,000	Fuel Caplet, .5 gm., Pkg. 10X blister pack 56,500 (113 of 160 ctn) shipped 12/4/07 49,000 (98 ctn) shipped 1/4/08 14,500 (29 of 51 ctn total) shipped 1/9/08 (25,500 shipped this day)	1.84	220,800.00
Freight	1	Freight Charge for 12/4/08 shipment	539.95	539.95
Freight	1	Freight Charge for 1/4/08 shipment	394.45	394.45
Freight	1	Freight Charge for 1/9/08 shipment - will invoice with 08-1829	0.00	0.00
<b>Total</b>				\$221,734.40
<b>Payments/Credits</b>				\$-73,600.00
<b>Balance Due</b>				\$148,134.40

**EXHIBIT D**





90 Kerry Place, St. 2  
 Norwood, MA 02062  
 (781) 278-0010

# Invoice

Date	Invoice #
11/28/2007	07-1805

<b>Bill To</b>
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

<b>Ship To</b>
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

P.O. No.	Terms	Due Date	Ship Date
	1/3 Dep./Balance at Ship	11/28/2007	11/28/2007

Item	Quantity	Description	Rate	Amount
FFI-BST-8	20,000	Boost, 8 oz.	4.12	82,400.00

<b>Total</b>	\$82,400.00
<b>Payments/Credits</b>	\$-27,466.66
<b>Balance Due</b>	\$54,933.34



90 Kerry Place, St. 2  
 Norwood, MA 02062  
 (781) 278-0010

# Invoice

Date	Invoice #
12/20/2007	07-1789

Bill To
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

Ship To
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

P.O. No.	Terms	Due Date	Ship Date
14707	1/3 Dep./Balance at Ship	12/20/2007	12/20/2007

Item	Quantity	Description	Rate	Amount
FFI-EXT8	13,176	EXTreme 8 oz., 12/case 192 -- 16 ctn x 12 shipped 12/20/07 4,824 -- 402 ctn x 12 shipped 12/21/07 4,320 -- 360 ctn x 12 shipped 1/8/08 3,840 -- 320 ctn x 12 shipped 1/9/08  BALANCE OF ORDER WILL BE SHIPPED ASAP	4.09	53,889.84
			<b>Total</b>	\$53,889.84
			<b>Payments/Credits</b>	\$-20,450.00
			<b>Balance Due</b>	\$33,439.84



**Invoice**

Date	Invoice #
1/7/2008	08-1829

<b>Bill To</b>
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

<b>Ship To</b>
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

P.O. No.	Terms	Due Date	Ship Date
14711	1/3 Dep./Balance at Ship	1/16/2008	1/16/2008

Item	Quantity	Description	Rate	Amount
FFI-.5x10	124,000	Fuel Caplet, .5 gm., Pkg. 10X blister pack 248 cases shipped 2/13/08	1.84	228,160.00
Freight	1	Freight Charge - for 2/13/08 shipment	1,209.00	1,209.00
Freight	1	Freight Charge - for 1/9/08 shipment	301.30	301.30
<b>Total</b>				<b>\$229,670.30</b>
<b>Payments/Credits</b>				<b>\$0.00</b>
<b>Balance Due</b>				<b>\$229,670.30</b>





90 Kerry Place, St. 2  
 Norwood, MA 02062  
 (781) 278-0010

# Invoice

Date	Invoice #
2/4/2008	08-1838

<b>Bill To</b>
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

<b>Ship To</b>
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

P.O. No.	Terms	Due Date	Ship Date
	Due Upon Receipt	2/4/2008	2/4/2008

Item	Quantity	Description	Rate	Amount
Freight	1	Freight Charge-1/14/08 EXTreme Shipment	173.69	173.69
Freight	1	Freight Charge-12/21/07 EXTreme Shipment	230.93	230.93
Freight	1	Freight Charge-12/20/07 EXTreme Shipment	41.37	41.37
Freight	1	Freight Charge-1/8/08 EXTreme Shipment	173.69	173.69

<b>Total</b>	\$619.68
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$619.68



# Invoice

Date	Invoice #
2/7/2008	08-1841

Bill To
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

Ship To
Fuel Freedom International, LLC 650 Douglas Avenue, Suite 1040 Altamonte Springs, FL 32714

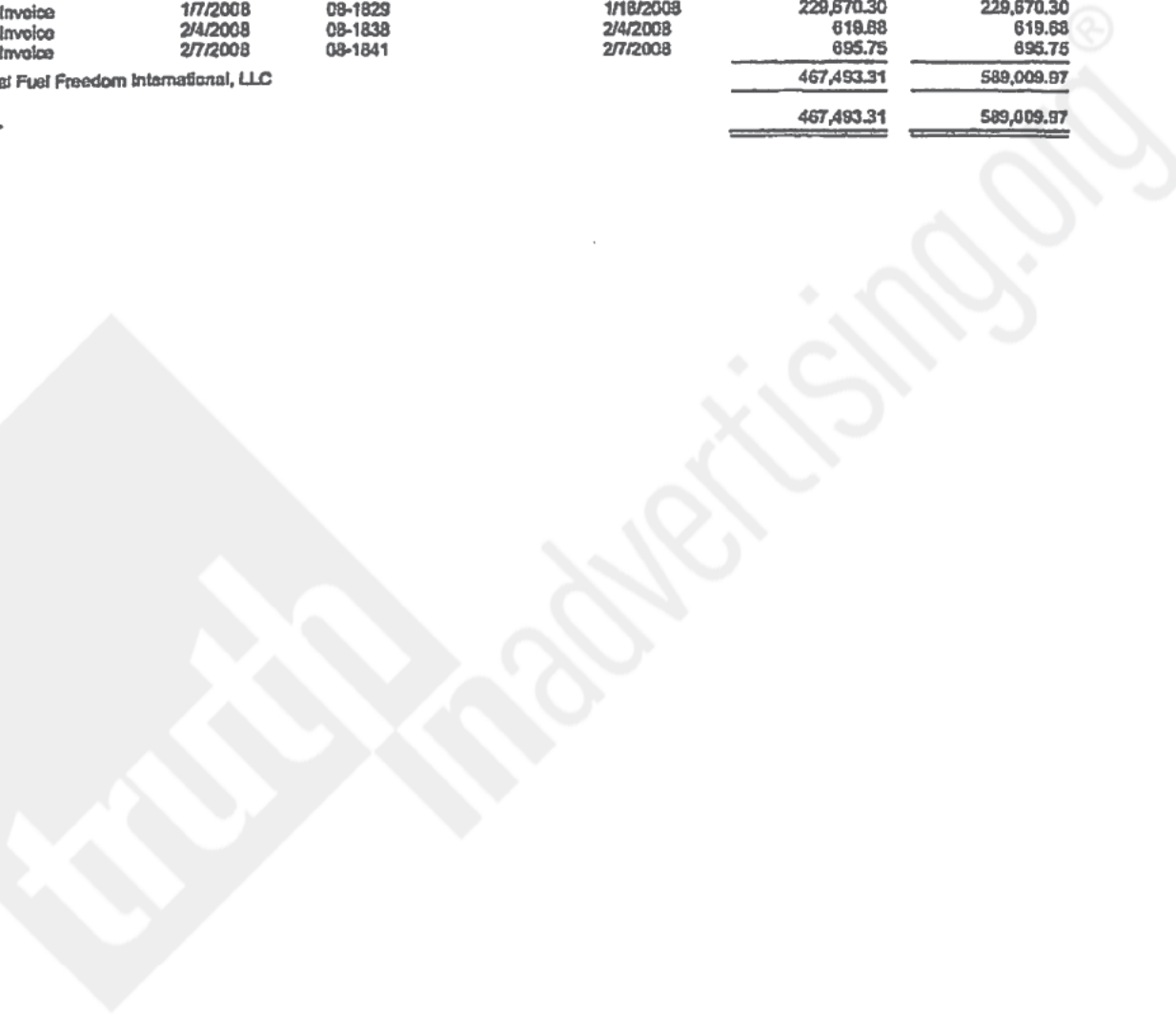
P.O. No.	Terms	Due Date	Ship Date
	1/3 Dep./Balance at Ship	2/7/2008	2/7/2008

Item	Quantity	Description	Rate	Amount
Freight	1	Freight Charge - caplet shipment 1/4/08	301.30	301.30
Freight	1	Freight Charge - caplet shipment 1/8/08	394.45	394.45
<b>Total</b>				<b>\$695.75</b>
<b>Payments/Credits</b>				<b>\$0.00</b>
<b>Balance Due</b>				<b>\$695.75</b>

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 Accrual Basis

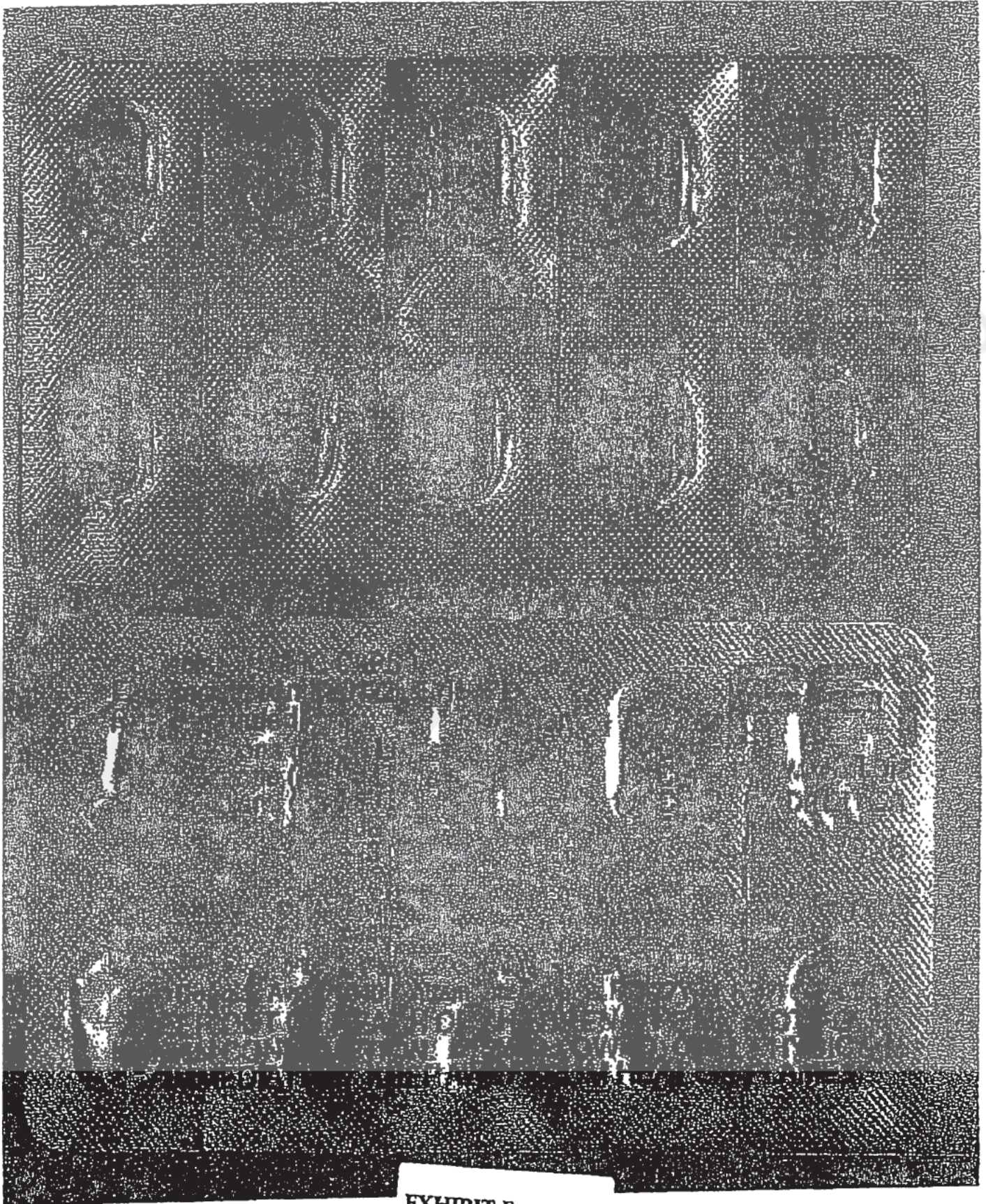
**ConSeal International, Inc.**  
**Customer Open Balance**  
 All Transactions

Type	Date	Num	Memo	Due Date	Open Balance	Amount
<b>Fuel Freedom International, LLC</b>						
Invoice	11/28/2007	07-1804		11/28/2007	148,134.40	221,734.40
Invoice	11/28/2007	07-1805		11/28/2007	54,933.34	82,400.00
Invoice	12/20/2007	07-1789		12/20/2007	33,439.84	53,889.84
Invoice	1/7/2008	08-1829		1/16/2008	229,670.30	229,670.30
Invoice	2/4/2008	08-1838		2/4/2008	619.68	619.68
Invoice	2/7/2008	08-1841		2/7/2008	695.75	695.75
<b>Total Fuel Freedom International, LLC</b>					<b>467,493.31</b>	<b>589,009.97</b>
<b>TOTAL</b>					<b>467,493.31</b>	<b>589,009.97</b>



**EXHIBIT E**





**EXHIBIT F**



eFiled in the Office of Clerk of Court, Orange County Florida 2011 Sep 14 03:24 PM Lydia Gardner

**SETTLEMENT AGREEMENT**

This Settlement Agreement is entered into this 24<sup>th</sup> day of September 2008 by and between ConSeal International Incorporated ("ConSeal") and Stephen Perry ("Perry") (sometimes collectively referred to as Plaintiffs) and Paul Freedom International, LLC ("FFI"), Partners Management Team, Inc. ("PMT"), Innovative Pool Technologies, LLC ("IPT"), IFT Commercial Sales, Inc. ("IFT Commercial"), Randy Ray ("Ray"), Wendy Lewis ("Lewis") and Robert Dawson ("Dawson") (sometimes collectively referred to as Defendants).

**RECITALS**

WHEREAS Plaintiffs and Defendants (collectively "the Parties") are engaged in that certain lawsuit entitled *ConSeal International Incorporated v. Paul Freedom International, LLC, et al.*, Case No.: 08-CA-1781-15-K, in the Circuit Court for Seminole County, Florida, ("the Seminole County suit") and some of the Parties are engaged in that certain lawsuit entitled *ConSeal International Incorporated v. Paul Freedom International, LLC et al.*, Case No.: 08-21547-CIV-Marcos/Torres in the United States District Court for the Southern District of Florida, Miami Division ("the Southern District suit") (the law suits are sometimes collectively referred to as "the Litigation"); and

WHEREAS, without admitting any of the allegations by the adverse Parties, the Parties desire to amicably resolve their disputes to avoid the time, expense and uncertainty of continued litigation; and

WHEREAS, the Parties desire and intend to resolve all outstanding disputes between them in this Settlement Agreement;

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Now, therefore, in consideration of the promises contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

TERMS

1. Recitals. The above recitals are true and correct and are incorporated into this Settlement Agreement.

2. Payment of Outstanding Invoices. FFI acknowledges that there are outstanding invoices from ConSeal to FFI in the total amount of \$467,493.31 ("Outstanding Balance"), subject to ConSeal delivering an "MPG-BOOST" order to FFI (purchase order no. 14709 for 20,000 8 ounce bottles ("Pending Order")). FFI shall pay ConSeal for these invoices as follows:

- a. The sum of \$154,272.79 in cleared U.S. funds shall be paid within ten (10) days of the date of this Settlement Agreement;
- b. The sum of \$313,220.52 in cleared U.S. funds shall be paid within sixty (60) days of the date of this Settlement Agreement, provided that ConSeal shall have delivered the Pending Order to FFI by that date, and, if not FFI shall pay ~~\$251,237.12~~ the difference between the Outstanding Balance (less \$154,272.79) and the amount of the Pending Order.

3. Payment of ConSeal's Attorneys' Fees and Costs. FFI shall pay ConSeal the sum of \$61,995.88 in cleared U.S. funds within sixty (60) days of this Settlement Agreement as reimbursement to ConSeal for its attorneys' fees and costs in the Seminole County suit. This payment is in addition to those payments described in paragraph 2 above. No monies shall be owed by FFI to ConSeal for the Southern District suit.

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4. Termination of License Agreement, Market Agreement and Non-Disclosure Agreement. Upon execution of this Settlement Agreement, the Market Segment Development Agreement (the "Market Agreement"), the International Merchandising and Licensing Agreement (the "License Agreement") and the Non-Disclosure and Non-Circumvention Agreements (copies of all of the agreements are attached to Plaintiff's complaint in the Seminole County suit) shall be deemed terminated by the Parties and of no further force or effect. The parties agree to enter into a new Confidentiality and Non-Disclosure Agreement in the form attached as Exhibit A.

5. Continued Purchase of Fuel Additive Products. Upon execution of this Settlement Agreement, FFI shall continue for a period of five years from the date of this Settlement Agreement to purchase fuel additive products from ConSeal, on a non-exclusive basis, pursuant to the terms of the Manufacture and Purchase Agreement attached as Exhibit B.

6. Trademarks, Copyrights and EPA Registrations. ConSeal acknowledges that FFI is the owner of the trademarks "MPG-CAPS" and "MPG-BOOST," ("FFI Marks") and ConSeal hereby releases any claims it may have to the use or ownership of the FFI Marks and agrees to assign to FFI any rights to the FFI Marks that ConSeal may have claimed or applied for, including but not limited to any trademark application or registration for the FFI Marks that ConSeal may have filed in any country, state or province. ConSeal agrees not to use the trademarks "MPG-CAPS," and "MPG-BOOST," or any trademark incorporating the letter "MPG," or any confusingly similar names without the prior written consent of FFI.

Defendants acknowledge that ConSeal is the owner of the trademarks "EXTREME" and "SULFUR" ("ConSeal Marks") (but ConSeal does not have the right to use "MPG" with the ConSeal Marks) and Defendants hereby assign to ConSeal any rights to the ConSeal Marks that

Defendants may have claimed or applied for, including but not limited to any trademark application or registration for the ConSeal Marks that Defendants may have filed in any country, state or province. Defendants shall not use or continue to use the ConSeal Marks, or any confusingly formative variations of those Marks, including "MPG-EXTREME" or "MPG-SULFRX" unless and until Defendants first obtain a written license from ConSeal, except that FFI may sell its current inventory.

7. Disclosure as to Defendants' source of fuel additive products. Defendants shall disclose in writing to ConSeal, within five (5) days of the date of this Settlement Agreement, all sources from which Defendants have purchased fuel additive products for resale since January 1, 2007, including dates, amounts, and product identification of such purchases. This disclosure shall be verified by the sworn affirmation of a duly authorized representative of Defendants.

8. Personal Guaranty by Randy Ray and Wendy Lewis. Upon execution of the Settlement Agreement, Ray and Lewis shall execute the Personal Guaranty Agreement attached as Exhibit C hereto, which shall replace the existing Personal Guaranty Agreement with Ray which shall be deemed terminated.

9. Disclosure as to Jack Kracklauer and Econalytic. FFI shall disclose in writing to ConSeal, within five (5) days of the date of this Settlement Agreement, the role of Jack Kracklauer and/or Econalytic Systems, Inc. (collectively "Econalytic"), in the following:

- a) whether, to what extent and how Econalytic induced Defendants to purchase fuel additive products from sources other than ConSeal;
- b) whether, to what extent and how Econalytic supplied fuel additive products directly to Defendants;

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c) Econalytic's representations, if any, concerning ConSeal's EPA registration number(s); and

d) other agreements, promises or representations made by Econalytic concerning the subject matter of the Seminole County suit.

This disclosure shall be verified by the sworn affirmation of a duly authorized representative of Defendants.

10. Inventory Disclosure. FFI shall disclose in writing to ConSeal, within five (5) business days of the date of this Settlement Agreement, the identity of the manufacturer which provided MFG-CAPS bearing ConSeal's EPA registration number, including the quantity that were provided to Defendants and dates of order. Defendants shall affirm same under oath, and shall include an affirmation that all of the MFG-CAPS bearing ConSeal's EPA registration number (other than those FFI purchased directly from ConSeal) have been sold and none remain in Defendants' inventory, possession, custody or control.

11. Release by Plaintiff. Except as to the provisions of this Settlement Agreement, Plaintiff do hereby release, remise, acquit, satisfy and forever discharge Defendants, jointly and severally, and their officers, directors, shareholders, managers, employees, agents, successors or assigns, of and from all, and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, known or unknown, which Plaintiff, or either of them, ever had, now has, or which any agents, successors or assigns of Plaintiff hereafter can, shall or may have, against Defendants, jointly or severally, for, upon or by reason of any matter, cause or thing whatsoever, including, but not limited to, any matters which were

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raised, or which could have been raised, in the Litigation; EXCEPT, however, this release shall not release Defendants from any liability to Plaintiffs from claims asserted against Plaintiffs by third Parties for or as a result of any act or omission by Defendants, or any of them.

12. Release by Defendants. Except as to the provisions of this Settlement Agreement, Defendants do hereby release, remise, acquit, satisfy and forever discharge Plaintiffs, jointly and severally, and their officers, directors, shareholders, managers, employees, agents, successors or assigns, of and from all, and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, known or unknown, which Defendants, or any of them, ever had, now has, or which any agents, successors or assigns of Defendants hereafter can, shall or may have, against Plaintiffs, jointly or severally, for, upon or by reason of any matter, cause or thing whatsoever, including, but not limited to, any matters which were raised, or which could have been raised, in the Litigation; EXCEPT, however, this release shall not release Plaintiffs from any liability to Defendants from claims asserted against Defendants by third Parties for or as a result of any act or omission by Plaintiffs, or either of them.

13. Liquidated Damages. The Parties acknowledge and agree that the damages which any party to this Settlement Agreement may suffer in the event Plaintiffs or Defendants breach their material non-payment obligations under this Settlement Agreement are impossible to determine at this time, and may be very difficult if not impossible to determine at the time any breach occurs. Accordingly, the Parties agree that liquidated damages in the total amount of \$100,000 shall be the total amount that Plaintiffs collectively or Defendants collectively may

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recover in any action for breach of any non-payment obligation of this Settlement Agreement. The amount of \$100,000 is determined by the Parties to be a fair and reasonable amount, and is not intended to be a penalty or forfeiture to Plaintiffs or Defendants.

14. Dismissal of the Litigation. Within five (5) business days after ConSeal receives from FFI the payment to ConSeal required by paragraph 2a, ConSeal shall dismiss the Southern District suit, without prejudice, with each party to bear its own costs and attorneys fees.

The Seminole County suit shall remain pending for the sole purpose of allowing the Parties to receive from Econalytic Systems, Inc. ("Econalytic") and/or Jack Kracklauer ("Kracklauer") all documents responsive to the Parties' subpoenas including all documents received from Econalytic and/or Kracklauer after any court resolves any objections to those subpoenas. Notwithstanding the foregoing, neither Party shall conduct any discovery or take any other action in the Seminole County case aside from pursuing Econalytic and/or Kracklauer's responses to the subpoena directed to Econalytic and Kracklauer. Within five (5) business days after the Parties receive all documents from Econalytic and/or Kracklauer that are responsive to the Parties' subpoenas, and not otherwise successfully objected to, the Parties shall file a joint motion to dismiss the Seminole County suit, with prejudice, with each party to bear its own costs and attorneys fees except as otherwise provided in this Settlement Agreement.

15. Applicable Law. This Settlement Agreement shall be governed by and interpreted in accordance with the law of the State of Florida, without reference to its law regarding conflicts of law.

16. Entire Agreement/Additional Documents. This Settlement Agreement is intended to be a complete and entire agreement between the Parties. There are no other terms, provisions, conditions or representations other than those set forth in this Settlement Agreement.

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However, to carry out the intent of this Settlement Agreement it may become necessary for the Parties to sign additional documents to effectuate the terms hereof. By way of example, and not by way of limitation, the provisions of paragraph 6 may require that a separate assignment be signed. The Parties agree to cooperate to carry out the intent of this Settlement Agreement when and if additional documents must be signed.

17. Exclusive Jurisdiction/Attorneys' Fees. In the event of future litigation arising out of or related to this Settlement Agreement, the Parties agree that exclusive jurisdiction and venue shall lie in the Circuit Court for Orange County, Florida, or the United States District Court for the Middle District of Florida, Orlando division. The prevailing party in any such action, including all appeals, shall be entitled to recover his, her or its reasonable attorneys' fees and costs.

18. Execution in Counterparts/Facsimile Signatures. This Settlement Agreement may be signed in counterparts but all signed copies shall constitute one agreement. Facsimile signatures shall be considered as original signatures.

19. Authority. The Parties, and those persons executing this Settlement Agreement on behalf of the Parties, represent that those persons executing this Settlement Agreement are authorized to do so.

20. Severability. If any provision of this Settlement Agreement, or the application of any such provision, is held invalid, such provision or application shall be deemed severable and the remaining provisions of this Settlement Agreement and their application shall continue in effect.

21. Construction. Each party has been represented by counsel and through their respective attorneys have reviewed and revised, or have had the opportunity to review and revise,





this Settlement Agreement. This Settlement Agreement shall not be construed against either party based on which party drafted a particular provision.

22 Notices. Any and all notices or delivery of documents or things required to be made in accordance with this Settlement Agreement shall be made in writing and shall be deemed to have been duly given, when received, if delivered personally, by facsimile with return confirmation, or by overnight delivery service to:

If to one of the Plaintiffs:

ConSeal International Incorporated  
90 Kerry Place, Suite 2  
Norwood, MA 02062  
Attention: Mr. Stephen Perry  
with a copy to:

Matthew S. Nelles, Esq.  
Ruden, McClosky, et. al.  
200 East Broward Boulevard  
Suite 1500  
Fort Lauderdale, FL 33301

If to one of the Defendants:

Mr. Randy Ruy  
Member  
Fuel Freedom International, LLC  
650 Douglas Avenue, Suite 1040  
Altamonte Springs, FL 32714

with a copy to:

Darryl M. Bloodworth, Esq.  
Dean, Mead, Egerton, Bloodworth, Caporaso & Bazarth, P.A.  
Post Office Box 2346  
Orlando, FL 32802-2346

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23. Headings. The headings contained in this Settlement Agreement have been inserted for convenience only and shall in no way define or limit the scope or interpretation of this Settlement Agreement.

24. Application of Agreement. This Settlement Agreement shall be binding on, and issue to the benefit of, the Parties and their successors, assigns, officers, directors, employees, and agents.

25. Knowledge of Terms. The Parties have had the benefit of personal counsel and fully understand the terms of this Settlement Agreement and are making full and final settlement of all claims.

Re: Confidentiality. See Attached

IN WITNESS WHEREOF, the Parties have executed this agreement as of the day and year first above written.

CONSERL INTERNATIONAL INC.

STEPHEN PERRY

By: [Signature]  
Its Authorized Agent

Individually: [Signature]

[DEFENDANTS' SIGNATURE BLOCKS ARE ON THE FOLLOWING PAGE]

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FUEL FREEDOM INTERNATIONAL,  
LLC

By: Randy Ray  
Its: CEO

*Randy Ray*

PARTNERS MANAGEMENT TEAM,  
INC.

By: Randy Ray  
Its: President

*Randy Ray*

INNOVATIVE FUEL TECHNOLOGIES,  
LLC

By: IFT Commercial Sales, Inc.

By: Randy Ray  
Its: President

*Randy Ray*

IFT COMMERCIAL SALES, INC.

By: Randy Ray  
Its: President

*Randy Ray*

RANDY RAY

Individually

*Randy Ray*

WENDY LEWIS

Individually

*Wendy Lewis*

ROBERT DAWSON.

Individually

*Robert Dawson*

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*DR*



**Confidentiality.** This Agreement, and the terms stated herein, including all financial terms, shall be maintained by the parties in confidence and shall not be disclosed to third parties unless subpoenaed or ordered for production by a court of law, in which case the party required to make disclosure shall provide the other party with at least ten (10) days written notice before making such disclosure. Notwithstanding, disclosure may be made to persons or entities on a need to know basis in furtherance of a party's legitimate business interest, including, but not limited to, disclosure to accountants, auditors, potential investors, or potential successors in interest, provided that such persons or entities agree to be bound by this confidentiality provision.

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**CONFIDENTIALITY AND  
NON-DISCLOSURE AGREEMENT**

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT (the "Agreement") is made and entered into this 24<sup>th</sup> day of September, 2008, by and between CONSEAL INTERNATIONAL, INC., 90 Kerry Place, Suite 2, Norwood, Massachusetts 02062 ("ConSeal") and FUEL FREEDOM INTERNATIONAL, LLC, 650 Douglas Avenue, Suite 1040, Altamonte Springs, Florida 32714 ("Fuel Freedom").

**RECITALS**

A. ConSeal is a manufacturer of certain fuel additive products which it desires to sell to Fuel Freedom including but not limited to solid fuel additive products ("Solid Products") and liquid fuel additive products ("Liquid Products") (collectively, the "Products").

B. ConSeal may, from time to time, provide Fuel Freedom with certain proprietary or confidential information relating to the Products, especially with respect to the composition of the Products and/or the manufacturing processes used to produce the Products, and certain other confidential or proprietary information relating to the business and operations of ConSeal which it desires to be kept confidential by Fuel Freedom.

C. Fuel Freedom may be required from time to time to divulge or make available to ConSeal certain confidential and/or proprietary information of Fuel Freedom regarding its customers, its sales force, its marketing plans and distribution systems, and certain other additional information relating to its business and operations which it desires to be kept confidential by ConSeal.

D. Each party to this Agreement is willing to receive information from the other party on a confidential basis and is willing to enter into this Agreement as an inducement to mutually disclose to each other the information available.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for other good and valuable considerations, the receipt and sufficiency of which are acknowledged by both parties, it is agreed as follows:

1. Designation of Information as "Confidential" or "Proprietary". Each party agrees to hold in confidence all information disclosed to it by the other party after the effective date of this Agreement, regardless of whether such information is disclosed or transmitted orally, in writing, by any electronic media, or by any other communication process, when such information is marked or indicated as being "confidential" or "proprietary." Information communicated orally by one party to the other shall be reduced to writing and marked "confidential" or "proprietary" within twenty (20) days after it is communicated in order to be protected under this Agreement. Each party further agrees to hold in confidence all information disclosed to it by the other party before the effective date of this Agreement, regardless of whether such information was disclosed or transmitted orally, in writing, by any electronic media, or by any other communication process, and regardless of whether such information is

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marked or indicated as being "confidential" or "proprietary."

2. Non-Disclosure and Non-Use of Confidential or Proprietary Information. Each party will treat all information designated as "confidential" or "proprietary" in accordance with Paragraph 1 above and received by it from the other party as strictly confidential, and will not otherwise use, exploit or disclose such information to unauthorized parties (i.e., to anyone other than its own personnel who will need access to such information in order to enable the recipient party to utilize such confidential or proprietary information). In particular, each party shall:

- (a) restrict access to the confidential or proprietary information to those employees with a need to know, including limiting and controlling copies thereof;
- (b) advise its employees and representatives of their obligations under this Agreement to respect the confidential nature of such information;
- (c) prevent disclosure to unauthorized individuals;
- (d) insure the proper safekeeping of the confidential or proprietary information and timely complete the disposition or destruction of all materials containing any of such information;
- (e) not use for its own benefit, or for the benefit of a third party, the confidential or proprietary information provided by the other party; and
- (f) employ the same degree of care in the protection of the confidential or proprietary information furnished to it by the disclosing party that it utilizes to protect its own confidential or proprietary information.

3. Exceptions. Notwithstanding the provisions of Paragraphs 1 and 2 above, each party shall have no obligation to preserve the confidentiality of information designated as confidential or proprietary under Paragraph 1 above, or to comply with the restrictions in Paragraph 2 above, as to any information which:

- (a) is or becomes generally available to the general public other than as a result of a disclosure by the recipient party or its representatives in violation of this Agreement;
- (b) was available to the recipient party on a non-confidential basis prior to its disclosure by the disclosing party to the recipient party;
- (c) becomes available to the recipient party on a non-confidential basis from a person (other than the other party or any of its representatives) who to the knowledge of the recipient party is not prohibited from disclosing such information by a legal, contractual or fiduciary obligation;
- (d) was independently developed by the recipient party without reference to any information received from the other party; or

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(e) is, upon the advice of legal counsel for the recipient party, required by law (i.e., any applicable law, regulation or valid legal process) to be disclosed.

4. Confidential or Proprietary Information to Remain the Property of the Disclosing Party. Subject to the provisions of Paragraph 3 above, all information provided by one party to the other and which has been designated as confidential or proprietary by the disclosing party, shall be deemed and remain the property of the disclosing party, and the disclosing party may instruct the recipient party to return, destroy or erase such information, including any copies thereof in the possession of the recipient party, at any time during the term of this Agreement or after its termination. The recipient party and all persons to whom it disclosed any such confidential or proprietary information will, however, continue to be bound by this Agreement notwithstanding the recipient party's compliance with the disclosing party's instructions and regardless of whether (i) the disclosing party fails to give such instructions, or (ii) the recipient party or the persons to whom it disclosed the information failed to return, destroy or erase such information (including all duplicate copies thereof in the recipient party's possession).

5. Rights to Inventions or Improvements. Nothing in this Agreement shall be construed, explicitly, implicitly or otherwise, to grant or confer rights of any sort upon a recipient party to any invention, discovery, or improvement involving any information received by it from a disclosing party and properly designated by the disclosing party as confidential or proprietary information.

6. Disclosures Required by Law. In the event that any recipient party or any of its representatives are requested pursuant to, or required by, law to disclose any confidential or proprietary information received by it from the disclosing party and which has been designated as confidential or proprietary information in accordance with Paragraph 1 above, the recipient party shall provide the disclosing party with prompt notice of such request or requirement in order to enable the disclosing party to seek an appropriate protective order or other remedy. In the event such protective order or other remedy is not obtained, or if the disclosing party waives compliance, in whole or in part, with the terms of this Agreement, the recipient party shall use reasonable efforts to disclose only that portion of such confidential or proprietary information that is legally required to be disclosed by it.

7. Unauthorized Disclosures. A recipient party shall not be liable hereunder for any disclosure of information properly designated as confidential or proprietary under Paragraph 1 above if such disclosure of information in violation of this Agreement was made by a person to whom the recipient party disclosed such information provided that: (i) the recipient party has satisfied all of its obligations under this Agreement, (ii) at the time of such unauthorized disclosure, the person making such unauthorized disclosure was not an officer, director, employee, contractor or agent of the recipient party, and (iii) such unauthorized disclosure results in a breach of a duty or obligation that the disclosing person has to the recipient party. The recipient party will use its best efforts to enforce, and to assist the disclosing party hereunder to enforce, any obligation that the disclosing person shall have breached by making the unauthorized disclosure referred to in the preceding sentence and to assist the disclosing party in recovering any damages resulting from any such unauthorized disclosure.

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8. Remedies. The parties acknowledge that, due to the confidential and proprietary nature of any information furnished by a disclosing party to a recipient party under this Agreement, a breach of this Agreement by the recipient or the persons to whom such confidential or proprietary information is disclosed will cause the disclosing party irreparable damage and, therefore, the disclosing party may enforce its rights under this Agreement by equitable relief, including injunctive relief and specific performance, in addition to any other remedies it may have at-law or in equity.

9. No Representations or Warranties. Neither the disclosing party nor its officers, directors, employees or agents shall be deemed to make or to have made any representation or warranty as to the accuracy or completeness of any confidential or proprietary information furnished by it to the recipient party hereunder.

10. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, and shall be binding upon the parties hereto and their respective successors and assigns. Venue for any action to enforce, challenge or construe any of the provisions of this Agreement shall be exclusively in the state courts of Florida, located in Orange County, Florida, and the parties consent to such jurisdiction and venue and waive any other venue.

11. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior communications, representations or agreements among the parties, whether verbal or written. The invalidity, illegality or unenforceability of any one or more provisions of this Agreement shall not affect or impair the validity, legality or enforceability of the remaining provisions hereof, which shall remain in full force and effect.

12. Notices. Any notices or other communications or deliveries which may be required or desired to be given under the terms of this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, or sent by facsimile transmission, overnight courier (for example, Federal Express), or if mailed by United States certified mail, return receipt requested, postage prepaid, addressed to the respective parties and addresses set forth in the preamble to this Agreement. Any notice so given, delivered or made by facsimile transmission shall be deemed to have been duly given, delivered or made on the day of receipt of such facsimile transmission by the recipient thereof as established either by (i) the date and time of receipt imprinted on the copy of the notice received by the recipient, or (ii) on the machine-generated date and time of receipt by the recipient confirmed by the transmission and receipt confirmation generated by the facsimile transmission equipment of the sender; provided, however, that notices sent by facsimile transmission and received after 5:00 p.m. local time on a business day or on a Saturday, Sunday or legal holiday in the state where such notice is received shall be deemed to have been received on the next business day. Any notice so given, delivered or made by mail shall be deemed to have been duly given, delivered or made two days after the date the same is deposited in the United States mail in the manner specified above unless the two-day period ends on a Saturday, Sunday or legal holiday in the state where such notice is delivered, in which event, the notice shall be deemed given, delivered or made on the first business day following the expiration of said two-day period. Any notice delivered by overnight courier shall be deemed to have been duly given, delivered or made on the first day following the

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date the same is delivered to the recipient, as established by the receipt or bill of lading, unless such driver or carrier is a bona fide transferee in good faith of the carrier or driver, in which case the carrier shall be deemed to have delivered the goods to the recipient on the date of such transfer. Any amount which is over-received or made by any insurer under this Article shall be deemed to be an advance payment of the amount of the loss and shall be applied to the amount of the loss. Any party who is liable for the amount of the loss shall be deemed to have delivered or made such amount to the recipient of such amount, and the carrier shall be deemed to have delivered or made such amount to the recipient of such amount.

13. Modifications. Any modification, amendment, extension, renewal, rescission, termination or other act or omission contained herein in any future agreement, printed or otherwise, shall be binding upon any party unless in writing and signed by a duly authorized representative of such party on its behalf.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to constitute the entire agreement between the parties, and all of such counterparts shall constitute one and the same agreement.

15. Attorneys' Fees. If any party brings an action to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to recover from the other party its reasonable attorneys' fees (including such fees incurred prior to trial, at trial, during any appellate proceedings, in bankruptcy court or in any other judicial or quasi-judicial proceeding) and interest thereon which shall be payable promptly upon demand by the prevailing party upon the expiration of the time for appeal.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

Signed, sealed and delivered in the presence of:

<p><i>Dana L. Hill</i> _____ <i>Dana L. Hill</i></p>	<p>CONSEAL INTERNATIONAL INCORPORATED By: <i>[Signature]</i> _____ [Name]</p>
<p>_____ _____ _____</p>	<p>FUEL FREEDOM INTERNATIONAL, LLC By: <i>Randy Ray, CEO</i> _____ Randy Ray, CEO</p>

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**FUEL ADDITIVE MANUFACTURE  
AND PURCHASE AGREEMENT**

THIS FUEL ADDITIVE MANUFACTURE AND PURCHASE AGREEMENT (the "Agreement") is made and entered into this 24th day of September, 2008, by and between CONSEAL INTERNATIONAL INCORPORATED ("ConSeal"), 90 Kerry Place, Suite 2, Norwood, Massachusetts 02062 and FUEL FREEDOM INTERNATIONAL, LLC ("Buyer"), 650 Douglas Avenue, Suite 1040, Altamonte Springs, Florida 32714.

**RECITALS**

- A. ConSeal is a manufacturer of certain fuel additive products which it desires to sell to Buyer including, but not limited to, solid fuel additive products ("Solid Products") and liquid fuel additive products ("Liquid Products") (collectively, the "Products").
- B. Buyer has previously purchased Products from ConSeal under various agreements, which Products were purchased by Buyer for resale through its distributors and other sales personnel (collectively, the "Buyer's Sales Force").
- C. A dispute arose between ConSeal and Buyer under their prior agreements leading to litigation, but which litigation was subsequently resolved pursuant to that certain Settlement Agreement dated the 24th day of September, 2008 (the "Settlement Agreement").
- D. This Agreement has been entered into pursuant to Paragraphs 4 and 5 of the Settlement Agreement and is entered into in order to set forth the terms pursuant to which ConSeal and Buyer will continue to do business with one another during the term hereof.

NOW, THEREFORE, in consideration of the mutual covenants set forth in the Settlement Agreement and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged by the parties, it is agreed as follows:

1. **Recitals: Defined Terms.** The statements of fact set forth in paragraphs A through D of the Recitals are true and correct and are incorporated herein and made a part hereof. Any capitalized terms which are used but not defined in this Agreement shall have the meanings set forth in the Settlement Agreement.
2. **Sale and Purchase of Products.** Pursuant to Paragraph 5 of the Settlement Agreement, ConSeal agrees to sell to Buyer those Products which are listed in Schedule 1 attached hereto and made a part hereof, subject to the terms and conditions set forth in this Paragraph 2 and elsewhere in this Agreement.
  - 2.1. **Sales Prices.** Subject to Paragraph 2.6 below, the price for each of the Products to be paid by Buyer to ConSeal for any Products ordered by Buyer during the term of this Agreement is set forth in Schedule 1 to this Agreement. The sales prices

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**EXHIBIT B**

for the Products set forth in Schedule 1 shall remain in effect throughout the term of this Agreement except to the extent provided in Paragraph 2.6 below.

2.2. Product Quality. ConSeal shall have registered with the Environmental Protection Agency ("EPA"), and shall have obtained registration numbers for any Products which, under applicable law and under any EPA regulations and procedures, are required to be registered with the EPA. In addition, before making the first delivery of ordered Products to Buyer, ConSeal shall provide to Buyer samples of each of the ordered Products listed on Schedule 1 and which are marked as "Samples". In the case of the Solid Products known as "MPG-Caps" and "Crumbs" Buyer shall have a reasonable period of time, not to exceed ten (10) days, to test, pursuant to Paragraph 7 below, the Samples of MPG-Caps and Crumbs to insure that the Samples comply with the EPA registration standards pertaining to the proprietary formula filed by ConSeal with the EPA in connection with ConSeal's EPA registration number 201220001. If Buyer's testing reveals a problem in this regard, Buyer will promptly notify ConSeal of the nature of the problem. ConSeal and Buyer shall thereafter mutually agree on any changes that need to be made to the Samples for such Products and the revised Samples shall then be substituted for the original Samples. If Buyer does not raise an objection to the Samples of MPG-Caps and Crumbs supplied by ConSeal, such Samples shall be deemed to be acceptable to Buyer. Once the samples are acceptable, nothing in this paragraph shall affect or reduce Buyer's minimum purchase requirements set forth below in paragraph 2.3.

All Products sold by ConSeal shall be of a grade and quality not less than the grade and quality of the Samples provided by ConSeal to Buyer, and shall otherwise conform to such Samples and to any EPA registrations that may exist for each of the Products.

2.3. Minimum Monthly Purchases: Non-Exclusive Purchase Arrangement. Upon execution of the Settlement Agreement, and for a period of five (5) years from the date of the Settlement Agreement, Buyer shall purchase from ConSeal the Solid Products known as "MPG-Caps" and "Crumbs" on a non-exclusive basis, to be sold under names or trade marks owned by or licensed to Buyer, in a minimum amount of 250,000 grams per month, not less than 150,000 grams of which shall be MPG-Caps; provided, however, that in the event the manufacture or sale of such Solid Products is prohibited or restricted by governmental regulators, Buyer's monthly purchase requirement shall be reduced in proportion to the reduced availability or ability to sell due to such governmental or regulatory action. This Agreement is not an exclusive purchase agreement, and although Buyer is under no obligation to purchase fuel additive products solely from ConSeal, Buyer shall satisfy this monthly minimum purchase requirement with ConSeal before ordering fuel additive products from alternative sources.

2.4. Purchase Orders. All orders for Products shall be dated and signed by an authorized representative of Buyer ("Purchase Order"). Each Purchase Order shall be made by Buyer on Buyer's purchase forms and delivered to ConSeal by facsimile transmission directed to Donna Gilmore or such other representative of ConSeal as it may identify by notice to Buyer. Each Purchase Order shall describe the Product(s) and quan-

ities ordered and any other special requests that Buyer may make with respect to such order (subject, in the case of any such special requests, to the approval of ConSeal if such requests are not in conformity with the requirements of Paragraph 2 of this Agreement).

2.5. Terms for Payment. Buyer shall pay to ConSeal an amount equal to 50% of the aggregate purchase price for the Products described in the Purchase Order at the time of submittal of the Purchase Order. The balance of the purchase price for the Products shall be payable in full within 10 days of delivery by ConSeal of the Products described in the Purchase Order. If a delivery of the ordered Products is made by ConSeal in 2 or more portions, only the pro rata portion of the unpaid balance of the purchase price attributable to the delivered portion will be due within 10 days of each such delivery. All sales of Products by ConSeal to Buyer shall be F.O.B. ConSeal's delivery dock and delivered to the carrier selected by Buyer which is identified in the Purchase Order (but such carrier may be changed by written notice from Buyer to ConSeal at any time prior to delivery). All costs of transportation and insurance (if any) shall be paid by, and shall be the responsibility of, Buyer.

2.6. Changes to Purchase Prices for Products. Buyer acknowledges and agrees that changes to the purchase prices for Products may be made by ConSeal from time to time to reflect increases in the published U.S. Cost of Living Index or increases in the cost of raw materials, whichever is greater. ConSeal shall provide written notice of any such changes to purchase prices for Products via e-mail to Buyer not later than thirty (30) days prior to the date on which the change is to take effect.

2.7. Delivery. ConSeal agrees to deliver all Products for which it receives Purchase Orders from Buyer not later than 30 days after the date of receipt of the Purchase Order. Notwithstanding the foregoing, in the event that Buyer requires ConSeal to use customized labels or packaging for the Products, ConSeal agrees to deliver the Products to Buyer not later than 30 days after receipt of the Purchase Order or the customized labels or packaging, whichever is received last. The receipt date for purposes of this Paragraph 2.7 shall be determined in accordance with the provisions of Paragraph 15 below.

2.8. Packaging. All Products sold by ConSeal to Buyer hereunder shall be delivered in packages and with labels more particularly described in Schedule 1 or in such other packaging and with such other labels as Buyer may request subject to the consent of ConSeal which consent shall not be unreasonably withheld so long as the cost of such packaging to ConSeal is substantially the same as the packaging described in Schedule 1. In the event that Buyer re-packages and/or re-labels the Products and/or alters the labeling on the Products or adds additional labels to the Products, Buyer shall comply with all applicable laws, ordinances, rules and regulations of the jurisdiction in which such Products are sold or offered for sale by Buyer to the extent that such laws, ordinances, rules and regulations govern packaging and labeling of the Products specifically and of goods in general.

3. Term of Agreement. This Agreement shall commence on the first day of October, 2008 and shall expire on the last day of September, 2013.



4. Rights to Trade Names and Trademarks. All rights to trade names, trademarks and service marks, whether registered or not, are to be determined in the manner agreed to by the parties in the Settlement Agreement.

5. ConSeal's Representations and Warranties. ConSeal makes the following representations and warranties to Buyer with respect to the Products:

5.1. All Products which are sold by ConSeal to Buyer under this Agreement and which are required to be registered with the EPA shall have been registered by ConSeal with the EPA and shall have been manufactured in conformity with their respective EPA registrations. In addition, all Products sold by ConSeal to Buyer under this Agreement shall be of a grade and quality not less than the Samples provided by ConSeal to Buyer as referenced in Paragraph 2.2 above, and shall otherwise conform to such Samples.

5.2. The Products do not infringe on any United States or foreign patent or on any other right of any other person.

5.3. The sale by ConSeal of Products to Buyer under this Agreement will not violate any agreement or other arrangement by which ConSeal is bound, nor will it violate any judgment, order or ruling of any court of competent jurisdiction or of any federal, state or local governmental entity or agency which is binding on or applies to ConSeal.

CONSEAL MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS PARAGRAPH 5.

6. Non-Interference With Buyer's Sales Force. ConSeal shall not intentionally interfere with Buyer's marketing of the Products through Buyer's Sales Force and ConSeal shall not intentionally sell any Products, either directly or indirectly, to any member of Buyer's Sales Force or solicit any orders for Products from any member of Buyer's Sales Force.

7. Non-Conforming Products. If Buyer determines in good faith that any Products purchased by it from ConSeal fail to meet the requirements for such Products under Paragraphs 2.2 and 5.1 of this Agreement, Buyer shall not return the Products but shall notify ConSeal as soon as reasonably possible after discovery by Buyer of such failure, stating the full particulars in support of the Buyer's claim for non-conformity, and ConSeal shall either replace the Products promptly thereafter at ConSeal's expense or adjust the matter fairly and promptly to the satisfaction of the Buyer in the reasonable exercise of its discretion. If, however, ConSeal disputes the fact that the Products are defective or are otherwise non-conforming with the requirements of this Agreement, or if ConSeal wishes to have an independent determination of whether or not the Products are defective or non-conforming, Buyer and ConSeal shall mutually agree upon an independent qualified lab which shall test the Products to determine whether or not they are defective or otherwise non-conforming. A sufficient portion of the allegedly non-conforming Product to adequately test the Purchase Order, and a Sample of the Product shall be supplied by Buyer to such lab for the purpose of making such determination. The determination of such lab with respect to the conformity of the affected Products shall be binding on the parties.

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If Buyer and ConSeal cannot agree upon a single independent qualified lab to make such determination, each shall designate an independent qualified lab and each lab shall be furnished by Buyer with such a portion of the allegedly non-conforming Products together with Samples of the same type of Products, a copy of the Purchase Order, and if the two designated labs agree upon a conclusion as to whether the Products are defective or are non-conforming, the determination of such labs shall be controlling. If the two labs reach differing conclusions, the two labs shall mutually select a third independent qualified lab which shall also be furnished by Buyer with a portion of the allegedly non-conforming Products, Samples of the same type of Products and a copy of the Purchase Order and such third lab shall then make a determination with regard to whether or not such Products are defective or non-conforming. The determination of such third lab shall control and the parties shall be bound accordingly. If the Products are found to be defective, the costs for the lab testing shall be borne 100% by ConSeal and ConSeal shall promptly ship replacement Products to Buyer (or to Buyer's designee) at ConSeal's expense and any such replacement Products shall meet all of the requirements of this Agreement. If, on the other hand, the Products are determined by the lab testing not to be defective, the costs of such tests shall be borne 100% by the Buyer.

8. Indemnification. Each party hereby agrees to indemnify and hold harmless the other party and its affiliates from and against any and all costs, losses, damages, penalties, fees, liabilities, obligations, claims, actions, causes of action, suits, proceedings at law or in equity, or any other expenses or liabilities of any character or nature, including without limitation attorney's fees and costs which the other party or its affiliates may incur or with which it or its affiliates may be threatened directly or indirectly arising from or in connection with any breach by the other party of any representation, warranty, covenant, or other provision of this Agreement.

9. Force Majeure. A party shall not be deemed to have defaulted or failed to perform hereunder if that party's inability to perform or default shall have been caused by an event or events beyond the control and without the fault of that party, including (without limitation) acts of government, embargos, fires, floods, explosions, acts of God or a public enemy, strikes, labor disputes, civil riots or commotions or the inability to procure necessary raw materials, supplies or equipment.

10. Compliance with Foreign Corrupt Practices Act. In conformity with the United States Foreign Corrupt Practices Act (the "FCPA"), Buyer shall not directly or indirectly make any offer, payment, promise to pay, or authorize payment of, or offer a gift, promise to give, or authorize the giving of anything of value for the purpose of influencing an act or decision of an official of any government anywhere or the United States government (including a decision not to act) or inducing such official to use his or her influence to affect any such governmental act or decision in order to assist Buyer in obtaining, retaining or directing any business, project or contract relating to the Products. Buyer hereby represents and warrants to ConSeal that Buyer is familiar with the requirements of the FCPA.

11. Relationship of Parties. This Agreement does not make either party or the employees or affiliates of either party an agent, legal representative, joint venturer, partner or employee of the other party for any purpose whatsoever. Each party shall be solely and entirely responsible for its individual acts and the acts of its agents, officers, directors, shareholders,

members, managers, employees and servants during the performance of this Agreement. Buyer is and shall be an independent contractor and is in no way authorized to make any contract, agreement, warranty or representation on behalf of ConSeal or to create any obligation, express or implied, on behalf of ConSeal.

12. Compliance with Laws or Regulations. Each party agrees that it will comply with any and all applicable federal, state or local laws, rules, ordinances or regulations with respect to the Products and this Agreement. Each party further agrees to indemnify and hold harmless the other party, its affiliates, officers, directors, managers, shareholders, members, employees, agents, successors and assigns, from any costs, liabilities, obligations and/or damages including, without limitation, reasonable attorneys' fees and costs, that it or they may suffer or incur as a result of, or arising in connection with, the failure of the indemnifying party to comply with all federal, state or local laws, rules, ordinances or regulations with respect to the Products and this Agreement.

13. Assignment. This Agreement may not be assigned by any party without the prior written consent of the other party.

14. Entire Agreement. All of the terms and conditions to this Agreement are specified herein and include the terms and conditions contained in all attached Schedules. This Agreement, together with the Settlement Agreement and that certain Confidentiality and Non-Disclosure Agreement entered into by the parties on September 24, 2008, contain the entire agreement of the parties with respect to the subject matter hereof (and thereof) and supersedes all prior communications, representations or agreements among the parties with respect to such subject matter, whether verbal or written. The invalidity, illegality or unenforceability of any one or more provisions of this Agreement shall in no way affect or impair the validity, legality or enforceability of the remaining provisions hereof, which shall remain in full force and effect.

15. Notices. Any notices or other communications or deliveries which may be required or desired to be given under the terms of this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered, or if sent by facsimile transmission, overnight courier (for example, Federal Express), or if mailed by United States certified mail, return receipt requested, postage prepaid, addressed as follows:

If to ConSeal:

ConSeal International Incorporated  
90 Kerry Place, Suite 2  
Norwood, MA 02062  
Attn: Mr. Stephen Perry

If to Buyer:

Fuel Freedom International, LLC  
650 Douglas Avenue, Suite 1040  
Altamonte Springs, FL 32714  
Attn: Mr. Randy Ray  
E-Mail Address: randy.ray@fihq.com

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Any notice so given, delivered or made by facsimile transmission shall be deemed to have been duly given, delivered or made on the day of receipt of such facsimile transmission by the recipient thereof as established either by (i) the date and time of receipt imprinted on the copy of the notice received by the recipient, or (ii) on the machine-generated date and time of receipt by the recipient confirmed by the transmission and receipt confirmation generated by the facsimile transmission equipment of the sender; provided, however, that notices sent by facsimile transmission and received after 5:00 p.m. local time on a business day or on a Saturday, Sunday or legal holiday in the state where such notice is received shall be deemed to have been received on the next business day. Any notice so given, delivered or made by mail shall be deemed to have been duly given, delivered or made two days after the date the same is deposited in the United States mail in the manner specified above unless the two-day period ends on a Saturday, Sunday or legal holiday in the state where such notice is delivered, in which event, the notice shall be deemed given, delivered or made on the first business day following the expiration of said two-day period. Any notice delivered by overnight courier shall be deemed to have been duly given, delivered or made on the first day following the date the same is delivered to the overnight courier as established by the receipted bill of lading, unless such day is a Saturday, Sunday or legal holiday in the state where such notice is received, in which event the notice shall be deemed given, delivered or made on the first business day thereafter. Any notice which is given, delivered or made by any manner other than facsimile transmission, U.S. certified mail or overnight courier shall be deemed to have been duly given, delivered or made upon actual receipt of the same by the party to whom the same is to be given, delivered or made. Any party may change the address to which notices are sent to such party by written notice to the other parties specifying said change of address.

16. Modifications. No modification, amendment, extension, renewal, rescission, termination or waiver of any of the provisions contained herein, or any future representation, promise or condition in connection with the subject matter hereof, shall be binding upon any party unless in writing and signed by a duly authorized representative of such party on its behalf.

17. Governing Law: Venue. The validity, construction and performance of this Agreement shall be governed by the laws of the State of Florida. Venue for any action brought to enforce or interpret this Agreement shall lie exclusively within either the state courts of Florida located in Orange County, Florida, or the United States District Court for the Middle District of Florida, Orlando Division, as the case may be, and the parties hereto do hereby specifically waive any other jurisdiction and venue.

18. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and shall be binding upon the party or parties who executed the same, but all of such counterparts shall constitute one and the same agreement.

19. Attorneys' Fees. If any party hereto brings an action to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to recover from the non-prevailing party its reasonable attorneys' fees (including such fees incurred prior to trial, at trial, during any appellate proceeding, in bankruptcy court or in any other judicial or quasi-judicial proceeding) and related costs, which shall be payable promptly upon demand by the prevailing party upon the non-prevailing party.

20. No Waiver. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the party against whom it is asserted, and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing or future waiver.

21. Construction. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any party hereto. This Agreement shall not be construed against either party by virtue of a party being deemed the Agreement's drafter. The paragraph headings or captions contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

22. Application of Agreement. This Agreement shall be binding upon, and inure to the benefit of, the parties and their successors, assigns, officers, directors, employees and agents.

23. Provisions Severable. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations of the jurisdictions in which the parties do business. If any provision of this Agreement, or the application thereof to any person or circumstances shall, for any reason or to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

24. No Third Party Beneficiary. This Agreement is made solely and specifically between and for the benefit of the parties hereto, and their respective successors and permitted assigns subject to the express provisions hereof relating to successors and assigns, and no other person shall have any rights, interests or claims hereunder or be entitled to any benefits under or on account of this Agreement as a third party beneficiary or otherwise.

25. Further Assurances. The parties hereto will execute and deliver such further instruments and do such further acts and things as may be reasonably required to carry out the intent and purposes of this Agreement.

26. Confidentiality Agreement. This Agreement, and the terms stated herein, including all financial terms, shall be maintained by the parties in confidence and shall not be disclosed to third parties unless subpoenaed or ordered for production by a court of law, in which case the party required to make disclosure shall provide the other party with at least ten (10) days written notice before making such disclosure. Notwithstanding, disclosure may be made to persons or entities on a need to know basis in furtherance of a party's legitimate business interest, including, but not limited to, disclosure to accountants, auditors, potential investors, or potential successors in interest, provided that such persons or entities agree to be bound by this confidentiality agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

Signed, sealed and delivered in the presence of:

[Signature]  
[Signature]

CONSPAS INTERNATIONAL  
INCORPORATED

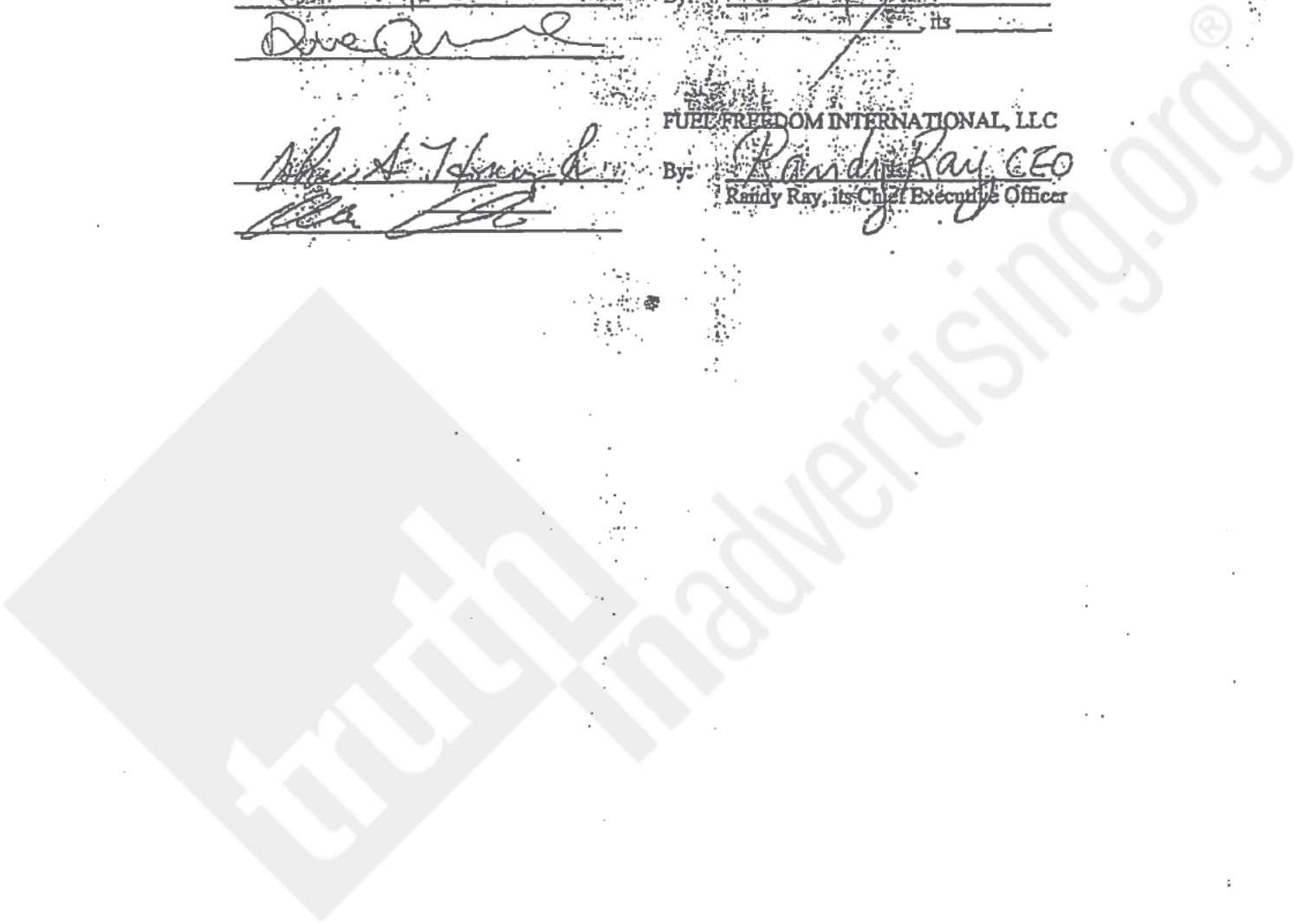
By: [Signature] its \_\_\_\_\_

[Signature]  
[Signature]

FUEL FREEDOM INTERNATIONAL, LLC

By: Randy Ray, CEO  
Randy Ray, its Chief Executive Officer

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Schedule 1

MPC Caplet/2 Gram (500 mg) - Blister Pack - Wholesale			
Caplets Per Week	Blisters Per Week	Blister Cost	
500,000	50,000	\$1.78	
1,200,000	120,000	\$1.67	
1,800,000	180,000	\$1.54	

MPC Caplet/2 Gram (500 mg) - Blister Pack - Retail			
Caplets	Blisters	Blister Cost	
300,000	30,000	\$2.16	
500,000	50,000	\$1.96	
1,200,000	120,000	\$1.84	
1,800,000	180,000	\$1.69	

\*\*\*Minimum monthly purchase requirement may be ordered two months at a time to meet requirement.

MPC Grumb's (Sub)Econo Pak - Purchase Agreement/Paragraph 2.3			
		50,000 Toobs	120,000+ Toobs
		35 gram	Package of 10 Toobs
7 doses	Per Toob Cost	\$5.90	\$4.20
	Per Dose	\$0.84	\$0.60
		250,000+ Toobs	500,000+ Toobs
35 gram	Package of 10 Toobs	\$40.00	\$38.00
7 doses	Per Toob Cost	\$4.00	\$3.80
	Per Dose	\$0.57	\$0.54

SulfRX			
	<10,000	10,001 - 19,999	> 20,000
8 oz.	\$5.49	\$4.94	\$4.45
Quart	<500	501 - 1,200	> 1,201
	\$15.92	\$15.13	\$14.37
Gallon	300 - 999	1,000 - 2,499	>2,500
	\$90.45	\$81.40	\$73.26
5-Gallon Pail	60 - 199	200 - 500	>501
	\$246.14	\$221.53	\$199.38
55-Gallon Drum	1 - 11	12 - 24	25+
	\$2,319.04	\$2,087.13	\$1,878.42

MPC Marine Boost - 4 1/2 Grams			
10 x 1 lb. Poly Pack	400 - 800 Cases	801 - 1,600 Cases	1601+ Cases
		\$811.11 per case	\$730 per case
5 lb. Poly Pack	800 - 1,600 Poly Packs	1,601 - 3,200 Poly Packs	3,201+ Poly Packs
		\$405.56	\$365.00

Boost			
	<10,000	10,001 - 19,999	> 20,000
8 oz.	\$5.62	\$5.06	\$4.55
Quart	<500	501 - 1,200	> 1,201
	\$20.45	\$18.40	\$16.56
Gallon	300 - 999	1,000 - 2,499	>2,500
	\$78.94	\$71.04	\$63.94
5-Gallon Pail	60 - 199	200 - 500	>501
	\$386.54	\$347.89	\$313.10
55-Gallon Drum	1 - 11	12 - 24	25+
	\$3,989.52	\$3,590.57	\$3,231.51

Booster			
	<10,000	10,001 - 19,999	> 20,000
8 oz.	\$4.74	\$4.50	\$4.05
Quart	<500	501 - 1,200	> 1,201
	\$12.61	\$11.35	\$10.22
Gallon	300 - 999	1,000 - 2,499	>2,500
	\$41.34	\$37.21	\$33.49
5-Gallon Pail	60 - 199	200 - 500	>501
	\$180.59	\$162.80	\$146.52
55-Gallon Drum	1 - 11	12 - 24	25+
	\$1,595.37	\$1,435.84	\$1,292.25

<b>MP Extreme Boosters</b>			
5-Gallon Pail	144 - 299 Pails \$206.29	300 - 599 Pails \$185.66	600+ Pails \$167.09
30-Gallon Drum	24 - 49 Drums \$1,148.15	50 - 99 Drums \$1,033.33	100+ Drums \$930.00
55-Gallon Drum	12 - 23 Drums \$1,997.00	24 - 47 Drums \$1,797.30	48+ Drums \$1,617.57
<b>MP Extreme</b>			
8 oz.	<10,000 \$4.54	10,001 - 19,999 \$4.09	> 20,000 \$3.67
Quart	<500 \$14.43	501 - 1,200 \$13.71	>1,201 \$13.02
Gallon	300 - 999 \$52.40	1,000 - 2,499 \$49.78	>2,500 \$47.29
5-Gallon Pail	60 - 199 \$185.19	200 - 500 \$189.00	>501 \$170.00
55-Gallon Drum	6 - 11 \$2,334.96	12 - 24 \$2,194.86	25+ \$2,063.17
<b>MP Extreme Maximizer</b>			
8 oz.	<10,000 \$4.54	10,001 - 19,999 \$4.09	> 20,000 \$3.67
Quart	<500 \$14.43	501 - 1,200 \$13.71	>1,201 \$13.02
Gallon	300 - 999 \$52.40	1,000 - 2,499 \$49.78	>2,500 \$47.29
5-Gallon Pail	60 - 199 \$185.19	200 - 500 \$189.00	>501 \$170.00
55-Gallon Drum	6 - 11 \$2,334.96	12 - 24 \$2,194.86	25+ \$2,063.17
<b>MP Extreme AT</b>			
4 oz.	<20,000 \$3.53	20,001 - 39,999 \$3.18	> 40,000 \$2.86
Quart	<500 \$15.80	501 - 1,200 \$14.22	>1,201 \$12.80
Gallon	300 - 999 \$57.61	1,000 - 2,499 \$51.85	>2,500 \$46.66
5-Gallon Pail	60 - 199 \$272.17	200 - 500 \$244.95	>501 \$220.45
55-Gallon Drum	6 - 11 \$2,751.01	12 - 24 \$2,475.91	25+ \$2,228.32
<b>MP Extreme</b>			
8 oz.	<10,000 \$7.24	10,001 - 19,999 \$6.52	> 20,000 \$5.86
Quart	<500 \$22.97	501 - 1,200 \$20.67	>1,201 \$18.61
Gallon	300 - 999 \$82.73	1,000 - 2,499 \$74.46	>2,500 \$67.01
5-Gallon Pail	60 - 199 \$387.41	200 - 500 \$348.67	>501 \$313.80
55-Gallon Drum	6 - 11 \$3,866.85	12 - 24 \$3,480.16	25+ \$3,132.15

**PERSONAL GUARANTY OF RANDY RAY AND WENDY LEWIS**

We, Randy Ray and Wendy Lewis (collectively "Guarantors"), jointly and severally, for and in consideration of ConSeal International Incorporated ("ConSeal"), a Florida corporation, extending credit at our request to Fuel Freedom International, LLC, a Florida limited liability company ("Company"), of which we are members (and owners of a direct or indirect interest in Company) such that this guaranty ("Guaranty") may reasonably be expected to benefit us directly, hereby personally guarantee to ConSeal the payment, and not the collection, of the outstanding balance for any orders placed by Company with ConSeal on Company purchase orders after July 1, 2008 (the "Obligations"), in the event Company fails to remit payment of the Obligations to ConSeal in accordance with the terms set forth in the invoice(s) related thereto. Guarantors hereby agree to pay ConSeal within ten (10) days of the receipt of ConSeal's demand for payment of the Obligations. Guarantors agree to make all payments under this agreement in cleared U.S. funds. Guarantors understand that the payment amount of the Obligations under this Guaranty will vary in accordance with the amount of goods invoiced by ConSeal and Guarantors agree to make said payment(s) accordingly.

The liability of Guarantors with respect to this Guaranty shall be enforceable without the necessity of any suit or proceeding of any kind against the Company. Guarantors further agree that the validity of the Guaranty and obligations pursuant to the Guaranty shall in no way be terminated, affected, diminished or impaired by reason of (a) the assertion or failure to assert by or against the Company any of the rights or remedies to which the Company may be entitled, or (b) any offset or defense made by the Company with respect to its obligations to ConSeal, including without limitation, insolvency or discharge in bankruptcy. It is understood that this Guaranty shall be a continuing, unconditional, and irrevocable guaranty and indemnity and that Guarantors' liability with respect to their obligation to guarantee payment of the Obligations shall in no way be affected, modified or diminished by reason of (i) any assignment, renewal, modification, amendment or extension of the Company Obligations, individually, collectively or any combination thereof, or (ii) any waiver, action or inaction or omission under or with respect to the Company Obligations, individually, collectively or any combination thereof. This Guaranty is binding on Guarantors and the Guarantors' heirs, personal representatives, successors and assigns. If any provision of this Guaranty or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Guaranty nor the application of such provision to any other person or circumstances shall be affected thereby, but rather the same shall be enforced to the greatest extent permitted by law.

Guarantors hereby agree and acknowledge that ConSeal is under no obligation to provide notice of non-payment to the Company and/or to the Guarantors.

If litigation or any other legal proceeding is required in order to enforce or defend any rights under this guaranty, and such process results in a final judgment or ruling in favor of any party hereto ("Prevailing Party"), the party against whom said final judgment or ruling is obtained shall reimburse the Prevailing Party for all attorneys' fees and costs.

FTL281215-3

Page 1 of 2

**EXHIBIT C**

**EXHIBIT H**



IN WITNESS WHEREOF, the Guarantors have executed and delivered this Guaranty, as  
of the 14 day of Sept, 2008.

GUARANTORS:

Randy Ray  
RANDY RAY, individually

Wendy Lewis  
WENDY LEWIS, individually

*WR*

FIRST ADDENDUM TO SETTLEMENT AGREEMENT

This First Addendum to Settlement Agreement ("First Addendum") is entered into by and between ConSeal International Incorporated ("ConSeal") and Stephen Perry ("Perry") (sometimes collectively referred to as Plaintiffs) and Fuel Freedom International, LLC ("FFI"), Partners Management Team, Inc. ("PMT"), Innovative Fuel Technologies, LLC ("IFT"), IFT Commercial Sales, Inc. ("IFT Commercial"), Randy Ray ("Ray"), Wendy Lewis ("Lewis") and Robert Dawson ("Dawson") (sometimes collectively referred to as Defendants), and is effective as of the date last signed below.

RECITALS

WHEREAS, Plaintiffs and Defendants (collectively "the Parties") are engaged in that certain lawsuit entitled *ConSeal International Incorporated v. Fuel Freedom International, LLC, et al.*, Case No.: 08-CA-1781-15-K, in the Circuit Court for Seminole County, Florida, ("the Lawsuit");

WHEREAS, on September 24, 2008, the Parties entered into a Settlement Agreement (the "Agreement") intending to resolve all outstanding disputes between them;

WHEREAS, within sixty (60) days of the execution of the Agreement, FFI was required to pay to ConSeal \$313,220.52 under ¶ 2b of the Agreement and \$61,995.88 under ¶ 3 of the Agreement;

WHEREAS, FFI breached the Agreement by failing to make the payments required to be made under ¶¶ 2b and 3;

WHEREAS, FFI also breached the Agreement by failing to purchase fuel additive products under ¶ 5;

FTL-3076016:1

**EXHIBIT I**

WHEREAS, Defendants acknowledge that they have experienced financial difficulties and have repeatedly requested that ConSeal forbear from taking legal action as a result of FFI's breaches of the Agreement and that, as a result, ConSeal has thus far agreed to forbear without waiving any of its rights under the Agreement; and

WHEREAS, the Parties desire to enter into this First Addendum in order to amend certain of Defendants' obligations under the Agreement, as specified herein;

Now, therefore, in consideration of the promises contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

Agreement

1. Recitals. The above recitals are true and correct and are incorporated into this First Addendum.

2. Payment of Outstanding Balance plus Interest. Under ¶ 2b of the Agreement, FFI is required to pay to ConSeal \$313,220.52. To date, FFI has paid only \$20,000, leaving a balance owed to ConSeal under ¶ 2b of \$293,220.52. Further, under ¶ 3 of the Agreement, FFI is required to pay to ConSeal \$61,995.88. To date, FFI has not paid any amounts under ¶ 3. Thus, the total amount due and owing by FFI to ConSeal under ¶¶ 2b and 3 of the Agreement is \$355,216.40 ("Outstanding Balance"). FFI shall pay the Outstanding Balance plus Interest to ConSeal as follows:

a. the \$35,000 that ConSeal is currently holding as FFI's deposit on future orders of fuel additive product shall, upon execution of this First Addendum, be immediately applied to the Outstanding Balance and, as a result of this conversion, no fuel additive products will be furnished to FFI in accordance with that deposit;



b. FFI shall wire to ConSeal on or before 5:00 p.m. on February 23, 2009 the sum of \$60,000;

c. FFI shall pay the remaining \$260,216.40 as follows: On Friday, March 6, 2009, FFI shall pay to ConSeal \$10,000, and shall make additional payments of \$10,000 on or before 5:00 p.m. of every other Friday. On the alternate weeks, beginning on Friday, March 13, 2009, FFI shall pay to ConSeal \$5,000, and shall make additional payments of \$5,000 on or before 5:00 p.m. of every other Friday. FFI shall make the foregoing weekly payments (alternating each week between \$10,000 and \$5,000) until the remaining \$260,216.40 is paid in full. Notwithstanding the foregoing, within sixty (60) days of the execution of this First Addendum, and every sixty (60) days thereafter, FFI shall disclose its financial condition in writing to ConSeal and the Parties shall evaluate whether FFI is able to accelerate its payments of the Outstanding Balance at that time. Under no circumstances, however, shall FFI's weekly payments be decreased or suspended.

3. Purchase of Fuel Additive Products. FFI's duties and obligations under ¶ 5 of the Agreement and the Manufacturing and Purchase Agreement attached as Exhibit B thereto shall be suspended until ten (10) days after the last alternating payment made by FFI under ¶ 2c above, at which time all of FFI's duties and obligations thereunder shall immediately commence. Notwithstanding the foregoing, FFI shall not purchase fuel additive products from any source other than ConSeal during the time that FFI's obligations under ¶ 5 of the Agreement and the Manufacturing and Purchase Agreement are being suspended.

4. Entry of Consent Final Judgment. The Parties hereby consent to immediate entry by the court presiding over the Litigation of the Consent Final Judgment attached hereto as

the Exhibit. ConSeal agrees not to execute on the Consent Final Judgment provided that Defendants are in full compliance with the terms of the Agreement as amended by this First Addendum. If, at any time, Defendants fail to comply with any of the terms contained in the Agreement as amended by this First Addendum, including but not limited to late payment of any amounts specified herein, ConSeal shall be entitled to immediately undertake any and all efforts to execute on the Consent Final Judgment, including executing against any and all assets held by FFI, garnishment, and/or any other remedy available to ConSeal in order to satisfy the Consent Final Judgment.

5. Additional Breach of Agreement. Notwithstanding the entry of the Consent Final Judgment attached hereto as the Exhibit, in the event Defendants commit any further or additional breaches of the Agreement as amended by the First Addendum, ConSeal shall be entitled to bring a separate and/or additional action as a result of such breaches, and shall be entitled to the entry of additional judgments as a result thereof in accordance with the Agreement as amended by the First Addendum.

6. Ratification of Unaffected Terms of Agreement. Unless expressly modified herein, all remaining terms of the Agreement are fully ratified by the Parties and remain in full force and effect.

7. Conflict. In the event of a conflict in any of the terms in this First Addendum and the terms of the Agreement, the conflict shall be resolved in favor of the First Addendum.

8. Authority. The Parties, and those persons executing this First Addendum on behalf of the Parties, represent that those persons executing this First Addendum are authorized to do so.

9. Severability. If any provision of this First Addendum, or the application of any such provision, is held invalid, such provision or application shall be deemed severable and the remaining provisions of this First Addendum and their application shall continue in effect.

10. Construction. Each party has been represented by counsel and through their respective attorneys have reviewed and revised, or have had the opportunity to review and revise, this First Addendum. This First Addendum shall not be construed against either party based on which party drafted a particular provision.

IN WITNESS WHEREOF, the Parties have executed this agreement as of the day and year first above written.

CONSEAL INTERNATIONAL INC.

STEPHEN BERRY

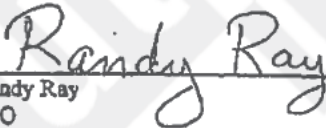
  
By: President CEO  
Its: Authorized Agent

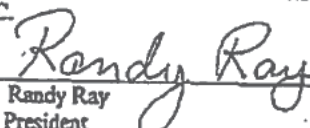
  
Individually

[DEFENDANTS' SIGNATURE BLOCKS ARE ON THE FOLLOWING PAGE]

FUEL FREEDOM INTERNATIONAL,  
LLC

PARTNERS MANAGEMENT TEAM,  
INC.

  
By: Randy Ray  
Its: CEO

  
By: Randy Ray  
Its: President



INNOVATIVE FUEL TECHNOLOGIES, IFT COMMERCIAL SALES, INC.  
LLC

By: IFT Commercial Sales, Inc.

Randy Ray  
By: Randy Ray  
Its: President

Randy Ray  
By: Randy Ray  
Its: President

RANDY RAY

Randy Ray  
Individually

WENDY LEWIS

Wendy Lewis  
Individually

ROBERT DAWSON

Robert Dawson  
Individually

IN THE CIRCUIT COURT OF THE EIGHTEENTH JUDICIAL CIRCUIT  
IN AND FOR SEMINOLE COUNTY, FLORIDA

CASE NO. 08-CA-1781-15-K

CONSEAL INTERNATIONAL  
INCORPORATED, a Florida corporation,

Plaintiff,

v.

FUEL FREEDOM INTERNATIONAL, LLC,  
a Florida limited liability company, PARTNERS  
MANAGEMENT TEAM, INC., a Florida  
corporation, INNOVATIVE FUEL TECHNOLOGIES,  
LLC, a Nevada limited liability company; IFT  
COMMERCIAL SALES, INC., a Florida corporation;  
RANDY RAY, an Individual, WENDY LEWIS, an  
Individual, and ROBERT DAWSON, an Individual,

Defendants.

CONSENT FINAL JUDGMENT FOR DAMAGES

This matter is before the Court upon Plaintiff, ConSeal International Incorporated's application for entry of a Consent Final Judgment for Damages against Defendant, Fuel Freedom International, LLC ("Defendant"). This Judgment is being entered pursuant to the Settlement Agreement and First Addendum thereto, which have been made of record in this case. Upon due consideration,

**IT IS ADJUDGED:**

1. ConSeal International Incorporated, whose address is 90 Kerry Place, Suite 2, Norwood, Massachusetts 02062, shall recover from Defendant, whose address is set forth below, the sum of \$255,216.40 that shall bear post-judgment interest at the legal rate, for which sum let execution issue forthwith.

2. The entry of this Consent Final Judgment is without prejudice to ConSeal filing additional actions and seeking additional judgments against Defendants, or any one of them, for breach of the Settlement Agreement and/or First Addendum.

DONE AND ORDERED in Chambers, at Sanford, Seminole County, Florida this \_\_\_ day of February, 2009.

HON. CLAYTON D. SIMMONS  
CIRCUIT COURT JUDGE

Copies Furnished:

Matthew S. Nelles, Esq., Ruden, McClosky, Smith, Schnster & Russell, P.A., Attorneys for Plaintiff, 200 East Broward Boulevard, Suite 1500, Fort Lauderdale, Florida 33301

Darryl M. Bloodworth, Esq., Dean, Mead, Egerton, Bloodworth, Capouano & Bozarth, P.A., Post Office Box 2346, Orlando, FL 32802-2346

Fuel Freedom International, LLC, c/o David Matichak, Registered Agent, 650 Douglas Avenue, Ste. 1040, Altamonte Springs, FL 32714

Partners Management Team, Inc., c/o Randy Ray, Registered Agent, 650 Douglas Avenue, Ste. 1000, Altamonte Springs, FL 32714

Randy Ray, 650 Douglas Avenue, Ste. 1000, Altamonte Springs, FL 32714

Wendy Lewis, 650 Douglas Avenue, Ste. 1000, Altamonte Springs, FL 32714

Robert Dawson, 121 East 8<sup>th</sup> Street, Cozad, NE 69130

IFT Commercial Sales, Inc., c/o Ogale E. Ray, Registered Agent, 650 Douglas Ave., Ste. 1040, Altamonte Springs, FL 32714

Innovative Fuel Technologies, LLC., c/o Ogale E. Ray, Registered Agent, 650 Douglas Ave., Ste. 1040, Altamonte Springs, FL 32714



ConSeal®

ConSeal International, Inc.  
2111 Canyon Blvd, Suite 1  
Nelsonville, OH 45750, U.S.A.

INDIVIDUAL PERSONAL GUARANTEE

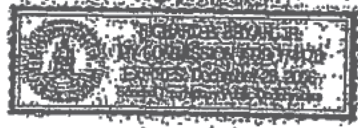
I, RANDY RAY of 550 DOWNS AVE  
ALTAONA, OHIO 45714 for and in consideration of  
your extending credit to my request to BUY FROM FACTOR LLC  
of which I am Member hereby personally guarantee to  
ConSeal International, Inc. payments of any and all bills of the company, and I hereby agree to  
bind myself to pay on demand any sum which may become due ConSeal International, Inc. by  
the company whenever the company shall incur the same. It is understood that this guarantee  
shall be a continuing and irrevocable indemnity against indebtedness of the company. I do  
hereby waive notice of default, non-payment, and non-compliance, and consent to any modification  
or renewal of the credit agreement hereby guaranteed and to all payments of extensions of credit.  
The undersigned guarantor agrees to pay, in full, the amount becomes delinquent and is  
turned over to you or your agent for collection all interest, fees, and attendant collection costs.

Signature: Randy Ray Date: 12-21-11

Witness: Susan Ray

STATE OF OHIO )  
COUNTY OF SHARONVILLE ) ss

BEFORE ME, a Notary Public in and for said County, Randy Ray personally appeared Randy Ray  
who is personally known to me or who has produced his driver's license (Type of identification)  
as identification and who has acknowledged that the signing of this agreement was a free act and deed.  
IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Sharonville  
County, this 21 day of December, 2011.



[Signature]  
NOTARY PUBLIC  
(Print Name of Notary)

My Commission Expires:

December 2013



Valarie L. Slack <vslack@swartzcampbell.com>

# NEF Re: 2010-CA-011475-O, Jennifer Walker, Motion to Amend AMENDED COMPLAINT

1 message

ClerkofCourtsECF@myorangeclerk.com <ClerkofCourtsECF@myorangeclerk.com>  
To: vslack@swartzcampbell.com

Thu, Sep 15, 2011 at 8:50 AM

\*\*\*\*\* IMPORTANT NOTICE - READ THIS INFORMATION \*\*\*\*\*

COURTESY EMAIL NOTICE OF ELECTRONIC FILING (NEF)

A filing has been submitted to the court RE: 2010-CA-011475-O  
Judge: Lauten, Fredenck J - Div 43

Official File Stamp:	09-14-2011 15:24:31
Court:	Orange County Clerk of Courts Circuit Civil 201
Case Title:	CONSEAL INTERNATIONAL INCORPORATED vs FUEL FREEDOM INTERNATIONAL LLC et al
Document(s) Filed:	Motion to Amend AMENDED COMPLAINT ACCEPTANCE EXHIBITS A-D Motion to Amend PROPOSED SECOND AMENDED COMPLAINT Exhibit in Support of PART 1 EXHIBITS TO PROPOSED SECOND AMENDED COMPLAINT Exhibit in Support of PART 2 EXHIBITS TO PROPOSED SECOND AMENDED COMPLAINT
Filed by or in behalf of:	Jennifer Walker

You may review this filing in the Document Management system located on the Internet at <http://www.myorangeclerk.com> or click on the following link to take you to your [cases](#)

This notice was automatically generated by the courts auto-notification system

The following people were notified electronically:

MOTES, CARL D ESO for PARTNERS MANAGEMENT TEAM INC, RAY, OGALE ERANDAL, RAY, WENDY R, INNOVATIVE FUEL TECHNOLOGIES LLC, DAWSON, ROBERT, FUEL FREEDOM INTERNATIONAL LLC, IFT COMMERCIAL SALES INC  
WALKER, JENNIFER NESO for CONSEAL INTERNATIONAL INCORPORATED  
CARR, GEORGE E ESO for FUEL FREEDOM INTERNATIONAL LLC, DAWSON, ROBERT, IFT COMMERCIAL SALES INC, INNOVATIVE FUEL TECHNOLOGIES LLC, PARTNERS MANAGEMENT TEAM INC, RAY, OGALE ERANDAL, RAY, WENDY R  
Lauten, Fredenck J  
Judge Lauten, Fredenck J

The following people need to be notified:

PERRY, STEPHEN

**EXHIBIT C**







Swartz Campbell LLC  
Attorneys & Counselors at Law

Central & South Florida Offices  
SunTrust Center  
250 South Orange Avenue  
Suite P-100 [Park Building]  
Orlando, Florida 32801

Christina L. Bredahl

*Associate*

(voice) 407.209.1000  
(fax) 407.209.1001  
cbredahl@swartzcampbell.com  
www.swartzcampbell.com

Wednesday, September 28, 2011

Fort Myers/South Florida Offices: 239.790.7700

**By Email**

Gloria Barclay  
Insurance by Ken Brown  
707 Pennsylvania Avenue  
Suite 1300  
Altamonte Springs, Florida 32701  
[gbarclay@insbykenbrown.com](mailto:gbarclay@insbykenbrown.com)

Re: Insureds – Fuel Freedom International LLC and Jeunesse LLC  
Insurer – Nautilus Insurance Company  
Policy # - NN129527

Dear Gloria:

As requested, I am providing you with a claim brief regarding the new allegations raised in the lawsuit filed against Fuel Freedom International LLC and Jeunesse LLC, which trigger coverage under the Nautilus Policy (policy # NN129527) issued to Fuel Freedom International LLC with a policy period of April 23, 2011 to April 23, 2012.

On May 12, 2010, ConSeal International Inc. filed a lawsuit styled ConSeal International Inc. v. Fuel Freedom International, LLC, Partners Management Team, Inc., Innovative Fuel Technologies, LLC, IFT Commercial Sales, Inc. Ogale Erandal Ray, Wendy R. Ray, and Robert Dawson bearing case number 2010-CA-011475-0 in the circuit court of the ninth judicial circuit of Florida in and for Orange County. ConSeal amended its complaint on May 28, 2011 to name Jeunesse LLC and other Jeunesse related entities as new defendants. A copy of the amended complaint is attached as Exhibit A.

Page 2

ConSeal has recently filed a motion for leave to file a second amended complaint. A copy of the proposed second amended complaint is attached as Exhibit B. The second amended complaint for the first time raises a count (Count 12) seeking damages against FFI and Jeunesse for Deceptive and Unfair Trade Practices. This count stems from ConSeal's contentions that, among other things, FFI and Jeunesse are advertising its auto care products, such as fuel additives, in a way which allegedly infringes on ConSeal's confidential and proprietary information, including ConSeal's EPA registration number.

Accordingly pursuant to Liability Endorsement S092 (04/99) "Limitation of Coverage," the Policy's definitions of "Advertisement" and "Personal and advertising injury," and the exception to Exclusion j. of Coverage B Personal and Advertising Injury Liability, the new allegations raised in ConSeal's proposed second amended complaint trigger coverage for Fuel Freedom International, LLC and Jeunesse, LLC.

It our understanding that notifying you of this claim constitutes notice to the insurance carrier, Nautilus Insurance Company. If notifying you of this claim does not constitute notice to Nautilus, please let us know immediately and provide us with the contact information of the person or entity that we must contact to effectuate notice to Nautilus of this claim.

Sincerely,



Christina L. Bredahl