

SUPPLEMENTAL INFORMATION

November 11, 2021

On November 5, 2021, Aqua Power Systems Inc. filed a complaint in the Circuit Court of the Ninth Judicial Circuit of Orange County, Florida. The civil action seeks declaratory relief to void certain shares held by the defendant. A copy of the filed complaint is attached below with this Supplemental Information statement.

Dated: November 11, 2021

/s/ Stephen Carnes
Stephen Carnes, President

**IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT
ORANGE COUNTY, FLORIDA
CIVIL ACTION**

AQUA POWER SYSTEMS INC.

Plaintiff,

v.

TADASHI ISHIKAWA,

Defendant.

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Case No. _____

COMPLAINT FOR DECLARATORY JUDGMENT

Plaintiff Aqua Power Systems Inc. (“APSI”) brings this action against Defendant Tadashi Ishikawa (“Ishikawa” or “Defendant”), and alleges as follows:

INTRODUCTION

1. This is a lawsuit for declaratory relief seeking an order declaring as void certain shares in APSI held by Defendant which were not acquired by any consideration or which Defendant failed to return for cancellation per the parties’ agreements.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this lawsuit pursuant to Article V, § 20(c)(3), of the Florida Constitution, § 86.011, Fla. Stat. (2017), and § 26.012(2)(c), (3), Fla. Stat. (2017).

3. Venue lies in this Court because Plaintiff maintains its principal places of business in Orange County, Florida.

PARTIES

4. Plaintiff APSI is a Florida Corporation with its headquarters located at 2180 Park Ave North, Unit 200, Winter Park, Orange County, Florida FL 32789.

5. Defendant Ishikawa is a foreign citizen with a last known address of 2-7-12 Omori

Honcyo, Ota-Ku, Tokyo 143-0011, Japan.

6. Ishikawa is the former CEO of APSI, however, he abandoned the company and failed to respond to the custodianship when he was removed from the company by court order.

FACTS

7. On June 19, 2015, APSI entered into a share exchange agreement with Ishikawa in which APSI was to receive all of the outstanding shares of Aqua Power Japan Kabushiki Kaisha (“APSI Japan”).

8. In exchange, APSI issued 3,806,559 shares of APSI’s common stock to Ishikawa.

9. APSI never received the shares of APSI Japan and therefore the shares were issued without any consideration and therefore are invalid.

10. Ishikawa did not issue any other consideration (i.e., currency, goods, or services) in exchange for the APSI stock.

11. On May 29, 2015, APSI reported on its Form 10-Q with United States Securities and Exchange Commission (“SEC”) that Ishikawa had acquired 135,000,000 shares of APSI’s common stock as of June 6, 2014.

12. On September 15, 2015, APSI reported on its form 8-K filed with the SEC that Ishikawa was to return and cancel 105,593,935 shares of APSI’s common stock, however, VStock Transfer, APSI’s transfer agent, has no record of any of the shares being returned for cancellation.

13. On July 14, 2015, APSI reported to the SEC on its form 10-K Annual Report for the period ending March 31, 2015, that Ishikawa agreed to cancel 113,363,935 shares of APSI’s common stock.

14. Ishikawa failed to fulfill his obligations to APSI and its shareholders by completing the cancellation as announced in the company’s corporate filings with the SEC.

15. Accordingly, APSI seeks to cancel the excessive shares in the amount of 32,942,624.

16. The stock at issue is currently held in Book Entry with APSI's transfer agent, VStock Transfer.

17. Despite its best efforts, APSI has not been able to reach Ishikawa to have the shares cancelled per the party's agreements.

FIRST CLAIM: LACK OF CONSIDERATION FOR APSI STOCK

18. The allegations in Paragraphs 1-15 are incorporated herein by reference.

19. To properly state a sustainable cause of action for declaratory relief, a complainant must allege that (1) there is a bona fide dispute between the parties; (2) the complainant has a justiciable question as to the existence or non-existence of some right, status, immunity, power, or privilege, or some fact upon which their existence may depend; (3) the complainant is in doubt as to the right, status, immunity, power, or privilege; and (4) there is a bona fide, actual, and present need for the declaration. *See May v. Holley*, 59 So. 2d 636 (Fla. 1952); *Romo v. Amedex Ins. Co.*, 930 So. 2d 643, 648 (Fla. 3d DCA 2006).

20. The Florida Business Corporation Act authorizes the issuance of shares "for consideration" which can consist of "any tangible or intangible property or benefit to the corporation," which includes but is not limited to "cash, promissory notes, service performed, promises to perform services evidenced by a written contract, or other securities of the corporation."

21. It is black letter law in Florida that a valid contract, including that for the issuance of stocks, contains three elements: offer; acceptance; and consideration. *See Rekal Company, Inc. v. PGT Industries, Inc.*, 2013 WL 5487370 (M.D. Fla. 2013).

22. Ishikawa failed to provide APSI any consideration for the issuance of the APSI Stock and therefore such issuance was void and should now be cancelled.

23. A question exists regarding whether the stocks were lawfully and duly issued and/or whether Defendant Ishikawa has an ownership interest in Plaintiff APSI.

24. For these reasons, a judicable dispute exists for which this court can and should issue final judgment.

SECOND CLAIM: BREACH OF CONTRACT

25. The allegations in paragraphs 1-15 are incorporated herein by reference.

26. Defendant Ishikawa entered into valid agreements with APSI to return and cancel shares of APSI's common stock.

27. By failing to return and cancel the shares of stock, Ishikawa materially breach its agreement with APSI.

28. APSI has been damaged because by value of the shares of stock Ishikawa failed to return for cancellation.

29. Therefore, the Court should enter final judgment to cancel the shares of stock held by APSI's transfer agent.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff respectfully requests that this Court issue an order that:

- (1) Declares the APSI Stock void and invalid, and cancels the same; and
- (2) Orders such other and further relief as this Court may deem appropriate.

Dated: November 5, 2021.

Respectfully submitted,

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CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that on November 5, 2021, a true and correct copy of the foregoing document was filed with the Clerk of Court using the Florida Courts e-Filing Portal which will send an automatic e-mail message to all parties who have registered with the e-Filing Portal.

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