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CASE MANAGEMENT CONFERENCE

MAR 21 2011 8:30am  
Date *Rept. I*

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

WEST DISTRICT, SANTA MONICA

**JACQUELINE CONNOR**

**SC110539**

CHELSEA HEATH,

Plaintiff,

vs.

GGW BRANDS, INC., and DOES 1 through  
100, inclusive,

Defendants.

CASE NO:

COMPLAINT FOR:

- (1) Wages Owed;
- (2) Violation of California Business & Professions Code § 17200;
- (3) Breach of the Duty of Good Faith and Fair Dealing
- (4) Wrongful Termination in Violation of Public Policy

**TO ALL INTERESTED PARTIES AND TO THEIR ATTORNEYS OF RECORD:**

**COMES NOW**, Plaintiff, CHELSEA HEATH (hereinafter referred to as "PLAINTIFF"), and submits the following Complaint against DEFENDANTS, and each of them, as follows:

1. At all times herein mentioned, PLAINTIFF was an employee of DEFENDANTS GGW BRANDS, INC., [hereinafter referred to as "GGW" "Employer" or "DEFENDANT," and DOES 1 through 100 working in the state of California.

2. At all times herein mentioned, DEFENDANTS GGW and DOES 1 through 100 are entities with their principal place of business in Santa Monica, California.



1 left town unexpectedly for business and that he was supposed to be back on that Friday to sign it. Ms.  
2 Heath was told that she would receive the check on Friday.

3 10. Ms. Heath contacted Ms. Bronkesh again on Friday and asked when she would receive  
4 the check that she was owed. She was once again told that Mr. Francis had not been in the office that  
5 day and that he would be there Monday for a couple of hours. It is clear that Ms. Heath was not  
6 receiving the wages which were owed to her. Accordingly, she called again on Monday and was told  
7 Mr. Francis had left again.

8 11. Finally, on Tuesday, she showed up at GGW and was informed that the check had been  
9 cut and sent out. She was also told that Mr. Francis suddenly had to leave again. She later learned this  
10 to be false. Immediately thereafter, she sent an e-mail to Mr. Francis indicating that she had not  
11 received the check. At that time, Mr. Francis responded that she was fired and that she would never  
12 receive any of her wages owed.

13 12. This first cause of action is brought because Plaintiff has not been paid all wages owed  
14 at the time of her termination. California law has held that models such as Ms. Heath are construed as  
15 employees and must be paid accordingly. See *Zaremba v. Miller* (1980) 113 Cal.App.3d Sup.1, 169  
16 Cal.Rptr. 688. California law also holds that if an employer discharges an employee, the wages earned  
17 and unpaid at the time of discharge are due and payable immediately. See *California Labor Code*  
18 section 201.

19 13. *Labor Code* section 200 defines "wages" as including all amounts for labor performed  
20 by employees of every description, whether the amount is fixed or ascertained by the standard of time,  
21 task, piece, commission basis, or other method of calculation.

22 14. *California Labor Code* section 202 provides that all wages shall become due and  
23 payable not later than 72 hours after the employee provides notice of his intention to quit or  
24 immediately upon termination. In this case, DEFENDANTS and each of them, have refused and  
25 continue to refuse PLAINTIFF'S' wages owed.

26 15. Pursuant to *California Labor Code* section 203, it is alleged that DEFENDANT  
27 employer has willfully failed to pay without abatement or reduction, in accordance with *Labor Code*  
28 sections 201, et. seq., all of the wages of the PLAINTIFF. On November 19, 2010, Employer was

1 made aware in writing that it owed the wages sought. DEFENDANT is aware that it owes the wages  
2 claimed, yet it has willfully failed to make payment. As a result, PLAINTIFF seeks wages and  
3 penalties pursuant to *Labor Code* section 203.

4 16. PLAINTIFF has been available, and ready to receive wages owed to her.

5 17. PLAINTIFF has never refused to receive any payment, nor has PLAINTIFF been absent  
6 from her regular place of residence.

7 18. DEFENDANT's failure to pay PLAINTIFF'S wages due and owing PLAINTIFF as  
8 indicated in prior paragraphs, was willful in that DEFENDANTS have knowingly refused to pay any  
9 portion of the amount due and owing PLAINTIFF.

10 19. Pursuant to *Labor Code* section 218.5, PLAINTIFF requests the court to award  
11 PLAINTIFF'S reasonable attorney's fees and costs incurred in this action. PLAINTIFF also requests  
12 all unpaid wages, waiting time penalties and interest.

13 20. WHEREFORE, PLAINTIFF demands judgment against the DEFENDANTS, and each  
14 of them, as follows:

- 15 1. For wages owed according to proof;
- 16 2. For prejudgment interest at the statutory rate;
- 17 3. For statutory penalties pursuant to law including, but not limited to California  
18 *Labor Code* section 203;
- 19 4. For reasonable attorneys' fees pursuant to *Labor Code* section 218.5;
- 20 5. For costs of suit; and
- 21 6. For any other and further relief that the Court considers just and proper.

22 **SECOND CAUSE OF ACTION**

23 (Action brought by PLAINTIFF for Unfair  
24 Competition/Violation of *Business and Professions Code* §17200  
Against Employer and DOES 1-100)

25 21. PLAINTIFF refers to paragraphs 1 through 20, and incorporates same by reference as  
26 though fully set forth at length.

27 ///

28 ///

1           22.     This cause of action is being brought pursuant to *California Business and Professions*  
2 *Code* section 17200 and California case law including *Cortez v. Purolator Air Filtration Products Co.*  
3 (2000) 96 Cal.Rptr.2d 518.

4           23.     It is alleged that DEFENDANTS have willfully failed to pay PLAINTIFF wages owed.  
5 The actions alleged aforesaid, specifically, the failure to pay PLAINTIFF's wages which are owed  
6 constitutes an unfair business practice under *California Business and Professions Code* section 17200.

7           24.     As a result of the conduct of DEFENDANT and Does 1 through 100, DEFENDANT  
8 profited from breaking the law. PLAINTIFF seeks a disgorgement of this unlawfully obtained benefit.

9           25.     *California Business and Professions Code* section 17203, under the authority of which a  
10 restitutionary order may be made, provides: "Any person who engages, has engaged, or proposes to  
11 engage in unfair competition may be enjoined in any court of competent jurisdiction. *The court may*  
12 *make such orders or judgments*, including the appointment of a receiver, as may be necessary to  
13 prevent the use or employment by any person of any practice which constitutes unfair competition, as  
14 defined in this chapter, or *as may be necessary to restore to any person in interest any money or*  
15 *property, real or personal, which may have been acquired by means of such unfair competition.*

16           WHEREFORE, PLAINTIFF demands judgment against the DEFENDANTS, and each of them,  
17 as follows:

- 18           1.     For an equitable order, ordering DEFENDANT to PLAINTIFF all wages,  
19                   interest, and penalties he is owed,
- 20           2.     For an appointment of a receiver to perform an accounting of all monies owed to  
21                   PLAINTIFF;
- 22           3.     For any and all injunctive relief this court deems necessary pursuant to  
23                   *California Business and Professions Code* section 17203;
- 24           4.     For attorney's fees and costs;
- 25           5.     For prejudgment interest pursuant to *Civil Code* sections 3288 and 3291 on all  
26                   amounts claimed; and
- 27           6.     For any other and further relief that the Court considers proper.

28     ///

1 **THIRD CAUSE OF ACTION**

2 **(Contractual Breach of the Covenant of Good Faith and**  
3 **Fair Dealing/Breach of Contract Against EMPLOYER**  
4 **and DOES 1 through 100)**

5 26. PLAINTIFF refers to paragraphs 1 through 25, and incorporates same by reference as  
6 though fully set forth at length.

7 27. PLAINTIFF had a written contract of employment with DEFENDANT. PLAINTIFF  
8 performed in an excellent fashion throughout her employment. As alleged aforesaid, Plaintiff  
9 complained that she was not being paid the wages owed to her at the time these wages were owed. On  
10 or about October 4, 2010, PLAINTIFF was terminated without cause and without any warning for  
11 making these complaints and demanding her wages in a timely fashion.

12 28. This cause of action is being made in contract. As a result of the special contractual and  
13 employment relationship which existed between PLAINTIFF and DEFENDANT, the promises and  
14 representations made in connection with the relationship and the acts, conduct and communication  
15 resulting in these implied promises as alleged prior, DEFENDANT had a legal duty to act in good faith  
16 toward and deal fairly with plaintiff, which requires, among other things, that:

17 (a) Each party in the relationship must act with good faith toward the other  
18 concerning all matters;

19 (b) Each party in the relationship must act with fairness toward the other concerning  
20 all matters;

21 (c) Neither party would take any action to unfairly prevent the other from obtaining  
22 the benefits of the relationship;

23 (d) DEFENDANT would comply with its own representations in dealing with  
24 plaintiff.

25 29. DEFENDANT's breaches of the contract, including the covenant of good faith and fair  
26 dealing, were substantial factors and caused damage and injury to the plaintiff. As a result of the  
27 employment relationship which existed between PLAINTIFF and DEFENDANT Employer, the  
28 expressed and implied contracts made in connection with the relationship and the acts, conduct and  
communication resulting in these implied promises, DEFENDANT Employer promised to act in good

1 faith toward and deal fairly with PLAINTIFF, which requires, among other things, that:

2 (a) Each party in the relationship must act with good faith toward the other  
3 concerning all matters related to the employment;

4 (b) Each party in the relationship must act with fairness toward the other concerning  
5 all matters related to the employment;

6 (c) Neither party would take any action to unfairly prevent the other from obtaining  
7 the benefits of the employment relationship;

8 (d) DEFENDANT would similarly treat employees who are similarly situated;

9 (e) DEFENDANT would comply with its own representations, rules, policies and  
10 procedures in dealing with plaintiff;

11 (f) DEFENDANT would not terminate PLAINTIFF without a fair and honest cause,  
12 regulated by good faith on DEFENDANT Employer's part;

13 (g) DEFENDANT would not terminate plaintiff in an unfair manner or without the  
14 use of progressive discipline; and

15 (h) DEFENDANT would give PLAINTIFF's interests as much consideration as it  
16 gave its own interests.

17 30. DEFENDANT's breach of contract and the subsequent termination of PLAINTIFF was  
18 wrongful, in bad faith and unfair, and therefore a violation of defendant employer's legal duties.  
19 PLAINTIFF further alleges that defendant employer breached the covenant of good faith and fair  
20 dealing when it:

21 (a) Repeatedly refused to abide by its own policies and promises when dealing with  
22 PLAINTIFF;

23 (b) Unfairly prevented plaintiff from obtaining the benefits of her employment  
24 relationship;

25 (c) Terminated Plaintiff' employment in violation of the laws of the State of  
26 California; These breaches included, but were not limited to 1) terminating PLAINTIFF without the use  
27 of progressive discipline 2) deceiving the Plaintiff; 3) failing to pay wages as required by California  
28 law; and 4) terminating Plaintiff in violation of California law and public policy. It is alleged that as a

1 direct and proximate result of DEFENDANT's breach of this duty of good faith and fair dealing alleged  
2 in this Complaint, Plaintiff has incurred damages.

3 WHEREFORE, PLAINTIFF demands judgment against DEFENDANTS, and each of them, as  
4 follows:

- 5 1. For compensatory and special damages according to proof; and
- 6 2. For Liquidated Damages set forth in the Contract
- 7 3. For prejudgment interest pursuant to *Civil Code* § 3288 and § 3291 on all  
8 amounts claimed; and
- 9 4. For any other and further relief that the Court considers proper.

#### 10 **FOURTH CAUSE OF ACTION**

##### 11 **(Wrongful Termination in Violation of Public Policy Against** 12 **EMPLOYER and DOES 1 through 100)**

13 31. PLAINTIFF refers to paragraphs 1 through 30, and incorporate same by reference as  
14 though fully set forth at length.

15 32. The unlawful conduct of DEFENDANT, as indicated in the preceding paragraphs,  
16 resulted in the wrongful termination of the employment of plaintiff in violation of the stated policy of  
17 this state. California law holds that an employer may not terminate an employee to avoid paying wages  
18 or because an employee has complained that he or she is not being paid wages in accordance with  
19 California law. See *Johnson v. Transworld Airlines* (1983) 149 CA3d 518, 525, 196 CR 896,  
20 *Phillips v. Geminis Moving Specialists* (1998) 63 CA4th 563, 570, 74 CR2d 29. In this case, it is  
21 alleged that Plaintiff was terminated as a direct result of her wage-related complaints. See *Schultz v.*  
22 *Spraylat Corp.*, C.D.Cal.1994, 866 F.Supp. 1535; *Seubert v. McKesson Corp.* (App. 1 Dist. 1990) 273  
23 Cal.Rptr. 296, 223 Cal.App.3d 1514; *Finch v. Brenda Raceway Corp.* (App. 1 Dist. 1994) 27  
24 Cal.Rptr.2d 531, 22 Cal.App.4th 547, review denied. It is against the law to discriminate, retaliate or  
25 terminate any employee because he or she has made a complaint concerning his or her wages. See  
26 *California Labor Code* section 98.6. See also, *Labor Code* section 1102.5; *Green v. Ralee Engineering*  
27 *Company* (1998) 19 Cal.4th 66, 76-77, 78 Cal.Rptr.2d 16, 22; *Gould v. Maryland Sound Industries, Inc.*  
28 (1995) 31 Cal.App.4th 1137, 37 Cal.Rptr.2d 718.

1           33. As a direct and proximate result of the conduct of DEFENDANTS, and each of them, as  
2 alleged aforesaid, PLAINTIFF has suffered and continue to suffer humiliation, embarrassment, loss of  
3 employment and attendant earnings and job benefits, all to PLAINTIFF's damage in an amount in  
4 excess of the jurisdictional minimum of this court, the exact amount of said damages to be proven at  
5 the time of trial.

6           34. The acts alleged in this Complaint, specifically, the termination of the PLAINTIFF,  
7 were approved and ratified, by an officer and/or director of Employer, Joe Francis: As a result,  
8 DEFENDANTS, and each of them, committed the acts described in this Complaint oppressively,  
9 fraudulently, and maliciously, entitling PLAINTIFF to an award of punitive damages against  
10 DEFENDANTS in an amount appropriate to punish them and to make an example of them.

11           WHEREFORE, PLAINTIFF demands judgment against DEFENDANTS, and each of them, as  
12 follows:

- 13           1. For compensatory, general and special damages according to proof; and
- 14           2. For punitive damages, according to proof; and
- 15           3. For attorney's fees and costs pursuant to law; and
- 16           4. For prejudgment interest pursuant to *Civil Code* § 3288 and § 3291 on all amounts  
17 claimed; and
- 18           5. For any other and further relief that the Court considers proper.

19 Dated: November 24, 2010

PALAY LAW FIRM  
A Professional Corporation

20  
21 By: 

DANIEL J. PALAY, Attorneys for Plaintiff  
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**EXHIBIT "A"**

**PERSONAL SERVICES AGREEMENT****(Modeling and Personal Appearance Services)**

DATE: July 8, 2010  
PRODUCER: GGW BRANDS, INC. ("Company")  
PROJECT: GIRLS GONE WILD: HOTTEST GIRL IN AMERICA ("Project")  
TALENT: CHELSEA BROOKE HEATH ("Talent")  
ADDRESS: Street: [REDACTED]  
TELEPHONE: [REDACTED]  
E-MAIL: [REDACTED]  
TALENT'S SSN: [REDACTED]

This PERSONAL SERVICES AGREEMENT ("Agreement") sets forth the terms under which Company obtains the right to utilize Talent's image, likeness, voice and personal modeling and appearance services in connection with the Company's production and publication of the Girls Gone Wild Magazine ("Project").

**1. SERVICES:**

A. Talent is engaged as an on-camera model and performer commencing on July 8, 2010 in Los Angeles, CA, for model and performer services, and agrees to make herself available for subsequent appearances as may be reasonably required by the Company at its sole discretion. Talent agrees to provide such services in a competent, conscientious and professional manner, having due regard for the nature of the Project, and as reasonably instructed by the Company. Talent's services, and the term of this Agreement, shall include, but not be limited to, travel, attendance at the filming venues and promotion(s) and/or live event(s) and modeling and acting services in and for the Project, promotion(s), radio interview(s), personal appearance(s) and/or live event(s) as further described below. Talent acknowledges that Company shall have no obligation to actually utilize Talent's services or to include any of the Talent's work in the Project or to release or continue the distribution of the Project.

B. If requested, for a period of three hundred sixty-five (365) days after the effective date of this Agreement ("Term"), Talent agrees to act as host or spokesperson for promotional events ("Promotion(s)") and/or live events ("Event(s)"). In addition, Talent agrees to appear if needed at such times and places as scheduled by Company in order to promote the Promotion(s) and/or Event(s), including but not limited to radio station "call-ins" or appearances during the Promotion(s) and/or Event(s) themselves, provided that Company gives Talent at least a seventy-two (72) hour notice of any such scheduled Promotion and/or Event. The parties understand and agree that any Company Promotion(s) and/or Event(s) where Talent may be featured will be filmed for possible inclusion in Company productions, and that such Promotion(s) and/or Event(s) may be marketed and sold in conjunction with other Company products that may or may not feature Talent. As further described below, Talent agrees to allow Company use of Talent's name, face, likeness and image in connection with the Project and/or any Promotion(s) and/or Event(s) associated therewith, including *Hottest Girl in America*.



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## **2. COMPENSATION:**

In the event that Talent above is deemed the winner of *Girls Gone Wild Presents: Search for the Hottest Girl in America* Project, Talent shall be compensated a total sum of FIVE THOUSAND DOLLARS (\$5,000.00) to be paid immediately upon winning said contest. In the following 12 months, Talent shall receive ONE THOUSAND DOLLARS (\$1,000.00) per month over the next twelve (12) months during her reign of Girls Gone Wild's Hottest Girl in America (unless breach, etc). The runner-up of the Project shall receive a cash prize of FIVE HUNDRED DOLLARS (\$500.00).

Regarding each subsequent appearance at Promotion(s) and/or live Event(s), Company shall pay Talent an additional TWO HUNDRED DOLLARS (\$200.00) as a per diem and in lieu of Talent's other fees and expenses. All monies payable hereunder shall only be payable upon the condition that Talent executes and delivers this Agreement to Company, and that Talent is not in breach or default and is in compliance with any and all material obligations and/or terms hereunder.

## **4. TRAVEL, ACCOMMODATIONS AND MEALS:**

For the initial photo shoot, Talent shall provide her own transportation. For any subsequent photo shoot, Promotion(s), Event(s) and/or other appearance related to the Project, taking place outside of Southern California, Company shall, at its own expense, shall provide Talent with travel to any such location by air or ground transportation to and from the venues, and lodging in any such location.

## **5. AUTHORIZATION, WAIVER AND RELEASE:**

A. Talent hereby represents and warrants that she has full right and authority to provide this Authorization, Waiver and Release. Talent hereby grants to GGW, its heirs, legal representatives, successors and assigns, the absolute and unqualified right and permission to copyright (in their own name or otherwise), reproduce, edit, alter, digitize, publish, distribute and otherwise utilize photographs, motion pictures and other audiovisual works (including those know known or hereinafter devised) of Talent, or any such in which Talent may be included, that are created in connection with the Project, Promotion(s) and/or Event(s). The use and exploitation hereunder may be in any medium now known or thereafter developed, including but not limited to Magazine, Television, Video, Pay-Per-View, VOD and the Internet, for illustration, promotion, advertising, trade or any other purpose whatsoever.

B. Talent hereby waives the right to inspect or approve the finished photographs, films, tapes or digital data, or the use to which the finished photographs, films, tapes or digital data may be put, including any copy, photographs, illustrations or other materials used in connection therewith, or the way any copy, photographs, illustrations or other materials may be used or incorporated. Talent hereby releases, discharges and agrees to indemnify and hold harmless Company from any liability by virtue of any manipulation, blurring, distortion, alteration, optical illusion, or use in composite form that may occur or be produced in the taking and/or production of said Photograph(s) or in any subsequent processing and/or publishing thereof, as well as any use, re-use, publication and/or republication thereof, against any claim by Talent that such photographs may subject Talent to ridicule, scandal, reproach, scorn and/or indignity. Talent warrants that she has the right, capacity and authority to enter into this Agreement and that her performance in conjunction with this Agreement shall not violate any local, federal or state law or impede upon or conflict with or violate any commitment or understanding the Talent has with any other person or entity. Talent further warrants that she will not act in any manner that shall harm or defame the GGW brand. Talent agrees to adhere to all local, state and federal laws and follow GGW company policies and procedures. Talent shall act at all times with due regard to public morals and conventions during the term of this Agreement. Talent hereby releases,



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discharges and agrees to indemnify and hold harmless Company from any liability by virtue of any breach or claimed breach of any of Talent's representations and/or warranties herein contained.

C. In the event of physical injury arising out of Talent's services hereunder, Talent acknowledges that Talent is not entitled to any worker's compensation coverage or similar benefits for injury, disability, death or loss of wages; and Talent shall make no claim against GGW for such coverage or benefit. If Talent becomes injured in any capacity and is unable to perform her contractual duties as *Hottest Girl in America*, her monthly compensation of One Thousand Dollars (\$1,000.00) shall be discontinued.

D. Talent waives any and all rights or claims to any additional payments or royalties in conjunction with the aforementioned services. Talent hereby waives all rights and shall neither sue, nor bring any proceeding against GGW for any claim or cause of action, known or unknown, for defamation, invasion of right to privacy, privacy, infringement of rights of publicity or personality, intrusion, false light, or public disclosure of private facts, or any similar matter, based upon or relating to the use and exploitation of Talent. Talent hereby releases Company from any claims, including without limitation all rights, demands and/or liabilities regarding invasion of privacy, right of publicity, defamation (including libel and slander), copyright infringement, moral rights, confidentiality, and/or any other personal or property interests or rights, arising out of the production, distribution, broadcast, exploitation or exhibition of the Photograph(s) and any ancillary and subsidiary uses of the Photograph(s).

**6. OWNERSHIP OF PROCEEDS OF ENGAGEMENT; CONFIDENTIALITY OF INFORMATION; RELATIONSHIP OF THE PARTIES, ETC.:**

A. Company shall be the sole and exclusive owner throughout the universe in perpetuity of all of the results and proceeds of Talent's services, work and labor related to the Project and made in connection with Talent's engagement by the Company, including without limitation, all intellectual property ("Intellectual Property") which Talent may develop, create, write or otherwise produce during the Project, free and clear of any and all claims, liens or encumbrances. All results and proceeds of Talent's services, work and labor during the Project shall be deemed to be works-made-for-hire for the Company within the meaning of the copyright laws of the United States and the Company shall be deemed to be the sole author thereof in all territories and for all purposes. "Intellectual Property" means any and all intellectual, artistic, literary, dramatic or musical rights, works or other materials of any kind or nature (whether or not entitled to protection under applicable copyright laws, or reduced to or embodied in any medium or tangible form), including without limitation all copyrights, patents, trademarks, service marks, trade secrets, contract rights, titles, characters, plots, themes, dialogue, stories, scripts, treatments, outlines, submissions, ideas, concepts, packages, compositions, artwork and logos, and all audio, visual or audio-visual works of every kind and all rights to distribute, advertise, promote, exhibit or otherwise exploit any of the foregoing by any means, media or processes now known or hereafter devised.

B. Talent hereby assigns to Company all right, title and interest to collect any sums which may be payable by an exhibitor of the Event or by any collecting society in any territory throughout the world with respect to Talent's performance under this agreement. Talent acknowledges that the services rendered under this agreement are not subject to the jurisdiction of any guild or union. Nothing contained in this Agreement shall be construed to constitute Talent as an employee, partner or create a joint venture with Company, nor shall Talent have any authority to bind Company in any respect. Talent is an independent contractor and Talent hereby irrevocably appoints Company and its agents as attorney-in-fact to execute, if Talent refuses to do so, any instruments necessary to accomplish or confirm the foregoing or any and all of the rights granted to Company herein.

*CBH*

7/8/2010

C. All information, documents, notes, memoranda and Intellectual Property of any kind received, compiled, produced or otherwise made available to Talent during or in connection with Talent's engagement by the Company relating in any way to the business of the Company or of any of its Affiliates ("Confidential Materials") shall be the sole and exclusive property of the Company and shall be maintained in utmost confidence by Talent and held by Talent in trust for the benefit of the Company. During the Term or at any time thereafter, Talent shall not directly or indirectly release or disclose to any other person Confidential Materials, except with the prior written consent of the Company or as required by law.

D. Talent hereby assigns to Company the right to use Talent's name, voice, image and/or likeness in the Project, its packaging, artwork, and/or any broadcasts, announcements, advertising or promotional materials associated with the Project in all media. Company shall have the right to use Talent's name to confirm that Talent has performed in the Project and to generally announce the Project. Talent shall not own the copyright or any other intellectual property rights to the Project.

#### **7. NON-DISCLOSURE AND NON-DISPARAGEMENT:**

Talent hereby agrees to refrain from making any remarks, either orally or in writing, to the press, electronic and broadcast media, or any person or entity not a party to this Release, of any facts or opinions which might tend to disparage or harm the reputation of GGW Brands, Inc., Whild HD Productions, LLC, Joseph R. Francis, Mantra Films, Inc., its affiliated trade names, brand names, its affiliated companies, and/or any officers, directors or employees thereof. In addition, Talent agrees that she will NOT disclose any information or details in connection with the finale of *Girls Gone Wild Presents: Search for the Hottest Girl in America*.

#### **8. ASSIGNMENT:**

Company shall have the right to lend Talent's services or assign this Agreement to any entity or person affiliated or associated with Company on this Project.

#### **9. LIQUIDATED DAMAGES:**

If Talent fails to perform any modeling or personal appearance service as defined by this Agreement, Talent shall pay liquidated damages to Company in the amount of FIVE THOUSAND DOLLARS (\$5,000.00) for each such failure to perform. In light of the amount of time and resources required to organize a Promotion and/or live Event, and the media, publicity and promotional value to the Company, and the harm to the Company's reputation and brand for the failure of any performance called for by this Agreement, it is hereby acknowledged and agreed by the parties that FIVE THOUSAND DOLLARS (\$5,000.00) represents a reasonable estimation of the actual damages Company would incur if Talent fails to perform any modeling or personal appearance service as required under this Agreement, and the parties agree and acknowledge that said sum is an estimate of damages that are difficult or impossible to ascertain in advance, and are not intended as a penalty.

#### **10. INTEGRATED AGREEMENT.**

This agreement expresses the entire understanding between Company and Talent, and replaces any and all former agreements, understandings or representations relating to its subject matter, and contains all of the terms, conditions and understandings of the parties hereto. Neither party relies on any discussion, representation or condition not set forth herein in deciding to execute this Agreement. Any modifications to this agreement must be in writing and signed by all parties thereto.



7/8/2010

**11. NONCOMPETE.**

At all times during the one (1) year term of this Agreement, Talent agrees not to perform services for any of GGW's competitors. In the event that Talent does perform services for competitors of GGW, Talent will be in breach of this Agreement.

**12. ARBITRATION.**

Any controversy, claim or dispute arising out of or relating to this Agreement, shall be settled solely and exclusively by binding arbitration in Santa Monica, California. Such arbitration shall be conducted in accordance with the then prevailing commercial arbitration rules of JAMS/Endispute ("JAMS"), with the following exceptions if in conflict: (a) one arbitrator shall be chosen by JAMS; (b) each party to the arbitration will pay its pro rata share of the expenses and fees of the arbitrator, together with other expenses of the arbitration incurred or approved by the arbitrator; and (c) arbitration may proceed in the absence of any party if written notice (pursuant to the JAMS' rules and regulations) of the proceedings has been given to such party. Each party shall bear its own attorneys fees and expenses. The parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive. All such controversies, claims or disputes shall be settled in this manner in lieu of any action at law or equity; provided however, that nothing in this subsection shall be construed as precluding the bringing an action for injunctive relief or other equitable relief. The arbitrator shall not have the right to award punitive damages or speculative damages to either party and shall not have the power to amend this Agreement. The arbitrator shall be required to follow applicable law. IF FOR ANY REASON THIS ARBITRATION CLAUSE BECOMES NOT APPLICABLE, THEN EACH PARTY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY AS TO ANY ISSUE RELATING HERETO IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER MATTER INVOLVING THE PARTIES HERETO.

SIGNATURE PAGE TO FOLLOW

AGREED AND ACCEPTED BY:

"TALENT"

*Chelsea Heath*

"COMPANY"

GGW BRANDS, INC.

By:

By: *[Signature]*  
Its: S.V.P.

Witness:

*[Signature]*

By *Chelsea Brooke Heath*

