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**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

DAVID PENHOLLOW, Individually
and On Behalf of All Others Similarly
Situated,

Plaintiff,

v.

ECO SCIENCE SOLUTIONS INC.,
JEFFERY LEE TAYLOR, and DON
LEE TAYLOR,

Defendants.

Civil Action No.

**COMPLAINT FOR VIOLATION OF
THE FEDERAL SECURITIES LAWS**

DEMAND FOR JURY TRIAL

CLASS ACTION COMPLAINT

Plaintiff David Penhollow, individually and on behalf of all other persons similarly situated, by his undersigned attorneys, for his complaint against defendants, alleges the following based upon personal knowledge as to himself and his own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through his attorneys, which included, among other things, a review of defendants’ public documents, conference calls and announcements made by defendants, United States Securities and Exchange Commission (“SEC”) filings, wire and press releases published by and regarding Eco Science Solutions, Inc. (“Eco Science” or the “Company”), analysts’ reports and advisories about the

Company, and information readily obtainable on the Internet. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal securities class action on behalf of a class consisting of all persons other than defendants who purchased or otherwise acquired Eco Science securities between May 1, 2017 and May 19, 2017, both dates inclusive (the “Class Period”), seeking to recover damages caused by defendants’ violations of the federal securities laws and to pursue remedies under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder, against the Company and certain of its top officials.

2. Eco Science Solutions, Inc. is a technology-focused company that provides solutions for the health and wellness industry. The Company provides enterprise software solutions and services including consumer apps, localized communication platforms between consumers and businesses, educational content, e-commerce platforms, and social networking services.

3. Founded in 2009, the Company is headquartered in Makawao, Hawaii. The Company’s common stock trades on OTCQB Venture Market (“OTC”) under the ticker symbol “ESSI.”

4. Throughout the Class Period, defendants made materially false and misleading statements regarding the Company’s business, operational and compliance policies. Specifically, defendants made false and/or misleading statements and/or failed to disclose: (i) the Company’s plan for strategic acquisitions lacked veracity; and (ii) as a result, defendants’ statements about

the Company's business, operations and prospects were materially false and misleading and/or lacked a reasonable bases at all relevant times.

5. On May 19, 2017, the SEC issued an order of suspension of trading, halting trading of the Company's securities. The order stated, in relevant part:

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of Eco Science Solutions, Inc. (CIK No. 0001490873), a Nevada corporation with its principal place of business listed as Makawao, Hawaii with stock quoted on OTC Link, operated by OTC Markets Group Inc., under the ticker symbol ESSI, because of concerns regarding the adequacy and accuracy of information in a company press release dated May 5, 2017 relating to the company's proposed acquisition of GaDu Bank, Inc.

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of the above-listed company.

THEREFORE, IT IS ORDERED, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the securities of the above-listed company is suspended for the period from 9:30 a.m. EDT on May 22, 2017, through 11:59 p.m. EDT on June 5, 2017.

6. To date, trading the Company's securities remains halted, rendering the Company's securities illiquid and virtually worthless thereby damaging investors.

7. As a result of defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, plaintiff and other Class members have suffered significant losses and damages.

JURISDICTION AND VENUE

8. The claims asserted herein arise under and pursuant to §§10(b) and 20(a) of the Exchange Act (15 U.S.C. §§78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. §240.10b-5).

9. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1337, and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

10. Venue is proper in this District pursuant to §27 of the Exchange Act and 28 U.S.C. §1391(b).

11. In connection with the acts, conduct and other wrongs alleged in this Complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mail, interstate telephone communications and the facilities of the national securities exchange.

PARTIES

12. Plaintiff is a citizen of Snohomish County, Washington. As set forth in the attached Certification, acquired Eco Science securities at artificially inflated prices during the Class Period and was damaged upon the revelation of the alleged corrective disclosures.

13. Defendant Eco Science is headquartered in Hawaii, with principal executive offices located at 1135 Makawao Avenue, Suite 103-188, Makawao, Hawaii 96768. The Company's common stock trades on OTC under the ticker symbol "ESSI."

14. Defendant Jeffery Lee Taylor ("Jeffery Taylor") has served at all relevant times as the Company's Chief Executive Officer ("CEO") and Chairman.

15. Defendant Don Lee Taylor ("Don Taylor") has served at all relevant times as the Company's Chief Financial Officer.

16. The defendants referenced above in ¶¶ 14-15 are sometimes referred to herein as the "Individual Defendants."

SUBSTANTIVE ALLEGATIONS

Background

17. Eco Science, Inc. is a technology-focused company that provides solutions for the health and wellness industry. The Company provides enterprise software solutions and services

including consumer apps, localized communication platforms between consumers and businesses, educational content, e-commerce platforms, and social networking services.

Materially False and Misleading Statements Issued During the Class Period

18. The Class Period begins on May 1, when Eco Science filed an annual report on Form 10-K with the SEC, announcing the Company's financial and operating results for the quarter and fiscal year ended January 31, 2017 (the "2016 10-K"). The 2016 10-K contained signed certifications pursuant to the Sarbanes-Oxley Act of 2002 by the Individual Defendants, stating that the financial information contained in the 2016 10-K was accurate and disclosed any material changes to the Company's internal control over financial reporting.

19. In the 2016 10-K, the Company stated the following with regard to its plan for strategic acquisitions:

The following is to provide a road-map for how the Company intends to prepare for and generate revenues, along with the costs associated to do so. Eco Science Solutions' core Initiatives are centered on five main areas: 1) continued consumer and enterprise technology investment, 2) continued product development through Scientific Research and Development; 3) inventory build for distribution, and 4) *strategic acquisitions that provide an accelerated time-frame to secure market share*; 5) development of Sales, Customer and Finance personnel depth to support accelerated revenue growth.

Strategic acquisitions – Due to various hyper-growth trends in segments of the holistic health and wellness category, Eco Science Solutions believes that it will be presented with unique investment and acquisition opportunities that are both synergistic and accretive to the Company. The Management Team has already identified several candidates. The Company has not budgeted an exact dollar amount for investment purposes in Strategic acquisitions over the next 12- month period.

(Emphasis added.)

20. On May 5, 2017, Eco Science issued a press release entitled “Eco Science Solutions, Inc. Signs Letter of Intent to Acquire Specialty Banking Operation,” wherein it stated in relevant part:

MAUI, HI--(Marketwired - May 5, 2017) - Eco Science Solutions, Inc. (OTCQB: ESSI), an eco-technology Company providing solutions to the multi-billion-dollar health, wellness and alternative medicine industry, today announced that it has signed a Letter of Intent with Ga-Du Bank, Inc. for the purpose of acquiring full ownership of the Bank in a stock and cash transaction.

Upon the closing of the transaction, ESSI will operate the Bank as a wholly-owned subsidiary of Eco Science Solutions, Inc. ESSI will own and operate a financial banking division providing payment processing, cash management and financial services to its customers in the cannabis industry.

Additionally, the Bank’s principals have engaged with prospects in the marketplace whom have made expressions of interest, along with preliminary commitments to deposit sums between Three-Hundred and Six-Hundred Million Dollars (\$300,000,000 and \$600,000,000). These amounts are currently being projected to be deposited within the first sixty to one-hundred-eighty days following the acquisition of the Bank by ESSI.

“All parties involved are enthusiastic about the Bank’s potential to financially serve the cannabis marketplace. Current business owners working in medical marijuana are doing a tremendous job, but are truly in need of formal banking services so they can soundly manage their business finances,” stated John Lewis, who is both the current president of the Bank and a Governor of the Central Bank of SCNRFP. Mr. Lewis continued with, “By combining Ga-Du Bank with Eco Science Solutions, we see how our synergies will create an important financial institution to serve a category that is in need of a fully integrated vertical product suite.”

“Our entire team is thrilled by the prospect of the acquisition of the Ga-Du Bank by ESSI,” said Andy Tucker, Senior Advisor to of Ga-Du Bank. Mr. Tucker continued, “We believe that in joining forces with the ESSI team, we can deliver a comprehensive suite of financial products that addresses the current needs of currently what is a cash-driven industry, allowing ESSI to become a break-out leader for the sector.”

“It has been our vision from day one that, in order to fully service the cannabis industry and execute on our business plan, we needed to be creative in securing and offering a banking platform that further differentiates us from everyone in our category,” stated Jeff Taylor, Chief

Executive Officer of Eco Science Solutions, Inc. Mr. Taylor continued, “The deal with Ga-Du Bank is a game-changer for not only ESSI, but everyone in the cannabis industry. This new division of our Company will put us years ahead of our goal to create a full-service marketplace among growers, suppliers, distributors, retailers and consumers.”

21. The statements referenced in ¶¶ 18-20 were materially false and misleading because defendants made false and/or misleading statements, as well as failed to disclose material adverse facts about the Company’s business, operational and compliance policies. Specifically, defendants made false and/or misleading statements and/or failed to disclose that: (i) the Company’s plan for strategic acquisitions lacked veracity; and (ii) as a result, defendants’ statements about the Company’s business, operations and prospects were materially false and misleading and/or lacked a reasonable bases at all relevant times.

The Truth Emerges

22. On May 19, 2017, the SEC issued an order of suspension of trading, halting trading of the Company’s securities. The order stated, in relevant part:

It appears to the Securities and Exchange Commission that there is a lack of current and accurate information concerning the securities of Eco Science Solutions, Inc. (CIK No. 0001490873), a Nevada corporation with its principal place of business listed as Makawao, Hawaii with stock quoted on OTC Link, operated by OTC Markets Group Inc., under the ticker symbol ESSI, because of concerns regarding the adequacy and accuracy of information in a company press release dated May 5, 2017 relating to the company’s proposed acquisition of GaDu Bank, Inc.

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of the above-listed company.

THEREFORE, IT IS ORDERED, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the securities of the above-listed company is suspended for the period from 9:30 a.m. EDT on May 22, 2017, through 11:59 p.m. EDT on June 5, 2017.

23. To date, trading the Company’s securities remains halted, rendering the Company’s securities illiquid and virtually worthless, thereby damaging investors.

24. As a result of defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, plaintiff and other Class members have suffered significant losses and damages.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

25. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired Eco Science securities during the Class Period (the "Class"); and were damaged upon the revelation of the SEC suspension order. Excluded from the Class are defendants herein, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, any entity in which defendants have or had a controlling interest, and any judicial officer who handles this matter, and their immediate families.

26. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Eco Science securities were actively traded on the OTC. While the exact number of Class members is unknown to plaintiff at this time and can be ascertained only through appropriate discovery, plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Eco Science or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

27. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

28. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

29. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the federal securities laws were violated by defendants' acts as alleged herein;
- whether statements made by defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of Eco Science;
- whether the Individual Defendants caused Eco Science to issue false and misleading financial statements during the Class Period;
- whether defendants acted knowingly or recklessly in issuing false and misleading financial statements;
- whether the prices of Eco Science securities during the Class Period were artificially inflated because of the defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

30. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

31. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- defendants made public misrepresentations or failed to disclose material facts during the Class Period;
- the omissions and misrepresentations were material;
- Eco Science securities are traded in an efficient market;
- the Company's shares were liquid and traded with moderate to heavy volume during the Class Period;
- the Company traded on OTC and was covered by multiple analysts;
- the misrepresentations and omissions alleged would tend to induce a reasonable investor to misjudge the value of the Company's securities; and
- Plaintiff and members of the Class purchased, acquired and/or sold Eco Science securities between the time the defendants failed to disclose or misrepresented material facts and the time that the SEC issues its suspension order, without knowledge of the omitted or misrepresented facts.

32. Based upon the foregoing, plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

33. Alternatively, plaintiff and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128, 92 S. Ct. 2430 (1972), as defendants omitted material information in their Class Period statements in violation of a duty to disclose such information, as detailed above.

COUNT I
(Against All Defendants For Violations of
Section 10(b) And Rule 10b-5 Promulgated Thereunder)

34. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

35. This Count is asserted against defendants and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

36. During the Class Period, defendants engaged in a plan, scheme, conspiracy and course of conduct, pursuant to which they knowingly or recklessly engaged in acts, transactions, practices and courses of business which operated as a fraud and deceit upon plaintiff and the other members of the Class; made various untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and employed devices, schemes and artifices to defraud in connection with the purchase and sale of securities. Such scheme was intended to, and, throughout the Class Period, did: (i) deceive the investing public, including plaintiff and other Class members, as alleged herein; (ii) artificially inflate and maintain the market price of Eco Science securities; and (iii) cause plaintiff and other members of the Class to purchase or otherwise acquire Eco Science securities and options at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, defendants, and each of them, took the actions set forth herein.

37. Pursuant to the above plan, scheme, conspiracy and course of conduct, each of the defendants participated directly or indirectly in the preparation and/or issuance of the SEC filing and press release described above, including statements made to securities analysts and the media that were designed to influence the market for Eco Science securities. Such filings, releases and statements were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about Eco Science's finances and business prospects.

38. By virtue of their positions at Eco Science, defendants had actual knowledge of the materially false and misleading statements and material omissions alleged herein and intended thereby to deceive plaintiff and the other members of the Class, or, in the alternative, defendants acted with reckless disregard for the truth in that they failed or refused to ascertain and disclose such facts as would reveal the materially false and misleading nature of the statements made, although such facts were readily available to defendants. Said acts and omissions of defendants were committed willfully or with reckless disregard for the truth. In addition, each defendant knew or recklessly disregarded that material facts were being misrepresented or omitted as described above.

39. Defendants were personally motivated to make false statements and omit material information necessary to make the statements not misleading in order to personally benefit from the sale of Eco Science securities from their personal portfolios.

40. Information showing that defendants acted knowingly or with reckless disregard for the truth is peculiarly within defendants' knowledge and control. As the senior managers and/or directors of Eco Science, the Individual Defendants had knowledge of the details of Eco Science's internal affairs.

41. The Individual Defendants are liable both directly and indirectly for the wrongs complained of herein. Because of their positions of control and authority, the Individual Defendants were able to and did, directly or indirectly, control the content of the statements of Eco Science. As officers and/or directors of a publicly-held company, the Individual Defendants had a duty to disseminate timely, accurate, and truthful information with respect to Eco Science's businesses, operations, future financial condition and future prospects. As a result of the dissemination of the aforementioned false and misleading reports, releases and public statements,

the market price of Eco Science securities was artificially inflated throughout the Class Period. In ignorance of the adverse facts concerning Eco Science's business and financial condition which were concealed by defendants, plaintiff and the other members of the Class purchased or otherwise acquired Eco Science securities at artificially inflated prices and relied upon the price of the securities, the integrity of the market for the securities and/or upon statements disseminated by defendants, and were damaged thereby.

42. During the Class Period, Eco Science securities were traded on an active and efficient market. Plaintiff and the other members of the Class, relying on the materially false and misleading statements described herein, which the defendants made, issued or caused to be disseminated, or relying upon the integrity of the market, purchased or otherwise acquired shares of Eco Science securities at prices artificially inflated by defendants' wrongful conduct. Had Plaintiff and the other members of the Class known the truth, they would not have purchased or otherwise acquired said securities, or would not have purchased or otherwise acquired them at the inflated prices that were paid. At the time of the purchases and/or acquisitions by plaintiff and the Class, the true value of Eco Science securities was substantially lower than the prices paid by plaintiff and the other members of the Class. The market price of Eco Science securities declined sharply upon public disclosure of the facts alleged herein to the injury of plaintiff and Class members.

43. By reason of the conduct alleged herein, defendants knowingly or recklessly, directly or indirectly, have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

44. As a direct and proximate result of defendants' wrongful conduct, plaintiff and the other members of the Class suffered damages in connection with their respective purchases,

acquisitions and sales of the Company's securities during the Class Period, upon the disclosure that the Company had been disseminating misrepresented financial statements to the investing public.

COUNT II

**(Violations of Section 20(a) of the
Exchange Act Against The Individual Defendants)**

45. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

46. During the Class Period, the Individual Defendants participated in the operation and management of Eco Science, and conducted and participated, directly and indirectly, in the conduct of Eco Science's business affairs. Because of their senior positions, they knew the adverse non-public information about Eco Science's misstatement of income and expenses and false financial statements.

47. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to Eco Science's financial condition and results of operations, and to correct promptly any public statements issued by Eco Science which had become materially false or misleading.

48. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which Eco Science disseminated in the marketplace during the Class Period concerning Eco Science's results of operations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause Eco Science to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were "controlling persons" of Eco Science within the meaning of Section 20(a) of the Exchange Act. In this

capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of Eco Science securities.

49. Each of the Individual Defendants, therefore, acted as a controlling person of Eco Science. By reason of their senior management positions and/or being directors of Eco Science, each of the Individual Defendants had the power to direct the actions of, and exercised the same to cause, Eco Science to engage in the unlawful acts and conduct complained of herein. Each of the Individual Defendants exercised control over the general operations of Eco Science and possessed the power to control the specific activities which comprise the primary violations about which plaintiff and the other members of the Class complain.

50. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by Eco Science.

PRAYER FOR RELIEF

WHEREFORE, plaintiff demands judgment against defendants as follows:

- A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying plaintiff as the Class representative;
- B. Requiring defendants to pay damages sustained by plaintiff and the Class by reason of the acts and transactions alleged herein;
- C. Awarding plaintiff and the other members of the Class prejudgment and post-judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and
- D. Awarding such other and further relief as this Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury.

Dated: May 26, 2017

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Attorneys for Plaintiff

LOCAL CIVIL RULE 11.2 CERTIFICATION

Pursuant to Local Civil Rule 11.2, I hereby certify that the matter in controversy is related to the following civil action:

- *Stires v. Eco Science Solutions Inc. et al*, 1:17-cv-03707 (D.N.J. May 24, 2017)

I hereby certify that the following statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: May 26, 2017

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