

IN THE CIRCUIT COURT OF THE  
17TH JUDICIAL CIRCUIT IN AND FOR  
BROWARD COUNTY, FLORIDA

CASE NO.:

CLIFF PADGETT,

Plaintiff,

v.

CLIFF PADGETT, INC., a Florida Corporation

Defendant.

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**COMPLAINT**

Plaintiff, Cliff Padgett ("Plaintiff" or "Mr. Padgett"), files this Complaint against Defendant, Cliff Padgett, Inc. ("Defendant" or "CPI"), and in support thereof, alleges as follows:

**PARTIES**

1. Plaintiff, Cliff Padgett, is an individual over the age of 18 years old who resides in Hillsborough County, Florida.
2. Defendant, Cliff Padgett, Inc., is a Florida corporation with its principal place of business located in Hillsborough County, Florida.

**JURISDICTION**

3. This Court has jurisdiction over the claims asserted herein by virtue of Fla. Stat. §26.012(2)(a), because the amount in controversy exceeds \$30,000.00.
4. Venue is proper pursuant to Fla. Stat. § 47.011, as a substantial part of the events giving rise to this action occurred in Broward County, Florida. Venue is also proper § 47.051 because Cliff Padgett, Inc., maintains an office for transaction of its customary business in Broward County, Florida.

## **FACTS**

1. On or about December 3, 2008, Mr. Padgett founded Cliff Padgett, Inc., which engaged in the business of telecommunications, construction, and other related services. Mr. Padgett owned and operated Cliff Padgett, Inc. for 11 years.

5. In May 2019, Mr. Padgett agreed to sell his shares of CPI to Data Stream Mobile Technologies, Inc. ("Data Stream"), via a Stock Purchase Agreement executed on May 3, 2019.

6. Contemporaneously with the Stock Purchase Agreement, Mr. Padgett and CPI entered into an Employment Agreement, whereby CPI would employ Mr. Padgett as its Vice President of Operations for a term of three years. A true and correct copy of the Employment Agreement is attached hereto as **Exhibit A**.

7. Pursuant to the Employment Agreement, during the three-year term of employment, Mr. Padgett was to be paid an annual salary of \$120,000.00. Additionally, Mr. Padgett was to receive a monthly vehicle allowance of \$700.00. Furthermore, CPI was obligated to reimburse Mr. Padgett for out-of-pocket expenses he incurred in the discharge of his employment to CPI. See **Exhibit A**.

8. On October 4, 2020, CPI failed to pay Mr. Padgett his salary, and has not made any payments since. In total, CPI has failed to pay Mr. Padgett salary in the amount of \$9,616.00 and counting.

9. CPI has also failed to pay Mr. Padgett's car allowance for five months, totaling \$3,500.00 and counting.

10. CPI has failed to reimburse Mr. Padgett for out-of-pocket expenses he incurred on behalf of CPI in the amount of \$24,637.42. Because CPI has failed to reimburse Mr. Padgett for his out-of-pocket expenses, he has been forced to take out loans to pay these expenses and is paying interest on those loans.

11. All conditions precedent have been fully performed, completely satisfied, and otherwise deemed waived or discharged by Defendant prior material breach of the oral agreement.

12. Mr. Padgett has retained undesigned counsel and has agreed to pay them a reasonable fee for their services.

#### COUNT I – BREACH OF EMPLOYMENT CONTRACT

13. Mr. Padgett reincorporates and re-alleges Paragraphs 1 through 12 as though fully set forth herein.

14. This is a claim for breach of employment contract.

15. As a condition of Mr. Padgett's employment with CPI, the parties agreed that Mr. Padgett would provide services to and serve as its Vice President of Operations, and CPI would provide compensation for those services.

16. In this case, CPI agreed to pay Mr. Padgett a base salary of \$120,000.00 per year, a monthly car allowance of \$700.00, and a bonus upon completion of each job based on profits realized. Additionally, CPI agreed to reimburse Mr. Padgett for the out-of-pocket expenses he incurred while performing services on CPI's behalf.

17. On or about November 4, 2020, Mr. Padgett demanded payment from CPI of his unpaid wages, which were earned and have accrued since his employment with CPI.

18. To date, CPI is in arrears with its payment obligations to Mr. Padgett in the amount of \$37,753.42.

19. CPI has failed to pay Mr. Padgett's car allowance since October 4, 2020, in the amount of \$3,500.00.

20. CPI has also failed to reimburse Mr. Padgett for company expenses he has paid in the course of transacting CPI's business in the amount of \$24,637.42

21. At the time of the filing of this Complaint, CPI has neither paid nor resolved Mr. Padgett's demand for unpaid wages and failed to pay his car allowance. Furthermore, CPI has failed to reimburse Mr. Padgett for out-of-pocket expenses. Mr. Padgett has been damaged by CPI's actions.

22. Mr. Padgett is entitled to a money judgment in the amount of his unpaid wages, and in accordance with Florida Statutes § 448.08, his costs of this action and his reasonable attorneys' fees .

WHEREFORE, Mr. Padgett demands judgment against CPI for damages for unpaid wages, car allowance, and reimbursement of out-of-pocket expenses, interest on loans Mr. Padgett was forced to take to pay these out-of-pocket expenses, plus pre- and post-judgment interest, reasonable attorneys' fees and costs, and for such other and further legal and equitable relief as the Court deems just and proper.

#### COUNT II – INJUNCTIVE RELIEF

23. Mr. Padgett reincorporates and re-alleges Paragraphs 1 through 12 as though fully set forth herein.

24. In the Employment Agreement, CPI acknowledges that any violation of the Agreement by CPI:

will cause substantial and irreparable harm to Mr. Padgett to such an extent that monetary damages alone would be an inadequate remedy therefore. Accordingly, in the event of an actual or threatened breach of any such provisions, Cliff Padgett will, in addition to any other remedies it may have, be entitled to injunctive and other equitable relief to enforce such provisions, and such relief may be granted without the necessity of proving actual monetary damages.

See **Exhibit A** at ¶10.

25. Mr. Padgett has indeed suffered and will continue to suffer harm for which there is no adequate remedy at law without injunctive relief in that he continues and will continue to be the personal guarantor of many of CPI's debts arising now and in the future. He will be faced with the choice to either pay these debts and take the risk that CPI does not reimburse him or not pay the debts and expose himself to personal liability from the vendors.

26. Furthermore, after the term of Mr. Padgett's employment terminates, CPI will continue to have the ability to incur debt for which Mr. Padgett is personally liable and he will not be in a position to even make the untenable decision described in the proceeding paragraph.

WHEREFORE, Mr. Padgett demands an injunction against CPI ordering it to reimburse him for all out-of-pocket expenses he has paid on behalf of CPI, to cease incurring debts on any accounts for which Mr. Padgett is a personal guarantor or, in the alternative, to substitute one of its current officers or directors as the personal guarantor, plus pre- and post-judgment interest, reasonable attorneys' fees and costs, and for such other and further legal and equitable relief as the Court deems just and proper.

Dated this 5<sup>th</sup> day of February 2021.

*Respectfully Submitted,*

**KOPELOWITZ OSTROW  
FERGUSON WEISELBERG GILBERT**

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## **EMPLOYMENT AGREEMENT**

This Employment Agreement (this "Agreement") is made effective as of March 31, 2019, by and between Cliff Padgett, Inc. ("The Company"), of 411 Apollo Beach Blvd, Suite 700, Apollo Beach, FL., 33572, and Cliff Padgett ("Cliff Padgett"), of 817 Parker Den Drive, Ruskin, Florida, 33570.

A. The Company is engaged in the business of telecommunications, construction and other services associated therewith that are not precluded by law. Cliff Padgett will primarily perform the job duties at the following location: 411 Apollo Beach Blvd. Suite 700, Apollo Beach, Florida 33572

B. The Company desires to have the services of Cliff Padgett.

C. Cliff Padgett is willing to be employed by The Company.

Therefore, the parties agree as follows:

**1. EMPLOYMENT.** The Company shall employ Cliff Padgett as Vice President - Operations. Cliff Padgett shall provide to The Company the following services: duties as needed. Cliff Padgett accepts and agrees to such employment, reporting to Sean Lee as President of the Company. Cliff Padgett shall also perform (i) such other duties as are customarily performed by a Vice President in a similar position, and (ii) such other and unrelated services and duties as may be assigned to Cliff Padgett from time to time by the Company.

**2. BEST EFFORTS OF EMPLOYEE.** Cliff Padgett agrees to perform faithfully, industriously, and to the best of Cliff Padgett's ability, experience, and talents, all of the duties that may be required by the express and implicit terms of this Agreement, to the reasonable satisfaction of the Company. Such duties shall be provided at such place(s) as the needs, business, or opportunities of The Company may require from time to time.

**3. COMPENSATION OF EMPLOYEE.** As compensation for the services provided by Cliff Padgett under this Agreement, The Company will pay Cliff Padgett \$120,000.00 per year together with a vehicle expense of \$700.00 per month, both for a term of three years. At some point the Company will be absorbed/succeeded by Data Stream Mobile Technologies Inc, and all the terms of this agreement shall remain. This amount shall be paid in accordance with The Company's usual payroll procedures. As additional compensation Cliff Padgett will be paid a bonus on completion of each job, based on profit after all expenses have been deducted at a rate to be agreed upon by the Parties. Upon termination of this Agreement after all the monetary obligations of The Company have been met for the entire three year term, payments under this paragraph shall cease; provided, however, that Cliff Padgett shall be entitled to payments for periods or partial periods that occurred prior to the date of termination and for which Cliff Padgett has not yet been paid, and for any commission earned in accordance with The Company's customary procedures, if applicable. Accrued vacation will be paid in accordance with state law and The Company's customary procedures. This section of the Agreement shall

be construed as establishing a minimum definite term of employment.

**4. EXPENSE REIMBURSEMENT.** The Company will reimburse Cliff Padgett for "out-of-pocket" expenses incurred by Cliff Padgett in accordance with The Company's policies in effect from time to time.

**5. RECOMMENDATIONS FOR IMPROVING OPERATIONS.** Cliff Padgett shall provide The Company with all information, suggestions, and recommendations regarding The Company's business, of which Cliff Padgett has knowledge that will be of benefit to The Company.

**6. EMPLOYEE'S ABILITY TO CONTRACT FOR EMPLOYER.** Cliff Padgett shall have the autonomy to manage daily business transactions to meet Client commitments for or on behalf of The Company.

**7. TERM/TERMINATION.** Cliff Padgett's employment under this Agreement shall be for three (3) years, beginning on March 31, 2019.

**8. COMPLIANCE WITH EMPLOYER'S RULES.** Cliff Padgett agrees to comply with all of the rules and regulations of The Company.

**9. NOTICES.** All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or on the third day after being deposited in the United States mail, postage paid, addressed as follows:

Employer:

Cliff Padgett Inc.  
Sean Lee  
President  
C/o 1535 S. Perimeter Road, Hangar 36B  
Fort Lauderdale, Florida 33309

Employee:

Cliff Padgett  
817 Parker Den Drive  
Ruskin, Florida 33570

Such addresses may be changed from time to time by either party by providing written notice in the manner set forth above.

**10. NO ADEQUATE REMEDY AT LAW.** The Company hereby acknowledges that the provisions of this Agreement are reasonable and necessary to protect the legitimate interests of Cliff Padgett and that any violation of this Agreement by The Company will cause substantial and irreparable harm to Cliff Padgett to such an extent that monetary damages alone would be an



inadequate remedy therefore. Accordingly, in the event of any actual or threatened breach of any such provisions, Cliff Padgett will, in addition to any other remedies it may have, be entitled to injunctive and other equitable relief to enforce such provisions, and such relief may be granted without the necessity of proving actual monetary damages.

**11. ENTIRE AGREEMENT.** This Agreement along with the Stock Purchase Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

**12. AMENDMENT.** This Agreement may be modified or amended, if the amendment is made in writing and is signed by both parties.

**13. SEVERABILITY.** If any provisions of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid or enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

**14. WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

**15. APPLICABLE LAW.** This Agreement shall be governed by the laws of the State of Florida.

**EMPLOYER:**  
Cliff Padgett, Inc.

By: \_\_\_\_\_

Sean Lee  
President

Date: \_\_\_\_\_

5/3/2019

**AGREED TO AND ACCEPTED.**

**EMPLOYEE:**

\_\_\_\_\_  
Cliff Padgett

Date: \_\_\_\_\_

5/3/19