

II.
REQUEST FOR DISCLOSURE

Pursuant to Rule 194 of the Texas Rules of Civil Procedure, Defendants are requested to disclose the information and material described in Rule 194.2 within fifty (50) days of the service of this request at the office of the undersigned.

III.
PARTIES

Plaintiff, Angela Prejean, is a resident of Fort Bend County, Texas.

Defendant, Nerium International, LLC, is a Texas Limited Liability Company doing business in State of Texas. Defendant may be served through its registered agent of service: Jeff Branch at 4004 Beltline Drive, Suite 112, Addison, Texas 75001.

Defendant, Ronald Forrester, is a resident of Travis County, Texas. Mr. Forrester may be served at his home address of 7100 N. Sioux Trail, Austin, Texas 78729.

Defendant, Jeff Branch, is a resident of Dallas County, Texas. Mr. Branch may be served at his home address at 3206 Greenleaf Court, Garland, Texas 75044.

Defendant, Jeffrey Alan Olson, is a resident of Dallas County, Texas. Mr. Olson may be served at his home address at 3401 Lee Parkway, Apt. 2005, Dallas, Texas 75219.

Defendant, Renee Lynn Olson, is a resident of Denton County, Texas. Ms. Olson may be served at her home address at 656 Timber Crest Circle, Lewisville, Texas 75077.

Defendant, Dennis Neil Windsor, is a resident of Collin County, Texas. Mr. Windsor may be served at his home address at 810 May Trail, McKinney, Texas 75069.

IV.
JURISDICTION

The Court has jurisdiction of the subject matter of this lawsuit and the amount in controversy is above the minimum jurisdictional limits of this Honorable Court.

Plaintiff seeks monetary relief over \$1,000,000.00.

V.
VENUE

Venue is proper in Harris County, Texas, pursuant to §15.002(a)(1) of the Texas Civil Practice and Remedies Code because all or a substantial part of the events or omissions giving rise to this lawsuit occurred in Harris County, Texas.

VI.
FACTUAL BACKGROUND

Nerium International, LLC (“Defendant Nerium”) is a pyramid scheme disguising itself as a Multi-Level Marketing (MLM) Company. A MLM is a form of business that uses employee representatives to sell products or services to family, friends, and acquaintances. Unlike traditional businesses where an individual’s place in the organizational chart is determined by tenure, or proven success or a specific skill set, the creation of one’s downline in a MLM is based completely on the exact sequence of timing (when a person joined) and sponsorship (who recruited them). Beginning with the first participants to join, the MLM is made up of endless chains of repeating participants’ business built on sponsorship and timing. To the participant, the organization chart for their downline is called a “genealogy.” The reason participants are highly protective of their genealogy is because the genealogy becomes their “property line” defining the boundaries of ownership which encompasses their recruits—and an individual member’s compensation is directly tied to the downline of participants which they have recruited.

MLM companies promise that their participants will earn money from being a part of the organization, and an ethical MLM develops a compensation plan and policies and procedures that are fair, reasonable, transparent, and consistently applied to all participants. What separates Defendant Nerium from a legitimate MLM is that 85-95% of its participants lose money, make no money, or make a de minimis amount of money. Defendant Nerium is a pyramid scheme, and because Plaintiff questioned the company's unethical activities she incurred injuries making the basis of this lawsuit.

Specifically, Plaintiff questioned why her downstream people were not making the returns she was seeing and why certain individuals were allowed to move or transfer downline individuals to the benefit of some and the detriment of others.

Plaintiff began selling Defendant Nerium's products in February 2012 after Plaintiff paid to receive bottles of Defendant Nerium's product and attain a ranking by the Company as a brand partner. When she became a brand manager, Plaintiff received company policies and procedures that were intended to control the details of her work for Defendant Nerium. These policies and procedures, in addition to promotional material she received, formed the basis of a contract between Plaintiff and Defendant Nerium that provided for the payment of commissions based upon the sales that Plaintiff arranged with others. Within the first several months as Brand Partner, Plaintiff began grossing a minimum of \$37,500 per month in gross sales and was promoted to Executive Director. With the promotion, her downstream genealogy grew substantially. In April 2012, Plaintiff was promoted once again, this time to Regional Marketing Director bringing in a minimum of \$75,000 sales per volume per month for Defendant Nerium. In August 2012, Plaintiff was promoted in rank to National Marketing Director for maintaining a

monthly sales volume in excess of \$160,000. She was given a \$25,000 bonus as part of the promotion.

Throughout this time period Plaintiff was having issues with her superiors Defendant Forrester and Defendant Jeff Olson, co-founder and CEO of Defendant Nerium. In October 2012, Jeff Olson oversaw a settlement agreement that required Defendant Forrester to compensate Plaintiff by ensuring that individuals “downstream” from plaintiff were given their proper promotions. By withholding the proper rank advancement of these brand partners who were downstream from Plaintiff, she was deprived of the commission payments that she was owed under the policies and procedures of Defendant Nerium. The agreement was signed by Defendant Forrester in his capacity as representative of Defendant Nerium. Both Defendant Nerium and Defendant Forrester failed to meet the obligations of the agreement despite their promises. Once Plaintiff brought this information to Nerium’s attention her business relationship with the company began to deteriorate. Plaintiff was ultimately terminated from Defendant Nerium in November 2013.

VI. **CAUSES OF ACTION**

A. BREACH OF CONTRACT- DEFENDANT NERIUM

Defendant offered to enter into a contract with Plaintiff which would pay Plaintiff a commission based upon the sales of the brand partners in her downstream genealogy. Defendant breached this contract when it misappropriated the sales of Plaintiff’s downstream brand partners. This breach of contract caused Plaintiff direct and consequential economic and non-economic damages. Plaintiff is entitled to recover these damages and all other damages allowable under law, as determined by the trier of fact.

B. BREACH OF SETTLEMENT AGREEMENT- NERIUM & FORRESTER

Defendant Nerium and Forrester entered into a settlement agreement with Plaintiff that required Defendant Forrester to act, within the scope of his position with Defendant Nerium to properly rank brand partners downline of Plaintiff. Defendant failed to honor this settlement agreement, and as a result Plaintiff has incurred direct and consequential economic and non-economic damages. Plaintiff is entitled to recover these damages, as determined by the trier of fact.

C. TORTIOUS INTERFERENCE WITH EXISTING CONTRACTS

Plaintiff had a valid contract with Defendant Nerium to receive commissions based upon the sales and rank of her downline brand partners (her “genealogy”). Defendant Forrester, Defendant Branch, Defendant Jeff Olson, Defendant Renee Olson, and Defendant Windsor (hereinafter “Individual Defendants”) each and all, upon information and belief intentionally and willfully interfered with Plaintiff’s contract with Defendant Nerium by manipulating Plaintiff’s genealogy to injure Plaintiff and others. The Individual Defendants benefitted monetarily from preventing Plaintiff from exposing the truth that Defendant Nerium is a pyramid scheme. As a result of the malicious and willful actions of the Individual Defendants, Plaintiff has suffered pecuniary and non-pecuniary damages in an amount to be decided by the trier of fact.

D. CIVIL CONSPIRACY

Upon information and belief, the Individual Defendants agreed and combined to engage in a conspiracy, each and every one of them, to commit the unlawful acts described in this Petition. This principal purpose of the civil conspiracy was to inflict wrongs against and/or injure Plaintiff by interfering with her contracts with Defendant Nerium. Each and every one of the Defendants combined to engage in scheme that was intended to violate the law and secreted the

scheme.

In committing the acts described above, the Individual Defendants acted with malice toward Plaintiff, and Plaintiff is entitled to recover exemplary and punitive damages in such an amount that will sufficiently punish Defendants for their will sufficiently punish Defendants for their willful and malicious conduct and as will serve as an example to prevent a repetition of such conduct in the future.

E. FRAUD

Defendant Nerium made material misrepresentations in its promotional material and policies and procedures that brand partners, such as Plaintiff would be accurately compensated based upon the sales and rank of downline brand partners. This misrepresentation was false because Plaintiff was not accurately compensated as promised for the sales and rank of her downline brand partners. Defendants knew or should have known that this representation was false, but made the representation anyway. As a result of the misrepresentation, Plaintiff has suffered economic and non-economic damages in an amount to be determined by the trier of fact.

F. CONVERSION AND UNJUST ENRICHMENT

Plaintiff owned the rights to her “genealogy” with Defendant Nerium that consisted of the right to payment for the sales and rank of her downline brand partners. This was personal property to which Plaintiff had legal rights that had present and future earning value in the millions of dollars. Defendant Nerium wrongfully exercised dominion and control over Plaintiff’s downline genealogy when Defendant Nerium terminated Plaintiff in retaliation for Plaintiff’s reporting violations of the Company’s policies and procedures and for reporting Defendant Forrester’s sexual harassment. This deprivation of her property caused Plaintiff extensive past, present, and future monetary loss and defendant Nerium was unjustly enriched by

wrongfully exercising dominion and control over Plaintiff's personal property. Plaintiff is entitled to receive all damages available under Texas law, as to be determined by the trier of fact.

G. NEGLIGENT HIRING AND RETENTION

Defendant Nerium had a duty to hire, supervise, and retain competent employees and/or contractors. Defendant Nerium failed to properly hire, supervise, and retain a competent employee and/or contractor who would carry out his job duty without subjecting other employees and/or contractors they supervised to the type of abuse described above in its hiring and/or retention of Defendant Forrester. The hiring, lack of supervision, and retention of Defendant Forrester was a proximate cause of the injuries sustained by Plaintiff.

H. VICARIOUS LIABILITY

The Individual Defendants consisted of executive members, co-owners, and co-founders of Defendant Nerium, at the time of the actions complain of herein. Therefore, Defendant Nerium is responsible for the Individual Defendants' actions, including intentional torts complained of herein.

VI. DAMAGES

Plaintiff Angela Prejean seeks compensation for the following damages:

- a. Past mental anguish of Plaintiff, and that which Plaintiff will, in all probability suffer in the future;
- b. Past and Future lost wages;
- c. Cost of Suit;
- d. Pre-Judgment and post-judgment interest on all applicable amount at the maximum non-usurious rate as allowed by law;
- e. Exemplary damages; and

f. Such other and further relief to which Plaintiff may be entitled.

Plaintiff seeks both pre-judgment and post-judgment interest as allowed by law, for all costs of court, actual damages, compensatory damages, punitive damages and all other relief, both in law and in equity to which Plaintiff may be entitled.

VI.
PRESERVATION OF EVIDENCE


Plaintiff hereby requests and demands that defendants preserve and maintain all evidence pertaining to any claim or defense to the incident made the basis of this lawsuit, or the damages resulting therefrom, including photographs; videotapes; audiotapes; recordings; business records, memoranda; files; facsimiles; email; voice mail; text messages; salary payments; commission records; tax records; telephone messages; telephone calling card transactions; calendar entries; diary entries; any incident report; and any electronic image, data or information related to the referenced incident. Failure to maintain such items will constitute a “spoliation” of the evidence.

VI.
PRAYER

WHEREFORE, PREMISES CONSIDERED, Plaintiff prays that Defendants be cited in terms of law to appear and answer herein, that upon final trial and hearing hereof, that Plaintiff recovers damages from Defendants in accordance with the evidence; that Plaintiff recovers cost of the court herein expended; that Plaintiff recovers interest to which Plaintiff is justly entitled under the law, both prejudgment and post-judgment; that Plaintiff recovers actual damages; that Plaintiff is entitled to recover compensatory damages; that Plaintiff recovers punitive damages; and for such other further relief, both general and specific, both in law and in equity to which Plaintiff may be justly entitled.

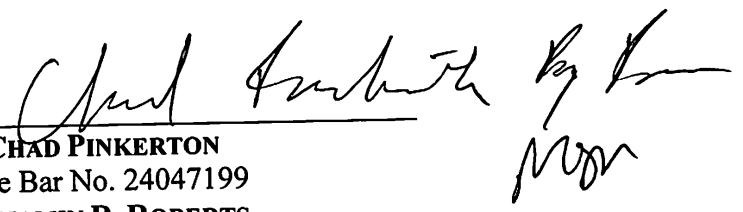
Respectfully submitted,

**ABRAHAM, WATKINS, NICHOLS,
SORRELS, AGOSTO & FRIEND**



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