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Plaintiff and Counter-Defendant
PARRISH MEDLEY

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

DAVID KAGEL, Plaintiff, vs. JAN WALLACE, Defendant.	CASE NO. CV 06-3357 R (SSx) CONSOLIDATED WITH CASE NO. CV 06-3370 R (SSx)
AND RELATED COUNTER-CLAIM.	**DECLARATION OF PARRISH MEDLEY IN SUPPORT OF PLAINTIFFS' OPPOSITION TO MOTION FOR SUMMARY JUDGMENT**
PARRISH MEDLEY, Plaintiff, vs. JAN WALLACE, Defendant.	[FILED CONCURRENTLY WITH MEMORANDUM OF POINTS AND AUTHORITIES, SEPARATE STATEMENT OF GENUINE ISSUES IN DISPUTE, DECLARATION OF MATTHEW E. HESS, AND EVIDENTIARY OBJECTIONS TO DECLARATIONS OF JAN WALLACE, MICHAEL WACHTELL, AND CARLO MONDAVI] **DATE: February 20, 2007** **TIME: 10:00 AM** **CTRM: 8** **JUDGE: HON. MANUEL L. REAL**

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DECLARATION OF PARRISH MEDLEY

I, Parrish Medley, declare as follows:

1. I am over the age of 18 and one of the parties to this action. I make this declaration in support of Plaintiffs' Opposition to Defendant Wallace's Motion for Summary Judgment. I have personal knowledge of the facts herein and, if called as a witness, can and will testify competently thereto.

2. In early 2004, Carlo Mondavi approached me and asked me to assist him with starting a new skin care company. Carlo was aware that I had founded a company called Palm Beach Tan, Inc., and that I had built Palm Beach Tan from the ground up; I began as a sole proprietor, opened the first store, and grew the company from a single store into a highly successful chain of 11 stores, using my own money, until I sold the business to a group of private investors. Carlo, age 25, and his friend Josh Levine, age 24, wanted to start their own company, Davi Skin. They were aware that I had experience in founding a new company, building a brand, assembling a management team, marketing, and the like, and asked me to guide them through the process of starting Davi Skin.

3. In early 2004, I was appointed CEO of Davi Skin, Inc. My responsibilities were to raise money for the company, recruit the proper management, and build the financial, production, and marketing infrastructure of the company. I decided that the first task would be easier if the company were registered with the Securities and Exchange Commission.

Davi Skin's Purchase of MW Medical, Inc.

4. I investigated the possibility of having Davi Skin make an initial public offering, but I did not think this was possible as the company did not yet have any earnings or any products. I discussed this situation with Kyleen Cane, an attorney in Las Vegas, Nevada, who I had met, and she suggested

that Davi Skin would be a good candidate for a reverse merger.

5. Kyleen Cane told me that she represented a company called MW Medical, Inc., which was for sale. She said that she would speak to MW Medical's president, Jan Wallace, on my behalf. While I became aware that Ms. Cane had represented at least one company with which Ms. Wallace was involved, Ms. Cane never informed me of her intimate, years-long business and professional relationship with Ms. Wallace. Nor did she inform me that for several years she had served as President of one of the penny stock shell companies controlled by Ms. Wallace.

6. Ms. Cane informed me I could purchase MW Medical for $250,000, plus $50,000 in past due legal fees the company owed to Ms. Cane's firm. In return, I would receive a controlling interest in the company – approximately 90% of its outstanding stock – and all outstanding Promissory Notes.

7. I asked Ms. Cane to tell Ms. Wallace that this proposal was agreeable to me, and Ms. Wallace flew to Los Angeles to meet with me, whereupon we finalized the terms.

8. Before I purchased MW Medical, I reviewed the company's public filings and financial statements to ensure that it was indeed an inactive shell company; I did not want Davi Skin to inadvertently acquire a corporation saddled with debts or one that had lawsuits pending against it. My review of the financial statements quickly revealed that MW Medical had emerged from bankruptcy in 2002 and had not transacted any business at all since then.

9. The financial statements stated that MW Medical was "indebted" to Ms. Wallace and had issued her a Promissory Note which had a principal amount totaling approximately $570,000 as of December 31, 2003. The Promissory Note was convertible into the common stock of the company. Ms. Cane informed me that Ms. Wallace would use this Note to effectuate the sale

and merger; she would first convert as much of the Note as was needed to give her 90% of the Company's common stock. She would then convey the common stock, and whatever portion of the Note which had not been converted, to me at the close of the transaction.

Ms. Wallace and I Enter Into the Stock Purchase and Note Assignment Agreement

10. Accordingly, on March 15, 2004, I entered into a "Stock Purchase and **Note Assignment Agreement**" with Jan Wallace, Grace Sim, and MW Medical, Inc. (emphasis added.) A true and correct copy of the Stock Purchase and Note Assignment Agreement is attached hereto as Exhibit 2.[1] The document was prepared by Kyleen Cane.

11. Paragraph 1.2(c) of the Stock Purchase and Note Assignment Agreement requires Wallace and Sim to "deposit their shares and an assignment of debt" into an attorney escrow account. (emphasis added.)

12. Pursuant to Paragraph 1.2(c)'s requirement that Wallace and Sims execute an "Assignment of Debt," Wallace and Sim executed two Assignments, true and correct copies of which are attached hereto as Exhibits 8 and 9. Wallace's Assignment states in pertinent part:

> "For value received, the undersigned note holder, hereby assigns, conveys, and transfers all of her right, title, and interest in the attached **Promissory Notes** issued by MW Medical, Inc....to Parrish Medley or his assigns."

13. Wallace and Sim delivered these Assignments to me on the day of closing or shortly thereafter. **Once I received the Assignments, I believed the matter to be closed. Wallace and Sim no longer had any**

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[1] For the convenience of the Court, the Exhibits attached to the instant Declaration use the same numbering system as the corresponding exhibits in the parties' Joint List of Exhibits.

interest in MW Medical or Davi Skin.

14. The written Stock Purchase and Note Assignment Agreement contains all of the material terms of the agreement between myself and Ms. Wallace.

15. When I executed the Stock Purchase and Note Assignment Agreement, my intention – as evidenced by the agreement – was that Ms. Wallace would convey her **entire** interest in MW Medical to me. At the close of the transaction, she would not retain **any** interest in the company – whether debt or equity – whatsoever. In colloquial terms, Wallace was required to sell MW Medical to me **lock, stock, and barrel**. Wallace was not "investing" in Davi Skin by merging it with MW Medical, she was selling MW Medical to me. I would not have entered into the transaction on any other terms.

16. I did not expect to have any dealings Ms. Wallace after the closing, but I did expect her to execute any additional paperwork necessary to effectuate the sale and merger.

The Alleged Oral Agreement With Ms. Wallace

17. In her Declaration in support of her Motion for Summary Judgment, Ms. Wallace has stated that on the day of closing, I entered into a second, separate, oral agreement with her. According to Ms. Wallace, the oral agreement provided that she would assign one of her MW Medical, Inc. Promissory Notes to me on the condition that I pay her the full face value of the Note upon reassigning it to another. This statement is false. **I never entered into any such agreement with Ms. Wallace, at the closing or anywhere else.**

The Assignment

18. At first, I intended to cancel the Notes once I received them from Ms. Wallace and Ms. Sim so that Davi Skin would begin its tenure as a public company without any outstanding debt obligations. However, when Ms. Cane

said that Ms. Wallace would be conveying a convertible Note to me, I decided not to cancel it. A convertible note can be redeemed for either cash or common stock. Ms. Cane explained that convertible notes can be useful to a company because they afford the company great flexibility and allow the holder of the note the option of either participating in the "upside" of a company – via the conversion feature – or the repayment of the principal in a set dollar amount.

19. Accordingly, I asked that the transaction be structured such that after Ms. Wallace converted as much of the Note into MW Medical common stock as was necessary to effectuate the merger, she would then reduce the outstanding principal balance of the Note to $200,000, an amount I chose because it converted into an even number of shares of company stock. Ms. Wallace would then assign the Note to me at the close of the transaction. I never intended to retain the Note for my own benefit, but instead intended to use for the company's benefit. Accordingly, I asked that the Note be assigned to "Parrish Medley or his assigns," so that I could use it for the benefit of the company if the appropriate situation presented itself.

20. At the closing, Ms. Cane advised me that in order to effectuate the reverse merger of MW Medical into Davi Skin, Ms. Wallace would convert a portion of the Note into MW Medical common stock. Ms. Cane told me that I should then execute a new Promissory Note, payable to Ms. Wallace, in the principal amount which remained outstanding after the conversion. Ms. Wallace would then reduce the principal balance of the Promissory Note to $200,000. Finally, Ms. Wallace would assign the Note to me. Ms. Cane told me that these steps were necessary to effectuate the stock split, reverse merger, and sale (as described in the Stock Purchase and Note Assignment Agreement), and I relied on Ms. Cane's advice and followed her instructions. True and correct copies of the original Note, and the new Note in the reduced

principal amount, are attached hereto as Exhibits 3 and 5.

Kyleen Cane Becomes Davi Skin's General Counsel

21. After the Stock Purchase and Note Assignment Agreement closed, I asked Kyleen Cane to become the general counsel to Davi Skin. Davi Skin needed an experienced securities lawyer, so I asked Ms. Cane to represent the company, and she agreed.

22. My knowledge of the securities laws is very limited. I worked as a stockbroker for a few years upon my graduation from college, but that was almost 20 years ago, and even then I only had a perfunctory working knowledge of the laws specifically applicable to brokers. I have never served as an officer or director of a public company and I know almost nothing about the laws applicable to individuals serving in those positions. Therefore I relied on Ms. Cane to inform me – and Davi Skin – of all applicable laws and regulations.

23. Ms. Cane prepared all of Davi Skin's securities filings and gave them to me to sign. I relied on her advice and assurances that the filings were correct. All of the filings disclosed the $200,000 Note on the balance sheet, so investors were always aware that the company owed this obligation. I once asked Ms. Cane whether the filings should be amended to also state the fact that the Note had been assigned to "Parrish Medley or his designates." She said that would be fine, but it was unnecessary as I did not intend to personally benefit from the Note. She told me that since Ms. Wallace had already agreed to execute a new Assignment (see Paragraph 25 *infra*), it would be easier to simply amend the company's filings once the Assignment was executed to state the name of the new assignee. I followed Ms. Cane's advice. If she had told me that the filings needed to be amended to state my name as the holder of the Assignment, I would have followed that advice as well.

Ms. Cane Informs Me that the Assignment Should Be Modified

24. A few months after the Stock Purchase and Note Assignment Agreement was signed, in the late summer or fall of 2004, I told Ms. Cane that I wanted to assign the Note to David Kagel to compensate him for services to the company. Ms. Cane informed me that the Assignment might make the Note subject to restrictions on trading if the assignee were to convert the Note into common stock or present it for payment.

25. As was stated above, the assignment was to "Parrish Medley or his designates." I never intended to keep the Assignment for myself, but instead intended to give it to Mr. Kagel. I certainly did not regard myself as the beneficiary of the Assignment. If I had been unable to give it to Mr. Kagel or had otherwise been unable to use it for the benefit of the company, I would have cancelled the Note.

26. In general, restrictions are imposed on the company debt and equity obligations to corporate insiders, such as the CEO of the company. These individuals are required to hold their debt and equity obligations and refrain from trading them for a set period for time after issuance, generally two years. The restriction follows the debt and equity obligations, and anyone receiving them from the corporate insider becomes subject to the restriction. This prevents the corporate insider from circumventing the holding period by conveying his or her stock to a relative, for example. Because the Assignment was to "Parrish Medley or his designates," the Note it assigned might be deemed restricted. The investor who received the Assignment might be unable to freely negotiate the Note thereafter.

27. Ms. Cane recommended that Ms. Wallace execute a new Assignment, in blank, i.e. an assignment to "the individuals on Schedule A," and not "Parrish Medley or his designates." She said that this was not strictly necessary, as she believed that the Assignment was all right in its present

form. However, she said that the best and most efficient course of action was simply to execute a new Assignment. She said that Ms. Wallace was required to perform such "cleanup work" under the terms of the Stock Purchase and Note Assignment Agreement.

28. Almost immediately thereafter, I contacted Ms. Wallace and asked her to execute a new Assignment. She agreed, but demanded 10,000 shares of company stock in return for doing so. I was shocked by her demand. She had agreed to execute any paperwork necessary to effectuate the Stock Purchase and Note Assignment Agreement, and she was breaching her promise. Second, I was shocked that Ms. Wallace would try to take advantage of Davi Skin in this way. At first I had no intention of giving her anything. I reflected on the matter further and realized that the only way I could compel Ms. Wallace to honor the Stock Purchase and Note Assignment Agreement was to sue her. That would cause Davi Skin to incur attorneys' fees and might take many months, if not years, to resolve. Although I deeply resented Ms. Wallace's demand, I decided that the most expeditious thing to do was give her 10,000 shares of my own stock. I had over 1,000,000 shares of Davi Skin stock at the time, so my proposal to convey 10,000 shares to Ms. Wallace did not substantially decrease the amount of my holdings. Ms. Wallace then said she would execute the new Assignment, and said that she would get Kyleen Cane to draw up all the necessary paperwork.

29. Ms. Wallace never executed the new Assignment. I intended to transfer the 10,000 shares of stock at the same time that she executed the new Assignment, but Wallace never executed anything so I never transferred the shares. In the months that followed I periodically asked Kyleen Cane to remind Ms. Wallace of her promise to execute the new Assignment, but Ms. Wallace never executed it.

30. Sometime after Ms. Wallace and I discussed the need to execute

a new Assignment, Kyleen Cane reminded me that the Note was due on December 31, 2004. Ms. Cane said she had asked Ms. Wallace to extend the due date of the Note until we could resolve the issue of the Assignment, which Ms. Wallace did.

Ms. Wallace Executes The Assignment in Blank

31. In or about August, 2005, the Note was about to mature again; it was due on December 31, 2005. I was also tired of waiting for Ms. Wallace, who still had not executed the new Assignment, and decided to resolve the issue of the Assignment once and for all. Although Ms. Wallace had promised to coordinate everything with Kyleen Cane, she had not done so. Therefore, I directed Ms. Cane to draft the revised Assignment, and asked her to tell Ms. Wallace that she needed to finally execute it. Ms. Cane informed me that Ms. Wallace would be more likely to do this if I gave her the 10,000 shares of stock first, so I asked Ms. Cane to issue it to her. A true and correct copy of the August 2, 2005 email from me to Kyleen Cane directing her to issue 10,000 restricted shares to Ms. Wallace is attached hereto as Exhibit 42.

32. A few days later Ms. Wallace claimed that I had agreed to give her 10,000 shares of unrestricted company stock instead of 10,000 of my own restricted shares. This statement was false. I never agreed to this, as I had no unrestricted stock to give, and had no reason to direct the company to issue it. I refused to give her any restricted stock. A few days later, she dropped her request for 10,000 unrestricted shares and said she would accept $10,000 in cash instead.

33. When Ms. Wallace made this demand, my relationship with Carlo Mondavi and Josh Levine, the other principals of Davi Skin, was very strained. Shortly thereafter, I resigned from the company. At the time, however, I thought I still might continue my relationship with Davi Skin. The last thing I

needed at this delicate time was a contretemps over the Assignment and the due date of the Note. Therefore, I agreed to give Ms. Wallace the $10,000.

34. Ms. Wallace told me that she was going to be in Newport Beach, California, and suggested that we meet at a Carl's Jr. across the street from the office where she would be transacting business. I met her there, paid Ms. Wallace the $10,000 from my own funds – in cash, as she had specified – and Ms. Wallace executed the new Assignment in blank. A true and correct copy of the Assignment is attached hereto as Exhibit 18.

35. Soon thereafter, Ms. Wallace gave Ms. Cane one or more (I cannot remember whether it was one or two) extensions of the Note. This was because the new Assignment was in blank, i.e. it was issued to the "individuals identified on Schedule A." Schedule A was to be created later, when the Assignment was given to its recipient. In the meantime, however, the Note might come due, and because Schedule A had not yet been filled in, there was technically no one with the authority to extend the due date. Therefore, Ms. Wallace one or more extensions as well to simplify matters.

I Give the Assignment to David Kagel

36. Ever since I became CEO of Davi Skin, David Kagel provided the company and me with invaluable advice. For example, in 2004 he introduced Davi Skin to David Horner, a legendary cosmetics industry executive who helped launch Giorgio perfume. David Horner has been retained by several companies, as well as several celebrities, to assist with the creation and development of fragrances and skin care products. In particular, Mr. Horner has worked with Hermes, Unilever, Procter & Gamble, Tiger Woods, and Prince Albert of Monaco. David Kagel arranged the introduction of David Horner to Carlo Mondavi and Josh Levine. Carlo, Josh and I had several meetings with Mr. Horner in both Los Angeles and New York. I wanted Mr. Horner to become the new CEO of Davi Skin (I always intended to serve as

the company's interim CEO, as my particular expertise was not in the cosmetics industry) but Carlo and Josh decided that they could not work with him.

37. David Kagel also introduced me to Pamela Friedman (an acquaintance of David Horner's), a former merchandising and product development executive at Crabtree & Evelyn, the perfume and skincare products company, and Victoria's Secret. In addition to this, David Kagel provided me with a great deal of counsel and other advice and, I believed, would have continued to be an invaluable asset in the future. Therefore, I decided to assign the Note to him. As early as 2004, I told Carlo that I was assigning the Note to Mr. Kagel.

38. After receiving the new Assignment in blank from Ms. Wallace, I gave it to David Kagel.

I Resign as CEO of Davi Skin

39. By December, 2005, my relationship with Davi Skin proved irreparable. I had a different vision for the future of the company than the other principals. Finally, in late 2005 the company hired Joseph Spellman to assume the role of CEO, and the company and I negotiated a separation agreement.

Ms. Wallace Threatens to Write a "Five-Page Letter."

40. Shortly thereafter, in March, 2006, Ms. Wallace telephoned me again and asked for another meeting at the Carl's Jr. in Newport Beach. She said that she had received a letter from Davi Skin's auditors inquiring about the status of the Note. She offered to "split" the proceeds of the Note with me. I told her that the note had never been mine to "split," and that in any case I had assigned the Note to David Kagel. She asked me to "think about" her proposal, and said that if I did not agree to her proposal she would write a "five-page letter" to Davi Skin's auditors. I told her that there was nothing

to think about and left the meeting. As I was driving home, Ms. Wallace called me on my car phone and asked me to "sleep on" her proposal and call her in the morning. I never returned her call.

Ms. Wallace's Allegations

41. Ms. Wallace has alleged that I promised to enter into various agreements with her, one Kelly Black, and one Michele Stewart to perform various consulting and private placement services. This statement is simply false. I do not recall ever meeting Michele Stewart. I did meet Kelly Black once, in 2004. When I was discussing the need for the new Assignment with Ms. Wallace, she said that a woman named Kelly Black might be able to help me raise money for Davi Skin. I decided to include a stop in Arizona on my next business trip and met with Ms. Wallace at a luncheon meeting. At the luncheon, she introduced me to the manager of a mutual fund who claimed to be able to raise an unlimited amount of capital for Davi Skin. When I pressed him for details he responded that his plan required the Mondavi family to back Davi Skin's with Mondavi Winery Company stock, a plan which I knew to be unworkable. Ms. Black, who I met later that afternoon, claimed to know several investors who might be willing to invest in Davi Skin. I spoke to only one such investor, via telephone, but no investment capital ever materialized. Ms. Black also knew of two fledgling skincare companies and suggested that Davi Skin might want to enter into partnerships with them. Carlo, Joseph Spellman and I examined these proposals and determined they were not worth pursuing. None of the proposals of Ms. Wallace or Ms, Black were of any substance, and none of the investment capital they claimed they could bring to Davi Skin ever materialized. I certainly never agreed to enter into any of the alleged agreements with them.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on February 6, 2007 in Los Angeles, California.

PARRISH MEDLEY

STOCK PURCHASE AND NOTE ASSIGNMENT AGREEMENT

BETWEEN

MS. JAN WALLACE/MS. GRACE SIM

AND

MW MEDICAL, INC.

AND

PARRISH MEDLEY OR HIS DESIGNATES

March 15, 2004

STOCK PURCHASE AND NOTE ASSIGNMENT AGREEMENT

THIS STOCK PURCHASE AND NOTE ASSIGNMENT AGREEMENT ("Agreement") has been made and entered into as of this 15th day of March, 2004, by and among, Ms. Jan Wallace ("Wallace"), Ms. Grace Sim ("Sim"), MW Medical, Inc., a Nevada Corporation ("Company"), and Mr. Parrish Medley or his designates (the "Purchaser").

RECITALS:

A. Whereas, Wallace and Sim own approximately 78,350,000 shares of the Company and hold a combined secured debt obligation of the Company of approximately $856,432.

B. Whereas, the Purchaser desires to purchase both Wallace and Sim's debt and equity positions in the Company, all according to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein, the parties hereto agree as follows:

ARTICLE I. THE STOCK PURCHASE

1.1. Purchaser agrees to purchase from Wallace and Sim all of their shares of common stock and their $856,432 secured debt of the Company (collectively the "Positions") for total consideration of $250,000.

1.2 Purchaser agrees to purchase Wallace and Sim's Positions in the Company as follows:

a) Wallace and Sim shall transfer to the Purchaser the following:

- All of their shares of common shares of the Company's stock currently held post reverse split;
- A termination of their stock options, if any, in the Company;
- All rights to cash advances, non-employment debt, and payroll debt in the amount of approximately $856,432.

b) For consideration for the transfer set forth in section 1.2(a) above, Purchaser shall:

- Pay to Wallace and Sim $75k immediately upon deposit of the Positions into the escrow, $100k upon the completion of the proposed 500/1 reverse split of the Company's common stock, and $75k upon the final transfer of the Positions upon Closing.

c) Wallace and Sim will deposit their shares and an assignment of debt into an attorney escrow along with the total Purchase funds of $250,000.

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1.4 All transactions between the parties described in this Agreement shall be executed on or before March 31, 2004.

ARTICLE II.
REPRESENTATIONS AND WARRANTIES

2.1. **Representations and Warranties of the Company.** Wallace and Sim hereby represent and warrant to Purchaser that:

2.1.1. *Organization of the Company.* The Company is duly organized, validly existing, and in good standing under the laws of the state of Nevada and has all requisite corporate power to own its property and conduct the business in which it is engaged. The Company has full power and authority (corporate or otherwise) to execute, deliver and perform its obligations under this Agreement.

2.1.2. *Capitalization.*

2.1.2.1. The Company has an authorized capital stock consisting of 100,000,000 shares of common stock, par value $0.001 per share. There are 99,550,070 shares of common stock issue and outstanding. No shares of preferred stock have been issued. All shares of Company stock that have been issued are validly issued, fully paid, are non-assessable, and were issued in compliance with any preemptive or similar rights and in compliance with applicable laws.

2.1.2.2. The Company does not have any outstanding subscriptions, options, preferred stock, rights, warrants, convertible securities or other agreements or commitments to issue, or contracts or any other agreements obligating the Company to issue, or to transfer from treasury, any shares of its capital stock or membership interests, as applicable, of any class or kind, or securities convertible into such stock or interests other than the obligation to issue shares of common stock of the Company as provided herein. No persons who are now holders of Company Stock, and no persons who previously were holders of Company Stock, are or ever were entitled to preemptive rights other than persons who exercised or waived those rights.

2.1.2.3. There is no outstanding vote, plan, pending proposal or right of any person to cause any redemption of Company stock. Neither the Company nor any of its affiliates, is under any obligation, contract or other arrangement to register (or maintain the registration of) any of its or their securities under federal or state securities laws.

2.1.2.4. The Company is not a party to any agreement, voting trust, proxy or other agreement or understanding of any character, whether written or oral, with any other stockholders of the Company with respect to or concerning the purchase, sale or transfer or voting of the Company stock or any other security of the Company.

2.1.3. *Compliance with Other Instruments; Consents.* Neither the execution of this Agreement nor the transfer of shares of common stock hereunder will conflict with, violate or result in a breach or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default), or result in a termination of, or accelerate the performance required by, or result in the creation of any encumbrance upon any assets of the Company under any provision of the Articles of Incorporation, Bylaws, indenture, mortgage, lien, lease, agreement, contract, instrument, order, judgment, decree, statute, ordinance, regulation or any other restriction of any kind or character to which the Company is bound.

2.1.4. *Litigation.* There are no legal, administrative, arbitration or other proceedings or claims pending against the Company, nor is the Company subject to any existing judgment which might affect the financial condition, business, property or prospects of the Company, nor has the Company received any inquiry from an agency of the federal or of any state or local government about the Transaction, or about any violation or possible violation of any law, regulation or ordinance affecting its business or assets.

2.1.5. *Full Disclosure.* None of the representations and warranties made by Wallace and Sim herein will contain any untrue statement of material fact, or omits any material fact, the omission of which would be misleading.

2.2. **Representations and Warranties of the Purchaser.** The Purchasers hereby represent and warrant as follows:

2.2.1 Each Purchaser has, either alone or with the assistance of a professional advisor, sufficient knowledge and experience in financial and business matters that they believe himself/herself capable of evaluating the merits and risks of an investment in the Positions and the suitability of an investment in the Company in light of their financial condition and investment needs, and legal, tax and accounting matters.

2.2.2 Each Purchaser has been given access to full and complete information regarding the Company and has utilized such access to the undersigned's satisfaction for the purpose of obtaining information in addition to, or verifying information provided by Wallace and Sim. Particularly, each Purchaser has been given reasonable opportunity to meet with and/or contact Company representatives for the purpose of asking questions of, and receiving answers from, such representatives concerning the Positions and to obtain any additional information, to the extent reasonably available, necessary to verify the accuracy of information provided.

2.2.3 Each Purchaser is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act").

2.2.4 Each Purchaser recognizes that an investment in the Shares involves a high degree of risk, including but not limited to the risk of losing his/her/its entire investment and the other risks described below.

ARTICLE III.
ARTICLE
SURVIVAL OF REPRESENTATIONS

3.1. **Representations to Survive.** The representations and warranties contained herein or in any document furnished pursuant hereto shall survive the consummation of any sale or transfer pursuant to this Agreement. Each party acknowledges and agrees that, except as expressly set forth in this Agreement, no party has made (and no ~~party is relying on~~) any representation or warranties of any nature, express or implied, regarding any or relating to any of the transactions contemplated by this Agreement.

ARTICLE IV.
MISCELLANEOUS

4.1. **Assignability and Parties in Interest.** This Agreement shall not be assignable by any of the parties hereto without the consent of all other parties hereto. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors. Nothing in this Agreement is intended to confer, expressly or by implication, upon any other person any rights or remedies under or by reason of this Agreement.

4.2. **Governing Law.** This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Nevada. Each of the parties hereto consents to the personal jurisdiction of the federal and state courts in the State of Nevada in connection with any action arising under or brought with respect to this Agreement.

4.3. **Counterparts.** This Agreement may be executed as of the same effective date in one or more counterparts, each of which shall be deemed an original.

4.4. **Headings.** The headings and subheadings contained in this Agreement are included solely for ease of reference, and are not intended to give a full description of the contents of any particular Section and shall not be given any weight whatever in interpreting any provision of this Agreement.

4.5. **Complete Agreement.** This Agreement and the documents referred to herein contain the entire agreement between the parties and, except as provided herein, supersede all previous negotiations, commitments and writings.

4.6. **Modifications, Amendments and Waivers.** This Agreement shall not be modified or amended except by a writing signed by each of the parties hereto.

4.7. **Severability**. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any rule of law or public policy, all other terms and provisions of this Agreement will nevertheless remain in full force and effect. Upon any such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto will negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible.

4.8. **Completion of SEC Filings.** Purchaser shall advance immediately the costs of preparing the Company's current 10KSB audited financials. Any payments made in this regard shall be reimbursed to Purchaser through a reduction in Purchaser's final payment to Wallace and Sim required by Section 1.2(b). Wallace and/or Sim shall prepare, file and sign this final 10KSB on behalf of the Company.

4.9 **Indemnification.** Wallace and Sim further agree to indemnify and hold Purchase harmless from and against any and all claims or actions against the Company based in full or in part on events occurring prior to the Closing of this agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

JAN WALLACE

GRACE SIM

PARRISH MEDLEY

Principal Amount: $248,325.00

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, MW Medical, Inc., a Nevada corporation (or its successor or assigns) promises to pay to the order of Jan Wallace, an individual, at such address as may be designated in writing by the holder of this Note, the principal sum of TWO HUNDRED AND FORTY EIGHT THOUSAND, THREE HUNDRED AND TWENTY FIVE DOLLARS and NO CENTS ($248,325.00) in U.S. currency. The entire amount of principal with ten percent (10%) interest per annum shall become due and payable on June 15, 2003.

The undersigned and its successors and assigns, hereby waives presentment and demand for payment, diligence, notice of dishonor, protest and notice of protest of this Note, and any defense by reason of an extension of time for payment or other indulgence. Failure of the holder to assert any right herein shall not be deemed to be a waiver thereof.

This Promissory Note is made in settlement of all wages and employment fees owed to payee to date.

The holder of this note may, at its option, convert all or any portion of the promissory note to equity of MW at the same price as is available to those investors participating in the any private placement while this debt is outstanding. In the event that the holder of this Note wishes to convert during a period of time when no private offering of common stock is open, then the Note holder may convert at 50% of the market price at that time, or at $0.20 per share, whichever is lower.

Signed this 15th day of March, 2003

MW Medical, Inc.

By ______________________

Its: Chief Financial Officer

EXHIBIT 3

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, DAVI SKIN, Inc., a Nevada corporation (or its successor or assigns) promises to pay to the order of Jan Wallace, an individual, at such address as may be designated in writing by the holder of this Note, the principal sum of TWO HUNDRED THOUSAND and NO CENTS ($200,000.00) in U.S. currency. The entire amount of principal with ten percent (10%) interest per annum shall become due and payable on December 31, 2004.

The undersigned and its successors and assigns, hereby waives presentment and demand for payment, diligence, notice of dishonor, protest and notice of protest of this Note, and any defense by reason of an extension of time for payment or other indulgence. Failure of the holder to assert any right herein shall not be deemed to be a waiver thereof.

The holder of this note and beneficiary of the Security Agreement may, at its option, convert all or any portion of the promissory note to equity at the same price as is available to those investors participating in the any private placement while this debt is outstanding. In the event that the holder of this Note wishes to convert during a period of time when no private offering of common stock is open, then the Note holder may convert at 50% of the market price at that time, or at $0.20 per share, whichever is lower.

Signed this _____ day of June, 2003

Davi Skin, Inc.

By: [signature]

Its: President

EXHIBIT 5

K/M 43

ASSIGNMENT OF PROMISSORY NOTE

For Value Received, the undersigned note holder, hereby assigns, conveys and transfers all of her right, title and interest in the attached Promissory Note issued by MW Medical, Inc., along with any other rights she may have as a creditor of said Corporation, to Parrish Medley or his designates.

Dated: March __, 2004

Grace Sim
PO Box 5383
Scottsdale, AZ 85261

EXHIBIT 8

ASSIGNMENT OF PROMISSORY NOTES

For Value Received, the undersigned note holder, hereby assigns, conveys and transfers all of her right, title and interest in the attached Promissory Notes issued by MW Medical, Inc., along with any other rights she may have as a creditor of said Corporation, to Parrish Medley or his designates.

Dated: March __, 2004

Jan Wallace
6929 E. Cheney Rd.
Paradise Valley, AZ 85253

For Value Received, the undersigned note holder, hereby assigns, conveys and transfers all of her right, title and interest in the attached Promissory Notes issued by MW Medical, Inc., along with any other rights she may have as a creditor of said Corporation, to Parrish Medley or his designates.

Dated: ____________ 2004

Jan Wallace
6929 E. Cheney Rd.
Paradise Valley, AZ 85253

EXHIBIT 18

-----Original Message-----
From: Cane, Kyleen [mailto:kcane@caneclark.com]
Sent: Wednesday, August 03, 2005 2:06 PM
To: Parrish Medley
Subject: RE: filing/vegas

We did get Jan to sign something; in fact, two somethings. I had her sign an extension to 12-31-05 and then another one to 9-06. (See attached) We were concerned about the dates and having to go back to her. So we focused on extending the time of the note for the auditor. We didn't have her change the transferee on the separate transfer agreement – now undated. This was one of those black bag documents which transferred the note to you or your designates. We never discussed this, but if you want to get your name off of it then we can get her to sign another one – we just need to get her the 10k shares.

In any case, we should get her the shares as soon as possible because the holding period on the transfer won't start until you make the transfer (unless you want to give her shares from the exercise of the options that were registered). I will have Susan work with you on the paperwork with you and the transfer agent, but basically it is just you sending in your certificate to the transfer agent with instructions.

I will try to free up the early part of Friday night so we can meet. 4:30 to 6 pm?

Kyleen Elisabeth Cane
Cane Clark, LLP
3273 E. Warm Springs
Las Vegas, NV 89120
(702) 312-6255 (Office)
(702) 944-7100 (Fax)
www.CaneClark.com

From: Parrish Medley [mailto:parrish.medley@daviskin.com]
Sent: Tuesday, August 02, 2005 4:36 PM
To: Cane, Kyleen

Ky

Jan must of signed something or else we would not have made it thru the audit at that time.......I let you know way back at that time that the 10k was approved and all good to give her – so lets make sure she gets those—they were suppose to res for 1 year----which should only have like 9 months left ....I can either meet with you anytime Friday evening,, for me like anytime **between 4pm and 9pm Friday evening** would be best-----or I could meet with you sat morn But I plan on being out late Friday So sat morn does not feel like the best choice---

Parrish.

PARRISH MEDLEY
ceo/president

DAVI SKIN Inc.
301 N. Canon Dr. Suite 207
Beverly Hills, CA 90210
OFFICE: 310.205.9907 ext.209 FACSIMILE: 310.205.9909
CELL 310.402.3177

email: parrish.medley@daviskin.com website: www.daviskin.com

-----Original Message-----
From: Cane, Kyleen [mailto:kcane@caneclark.com]
Sent: Tuesday, August 02, 2005 10:53 AM
To: Parrish Medley
Subject: RE: filing/vegas

Glad you are back. I will be in meetings most of Friday but open on Saturday. Might be able to do something later in the day on Friday if need be.

I will work on Jan, but she has been asking about the stock you promised her. It would go a long way if we did a transfer and gave her the stock first and then asked her to make the change. Let me know.

I expect to get the draft SB2 back from Scott Wednesday or Thursday so should have something for you to look at when you get here.

See you then, Ky

Kyleen Elisabeth Cane
Cane Clark, LLP
3273 E. Warm Springs
Las Vegas, NV 89120
(702) 312-6255 (Office)
(702) 944-7100 (Fax)
www.CaneClark.com

From: Parrish Medley [mailto:parrish.medley@daviskin.com]
Sent: Monday, August 01, 2005 6:09 PM
To: Cane, Kyleen
Subject: filing/vegas

Hi ky

I am back from my world travel—exhausted…
I plan on being in Vegas Friday—any chance you are free for a bit Friday or Saturday—I plan on bringing you a check….I would like to get a copy of the last agreement thingy from Jan—I think it was worded to Parrish or his assigns — I think it would be better if it were just To______________. Another words blank as to who it is assigned to………Can you take care of that for me and have a copy for me when we meet…….Where are we with this SB2 filing and you were going to provide me with a copy of the letter we would provide shareholders so that they can provide their broker when they choose to sell their stock 1st round guys and I think you said we would need to provide the same letter even when this SB-2 is filed and approved/cleared whatever…. Do you need anything from me in regards to getting this stock cleared to trade…

Regards,
P.

PARRISH MEDLEY
ceo/president

DAVI SKIN Inc.
301 N. Canon Dr. Suite 207
Beverly Hills, CA 90210
OFFICE: 310.205.9907 ext.209 FACSIMILE: 310.205.9909
CELL.310.402.3177

email: parrish.medley@daviskin.com website: www.daviskin.com

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the county of Los Angeles, State of California. I am over the age of 18 and not party to the within action; my business address is 9401 WILSHIRE BLVD., SUITE 575, BEVERLY HILLS, CA 90212-2918.

On **February 6, 2007** I served the foregoing document described as **DECLARATION OF PARRISH MEDLEY** on all interested parties in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

CLAIRE C. AMBROSIO
5455 WILSHIRE BLVD, STE. 1706
LOS ANGELES, CA 90036-4217
TELEPHONE: 323-938-2878
FACSIMILE: 323-939-7809
EMAIL: cambrolaw@aol.com

[XX] BY MAIL: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Beverly Hills, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

[] BY PERSONAL SERVICE: I caused the envelope to be delivered by hand to the offices of the addressee.

[] BY FACSIMILE TRANSMITTAL: I sent by facsimile the above document on at .m. to the facsimile machine number identified above.

[] BY FEDERAL EXPRESS OVERNIGHT DELIVERY: I caused the above document to be sent by Federal Express overnight delivery, fully prepaid, in accordance with Code of Civil Procedure § 1013(c).

Executed on **February 6, 2007** at Beverly Hills, California.

I declare that I am employed in the office of a member of the bar of this court at whose direction this service was made.

Ceclbel Gomez