

breaching contractual obligations and engaging in other actions in violation of Defendants' common law and/or contractual duties owed to Veritiv.

2. As detailed below, since his separation of employment from Veritiv on June 4, 2018, Berman has misappropriated Veritiv's confidential information and trade secrets, blatantly violated his non-disclosure agreement with Veritiv and conspired with Payne to violate numerous Georgia and federal common and statutory laws.

3. Further, since June 4, 2018, Payne has likewise engaged in violations of numerous common laws and contractual obligations owed to Veritiv, including breaching her non-competition and non-disclosure agreement with Veritiv and fiduciary duties and duties of loyalty owed to Veritiv.

4. As a result of Defendants' conduct, Veritiv has suffered actual damages. If Defendants are not restrained from further unfair activities through the acts complained of, and ordered to cease their unlawful conduct, Veritiv will be irreparably harmed and will continue to suffer the irreparable loss and disruption of its workforce and the unauthorized dissemination of its confidential information. Accordingly, Veritiv seeks injunctive relief to prevent the immediate irreparable harm that it faces from these actions, as well as damages and the costs of this action, including its reasonable attorneys' fees.

THE PARTIES

5. Veritiv is a Delaware corporation with its principal place of business located at 1000 Abernathy Road N.E., Building 400, Suite 1700, Atlanta, Georgia, 30328. Veritiv is, and at all times mentioned was, authorized to conduct business in the State of Georgia.

6. Berman is an individual residing at 6482 Cardeno Dr., La Jolla, CA 92037. During Berman's employment with Veritiv, he executed and entered into a Nondisclosure Agreement dated March 31, 2017 ("Berman Agreement"). A copy of the Berman Agreement is attached as **Exhibit A** to the Complaint.

7. Payne is an individual residing at 400 West Peachtree Street N.W., Atlanta, GA 30308. During Payne's employment with Veritiv, she executed and entered into a Noncompetition Agreement dated October 31, 2016 ("Payne Agreement"). A copy of the Payne Agreement is attached as **Exhibit B** to the Complaint.

JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1367. The Court has federal question jurisdiction because Veritiv asserts claims under the Defend Trade Secrets Act ("DTSA"), 18 U.S.C.

§ 1836, *et seq.* and the Computer Fraud and Abuse Act, 18 U.S.C. § 1030, *et seq.* against Defendants.

9. The Court has supplemental jurisdiction over all claims for which the Court lacks original jurisdiction because Veritiv's claims arise out of the same common nucleus of operative facts, namely, Payne's improper and illegal actions immediately before and after her separation from Veritiv and Berman's illegal actions toward Veritiv immediately after his separation of employment from Veritiv.

10. This Court has specific personal jurisdiction over Berman based on his numerous contacts with and harm inflicted in Georgia including that: (1) he worked for Veritiv, a Georgia company, since its inception in 2014; (2) he travelled to Georgia on a regular and routine basis in connection with the fulfillment of his job responsibilities for Veritiv; (3) he provided regular, if not daily, services to Georgia-based clients and provided services to clients that were performed in Georgia; (4) he interacted daily via telephone and email with Georgia based employees of Veritiv; (5) he used and accessed Veritiv confidential information and trade secrets located in Georgia; (6) he repeatedly and illegally conspired with Payne, a Veritiv employee located in Georgia, to obtain Veritiv confidential information; and (7) the effect and harm of the illegal activity

undertaken by Berman as alleged herein is felt in Georgia and has harmed Veritiv in Georgia. Berman engaged in intentional, forum-related conduct establishing a substantial nexus between himself and the State of Georgia. In committing these intentional torts, Berman knew or should have known that his conduct would result in harm to Veritiv in the State of Georgia.

11. This Court has general personal jurisdiction over Payne because she is an individual domiciled in the State of Georgia.

12. Venue is proper in this District and Division pursuant to 28 U.S.C. § 1391 because a substantial part of the events or omissions giving rise to this action took place in this District and Division, Payne is domiciled in this District and Division, Veritiv's principal place of business is in this District and Division and the harm is felt in this District and Division.

FACTS

A. Veritiv's Business, Trade Secrets, and Confidential Information

13. Veritiv is in the highly competitive business of marketing, selling, and distributing packaging, facility solutions, print and publishing products and services, and logistics and supply chain management solutions throughout North America.

14. Veritiv's ability to survive in this highly competitive industry depends on its effective use of trade secrets, confidential information, and proprietary systems, as well as its ability to develop and retain a market-leading team.

15. Veritiv's skilled salesforce works closely with a network of vendors and customers and provides product developments and operational support, thus furthering its position as a market leader in the industry. Over the years, Veritiv successfully built its packaging business and team through training and developing a highly skilled workforce, and developing and growing longstanding customer relationships.

16. Veritiv's employee and client relationships, including confidential information about those employees and customers, are the lifeblood of its business. Veritiv's employees are successful in their work for Veritiv by virtue of their access to Veritiv's confidential information.

17. Accordingly, to maintain Veritiv's long-standing client relationships and develop new relationships, Veritiv expends substantial time, effort, and expense developing confidential business information and trade secrets, which include, but are not limited to: customer lists; detailed information about the identities and requirements of current and prospective customers; detailed information about supplier (and vendor) capabilities and supplier (and vendor)

prices; detailed information about the ordering histories of current customers; customer pricing, pricing strategies, and sales and margin data; and business methods, strategies, and plans, including prospective customers and sales strategies and methods.

18. Veritiv's confidential and proprietary business information and trade secrets, which include packaging designs, product costs, margins, discounts, and pricing strategies, are stored on Veritiv's secure computer system, in password-protected files. In addition, the information is compiled and stored in password protected electronic databases and cloud-based storage systems, including a proprietary business application through which Veritiv tracks its sensitive and confidential customer and pricing information. The application requires formal management approval for access. The application, however, is set up to limit access to information to accounts the requesting employee is responsible for servicing on behalf of Veritiv, though high-level sales personnel and executives can access information for all accounts serviced by their direct reports.

19. Veritiv's trade secret information is not generally known in the industry and Veritiv derives economic value from the fact that the information is not publicly available.

20. Veritiv has spent a significant amount of time and money cultivating its customer relationships through its team of sales representatives and their support teams, who are the face of Veritiv to its customers. Because Veritiv's business also contains a service component, the relationships that Veritiv has with its customers are highly dependent on the attention and service that Veritiv gives to them on an ongoing basis. Such attention enables customers to develop confidence in the quality of the products offered and an increased recognition of, and familiarity with, the Veritiv brand as a provider of quality packaging solutions. Indeed, repeat business with its established customers allows Veritiv to maintain its strategic position in this competitive industry.

21. Veritiv also spends extensive time and substantial money identifying and maintaining key customer relationships, designing customer initiatives, determining strategic acquisitions, allocating resources for new technologies and initiatives, creating annual business and marketing plans, and developing and launching new products. For example, Veritiv works closely with its customers, suppliers, and vendors to develop customized products and services to meet its customers' particular specifications. By developing such long-term relationships, Veritiv gains a marketing inroad with the customer, and is able to develop and design customized service packaging.

22. Veritiv's trade secret business and customer information is of great value to Veritiv and such information would give a competitor who improperly acquired it an unfair competitive advantage because, among other things: (a) the competitor would not have to expend the time and resources to develop the trade secret information as Veritiv has done; and (b) it could quickly develop pricing plans and other strategies to undercut Veritiv's prices, unfairly compete with Veritiv, and capitalize on Veritiv's extensive investments in developing cutting-edge product distribution services.

23. Veritiv protects its trade secret and customer information by, among other safeguards, requiring employees to maintain the confidentiality of proprietary business and customer information; password-protecting its computer systems and sales tools; encrypting computers; limiting access to confidential business information and trade secrets; requiring employees to sign non-disclosure agreements and other agreements containing restrictive covenants; limiting access to its physical facilities; and requiring VPNs for employees seeking remote access to the Company's computer systems.

B. Berman's Employment and Agreement

24. Berman was hired by Veritiv in 2005 and worked as an Enterprise Account Executive (Fulfillment) until to June 4, 2018.

25. In his capacity as the central conduit between Veritiv and its customers, Berman was exposed to Veritiv's valuable confidential and proprietary information, including top talent information; talent reviews; Veritiv's packaging design, Veritiv's proprietary business system tools; organizational plans; business plans and strategies; special business and employment relationships; customer pricing and product offerings; and other confidential business information. Thus, Berman knows precisely which employees of Veritiv to target, why to target them, and how to target them without having to expend the time and resources that Veritiv has expended to develop its work force, as well as key insights into Veritiv's business operations, which depend on complex packaging designs, consolidated product offerings, and supply chain scheduling parameters.

26. On or about March 31, 2017, Berman executed and entered into the Berman Agreement with Veritiv, which contains several restrictive covenants and non-disclosure obligations.

27. Among other terms, the Berman Agreement contains a non-solicitation of employees provision, Paragraph 2, which states, in relevant part, as follows:

Employee agrees during Employee's employment with the Company and for a period of twelve (12) months following the termination of Employee's employment (whether voluntary or involuntary), Employee shall not directly or indirectly, on Employee's own behalf, or on behalf of any other person or entity, solicit any employee of the Company for the purpose of encouraging or enticing the employee to end or limit the employee's employment with the Company.

28. Berman also agreed to not use, disclose, or otherwise distribute Veritiv's confidential information and trade secrets for the five years following the termination of his employment:

Employee may use the Company's Confidential Information and Trade Secrets (i) in the good faith performance of Employee's job duties at the Company and (ii) as required under applicable laws, regulations or directives of a governmental entity having jurisdiction in the matter or under valid subpoena, provided that Employee shall promptly notify the Company in writing of any such request for disclosure, sent by registered or certified mail to the Company at its headquarters to the attention of the General Counsel. Otherwise, Employee agrees during Employee's employment with the Company and for a period of five (5) years following the termination of Employee's employment (whether voluntary or involuntary) that Employee will not use, disclose, or otherwise distribute the Company's Confidential Information and Trade Secrets.

29. The non-solicitation provision, along with the other provisions in the Berman Agreement, is reasonable and necessary to protect legitimate protectable interests in Veritiv's workforce stability, confidential, proprietary, and/or trade secret information, customer relationships, and goodwill.

30. Paragraph 4 of the Berman Agreement provides that Berman agreed to return all Veritiv property immediately upon the end of his employment and that he agreed not to retain any version or copies of such information.

31. Paragraph 8 of the Berman Agreement also provides for injunctive relief for any breach of the Agreement:

In addition to all other legal remedies available to the Company for the enforcement of the obligations in this Agreement, the Company shall be entitled to an injunction by any court of competent jurisdiction to prevent or restrain any breach or threatened breach thereof. The parties to this Agreement acknowledge and agree that irreparable harm would result in the event of a breach or threatened breach by Employee of the obligations discussed above. Because of the immediate and irreparable harm that would be caused the Company, for which money damages would not be a sufficient remedy, it is hereby agreed that in addition to all other remedies that may be available, at law or in equity, the Company shall be entitled to injunctive or other equitable relief as a remedy for any breach or threatened breach by Employee of any provision of this Agreement. A claim by Employee against the Company shall not constitute a defense to the enforcement of the covenants in this Agreement. The Company may seek temporary and/or permanent injunctive relief for an alleged violation without the necessity of posting a bond. If Employee breaches any of the covenants in this Agreement, Employee shall pay to the Company its reasonable costs and expenses, including attorneys' fees, that are incurred in enforcing the terms of this Agreement or in defending any action brought by Employee based on or related to this Agreement.

C. Payne's Employment and Agreement

32. Payne was hired by Veritiv in 2014 and worked as a Customer Program Manager II until her termination on June 8, 2018. During her employment with Veritiv, she spent substantially all of her time servicing work generated or managed by Berman.

33. Likewise, Payne also had access to Veritiv's confidential information and trade secrets to help her perform her duties as a Packaging Design Specialist.

34. On or about October 31, 2016, Payne executed and entered into the Payne Agreement with Veritiv, which contains several restrictive covenants and non-disclosure obligations.

35. Among other provisions, the Payne Agreement provides, in Paragraph 2, that Payne shall not compete against Veritiv in a defined geographic area during her employment and in the 12-months immediately following the end of her employment:

Employee agrees that in order to protect the Company's Trade Secrets, Confidential Information, customer relationships and goodwill, during Employee's employment with the Company and for a period of twelve (12) month following the termination of Employee's employment (whether voluntary or involuntary), Employee shall not directly or indirectly, on Employee's own behalf, or on behalf of any other person or entity, compete with the Business of the Company by performing the same or similar type of job duties Employee conducted, authorized, offered or performed for the Company within two years prior to termination from the Company. This covenant shall be limited

to those counties in which the Company conducts business and In which Employee solicited or conducted business or otherwise performed his or her duties on behalf of the Company in the twelve (12) months prior to termination from the Company. Employee agrees this geographic area is reasonable in light of Employee's position with the Company.

36. Paragraph 3 of the Payne Agreement provides that Payne shall not solicit certain customers and prospects of Veritiv during her employment and in the 12-months immediately following the end of her employment:

Employee agrees during Employee's employment with the Company; and for a period of twelve (12) months following the termination of Employee's employment (whether voluntary or involuntary), Employee shall not directly or indirectly, on Employee's own behalf or on behalf of any other person or entity, solicit or attempt to solicit business in competition with the Business of the Company from any customer or prospective customer of the Company with whom Employee had Material Contact during the two years prior to termination from the Company.

37. Paragraph 5 of the Payne Agreement provides that Payne shall not use, disclose, or otherwise distribute Veritiv's confidential information and trade secrets for the five years following the termination of her employment:

Employee may use the Company's Confidential Information and Trade Secrets (i) in the good faith performance of Employee's job duties at the Company and (ii) as required under applicable laws, regulations or directives of a governmental entity having jurisdiction in the matter or under valid subpoena, provided that Employee shall promptly notify the Company in writing of any such request for disclosure, sent by registered or certified mail to the Company at its headquarters to the attention of the General Counsel. Otherwise, Employee agrees during Employee's employment with the Company

and for a period of five (5) years following the termination of Employee's employment (whether voluntary or involuntary) that Employee will not use, disclose, or otherwise distribute the Company's Confidential Information and Trade Secrets.

38. Paragraph 6 of the Payne Agreement provides that Payne agreed to return all Veritiv property immediately upon the end of her employment and that she agreed not to retain any version or copies of such information:

Employee agrees to return all of the Company's property, including but not limited to Confidential Information and Trade Secrets, immediately upon the end of Employee's employment (and any other time requested by the Company) and not to retain any versions or copies (electronic or otherwise) of the Company's property. If requested by the Company, Employee agrees to sign an affidavit, in a form drafted by and satisfactory to the Company, that confirms Employee has returned all property and not retained any versions or copies.

39. The Payne Agreement also provides for injunctive relief in Paragraph 10:

[. . .] Because of the immediate and irreparable harm that would be caused the Company, for which monetary damages would be a sufficient remedy, it is hereby agreed that in addition to all other remedies that may be available, at law or equity, the Company shall be entitled to injunctive or other equitable relief as a remedy for any breach or threatened breach by Employee of any provision of this Agreement. [. . .] If Employee breaches any of the covenants in this Agreement, Employee shall pay to the Company its reasonable costs and expenses, including attorneys' fees, that are incurred in enforcing the terms of this Agreement or in defending any action brought by Employee based on or related to this Agreement.

D. Berman and Payne's Separation from Veritiv and Wrongful Conduct

40. On June 4, 2018, Berman's employment ceased.

41. After Berman's employment with Veritiv ceased, he conspired with Payne to misappropriate Veritiv's confidential and proprietary information and aid and abet Payne in violations of her common law and contractual duties to Veritiv.

42. Upon information and belief, in the days following his separation from Veritiv, Berman, in an effort to illegally compete with Veritiv, directed Payne to provide him with detailed and regular updates on Veritiv's business operations with the Veritiv customers he serviced and solicited in his role as a Sales Professional at Veritiv.

43. Payne complied with Berman's requests and in the days that followed Berman's separation, Payne provided Berman with Veritiv confidential and proprietary information regarding Veritiv's business operations and interactions with its customers.

44. For example, on June 5, 2018, the day after Berman separated from Veritiv, Berman asked Payne to secretly conference him into a conference call between Veritiv and one of the customers he previously serviced while at Veritiv. Berman requested to have Payne conference him in on her phone and to keep his

phone on mute during the call to avoid detection by others participating in the conference call. Payne agreed to secretly conference in Berman.

45. Immediately after the June 5, 2018 Veritiv call ended with its customer, Payne called Berman to discuss the call.

46. In addition to secretly conferencing Berman into Veritiv customer calls, Payne also provided Berman with Veritiv confidential and proprietary information including customer contact information.

47. Moreover, as part of Berman and Payne's efforts to unfairly compete with Veritiv, Payne acted as a spy on the inside of Veritiv, providing Berman with almost real-time Veritiv communications regarding Veritiv's business strategies and operations. For instance, Payne copied internal Veritiv management email communications from Veritiv's secured email server and provided those to Berman.

48. In addition to obtaining confidential Veritiv information and trade secrets and eavesdropping on at least one business call, Berman also solicited Veritiv employees, including Payne, as part of his effort to illegally compete with Veritiv.

49. After discovering that Payne engaged in the disclosure of confidential information, Veritiv terminated Payne's employment on June 8, 2018.

50. Subsequently, and upon information and belief, Berman and Payne have shared Veritiv's confidential information and trade secrets in a concerted effort to obtain employment with a Veritiv competitor in violation of their respective Agreements with Veritiv.

51. Based upon information and belief, Veritiv alleges that as a direct and proximate result of Berman and Payne's conduct, it is threatened with losing substantial business and the loss of value of its goodwill, customer relationships and Confidential Information, which cannot be adequately addressed at law. Money alone cannot make Veritiv whole and Veritiv continues to be irreparably harmed.

FIRST CAUSE OF ACTION

Breach of Contract (Against Berman)

52. Veritiv hereby incorporates by reference and realleges each of the allegations contained in the foregoing paragraphs 1 through 51, inclusive, as though fully set forth in this cause of action.

53. Berman knowingly and voluntarily entered into the Agreement with Veritiv in exchange for valuable consideration. The Berman Agreement is a valid and enforceable contract. The confidentiality and employee non-solicitation provisions, along with the other provisions in the Berman Agreement, are

reasonable and necessary to protect legitimate protectable interests in its work force stability, confidential, proprietary, and/or trade secret information, customer relationships, and goodwill.

54. Veritiv has performed all conditions, covenants, promises, and obligations required on its part to be performed in accordance with the terms and conditions of the Berman Agreement, except for those conditions and covenants for which performance by Veritiv was excused or prevented by Berman.

55. As described above, Berman has breached and threatens to continue to breach the conditions, covenants, promises, and obligations required of him under the terms of the Berman Agreement by, among other things, soliciting Veritiv employees to leave their employment with Veritiv and accept employment with a competitor, in violation of Paragraph 2 of his Agreement, and by misappropriating and failing to return Veritiv's confidential information and trade secrets, in violation of Paragraphs 3-4 of his Agreement.

56. As an actual and proximate result of Berman's breaches of the Berman Agreement, as alleged in this claim for relief, Veritiv has suffered actual and consequential damages in an amount to be proven at the time of trial, including attorneys' fees and costs to the extent allowed by law.

57. As a further proximate result of Berman's wrongful conduct and breach of his Agreement, Veritiv has been injured, irreparably and otherwise, and is threatened with additional and ongoing injuries.

SECOND CAUSE OF ACTION

Breach of Contract (Against Payne)

58. Veritiv hereby incorporates by reference and realleges each of the allegations contained in the foregoing paragraphs 1 through 51, inclusive, as though fully set forth in this cause of action.

59. Payne knowingly and voluntarily entered into the Agreement with Veritiv in exchange for valuable consideration. The Payne Agreement is a valid and enforceable contract. The confidentiality and non-solicit provisions, along with the other provisions in the Payne Agreement, are reasonable and necessary to protect legitimate protectable interests in its work force stability, confidential, proprietary, and/or trade secret information, customer relationships, and goodwill.

60. Veritiv has performed all conditions, covenants, promises, and obligations required on its part to be performed in accordance with the terms and conditions of the Payne Agreement, except for those conditions and covenants for which performance by Veritiv was excused or prevented by Payne.

61. As detailed above, Payne has breached and threatens to continue to breach the conditions, covenants, promises, and obligations required of them under the terms of the Payne Agreement by, among other things, working in conjunction with Berman to indirectly compete against Veritiv and by unlawfully communicating with current Veritiv's customers in anticipation of securing a new, competitive position with one of Veritiv's competitors in her restricted territory.

62. Payne has also breached and threatens to continue to breach her Agreement by misappropriating and failing to return Veritiv's confidential information and trade secrets, in violation of Paragraphs 5-6 of her Agreement.

63. As an actual and proximate result of Payne's breaches of her Agreement, as alleged in this claim for relief, Veritiv has suffered actual and consequential damages in an amount to be proven at the time of trial, including attorneys' fees and costs to the extent allowed by law.

64. As a further proximate result of Payne's wrongful conduct and breach of her Agreement, Veritiv has been injured, irreparably and otherwise, and is threatened with additional and ongoing injuries.

THIRD CAUSE OF ACTION

**Breach of Fiduciary Duty/Duty of Loyalty
(Against Payne)**

65. Veritiv repeats and realleges each and every allegation contained in Paragraphs 1 through 51 of the Complaint as if fully set forth herein.

66. While Payne worked for Veritiv, she owed Veritiv a fiduciary duty and a duty of loyalty to refrain from performing acts that are competitive with and harmful to Veritiv. This included a duty to work solely for the benefit of Veritiv and not for the benefit of any other person or company or to undermine Veritiv's business interests.

67. Upon information and belief, Payne breached her fiduciary duty and duty of loyalty to Veritiv while still employed by Veritiv by misappropriating confidential information and trade secrets belonging to Veritiv, including by secretly providing information about Veritiv's business strategies, operations and interactions with Veritiv customers to Berman, by providing Berman additional Veritiv confidential information and by facilitating Berman's eavesdropping on at least one customer call.

68. Payne's acts were willful in that she intentionally took measures to conceal the breaches of her fiduciary duty and duty of loyalty.

69. As a direct and proximate result of Payne's breaches of her fiduciary duty and duty of loyalty, Veritiv has been damaged.

70. In addition, because Payne's acts were committed with conscious disregard of their consequences, Veritiv is entitled to an award of punitive damages in an amount sufficient to punish and deter Payne from future acts of misconduct.

FOURTH CAUSE OF ACTION

Aiding and Abetting Breach of Fiduciary Duty/Duty of Loyalty (Against Berman)

71. Veritiv repeats and realleges each and every allegation contained in Paragraphs 1 through 51 and of the Complaint as if fully set forth herein.

72. While Payne worked for Veritiv, she owed Veritiv a fiduciary duty of loyalty and a duty of loyalty to refrain from performing acts that are competitive with and harmful to Veritiv.

73. Berman knew that Payne owed Veritiv a fiduciary duty of loyalty and a duty of loyalty.

74. Berman, through improper action or wrongful conduct, without privilege and with intent to harm, acted to procure Payne's breaches of her fiduciary duty and duty of loyalty. Berman acted purposefully and with malice when he aided and abetted Payne's violations of her fiduciary duty and duty of loyalty.

75. Berman's wrongful conduct resulted in breaches of Payne's fiduciary duty and duty of loyalty.

76. As a direct and proximate result of Berman's procurement of Payne's breaches of her fiduciary duty and duty of loyalty, Veritiv has been damaged.

77. In addition, because Berman's acts were committed with conscious disregard of their consequences, Veritiv is entitled to an award of punitive damages in an amount sufficient to punish and deter Berman from future acts of misconduct.

FIFTH CAUSE OF ACTION

Defend Trade Secrets Act (18 U.S.C. § 1832) (Against all Defendants)

78. Veritiv repeats and realleges each and every allegation contained in Paragraphs 1 through 51 of the Complaint as if fully set forth herein.

79. The DTSA, which amended the Economic Espionage Act, 18 U.S.C. § 1832, to add a federal civil cause of action, among other things, defines "trade secret" to include all forms and types of financial, business or economic information, including patterns, plans, compilations, methods, techniques, processes, procedures or programs, if (A) the owner thereof has taken reasonable measures to keep such information secret; and (B) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by, the public.

80. During the course of their employment with Veritiv, Defendants were provided access to substantial amounts of Veritiv's trade secrets, as described herein.

81. Such trade secrets are developed and maintained by Veritiv at great time, cost and expense to Veritiv, and are maintained on password protected networks accessible only by certain Veritiv employees with need to use such information on the Company's behalf.

82. Veritiv's trade secrets are not available to the general public and are closely guarded by Veritiv. Veritiv keeps such information strictly confidential in order to maintain a competitive advantage.

83. Veritiv derives independent economic value from the trade secrets and confidential information entrusted to Defendants; these secrets are not generally known or readily ascertainable by proper means by other persons who can obtain economic value from their disclosure and use, and the information is the subject of significant efforts to maintain its secrecy.

84. Veritiv's trade secrets, including the information identified herein, are trade secrets under the DTSA, 18 U.S.C. § 1832, *et seq.*, because Veritiv derives independent economic value from this information not being generally known to the public, the information is not readily ascertainable by proper means by persons

who could obtain economic value from its disclosure or use, and the information is the subject of reasonable efforts to maintain its secrecy.

85. On information and belief, Defendants acquired Veritiv's trade secrets by improper means and without authorization. On information and belief, Defendants have failed to return Veritiv's trade secrets and are using, copying, or disclosing such trade secrets in connection with Berman's efforts to secure employment with a Veritiv competitor, in violation of Veritiv's policies regarding protection of confidential information and their Agreements.

86. On information and belief, Defendants have used or disclosed, or intend to use or disclose, Veritiv's confidential customer information and trade secrets for the benefit of Berman and Payne.

87. Defendants knew or should have known that the information, as described herein, (1) is confidential; (2) was acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; (3) was developed or acquired by Veritiv at great expense and effort; (4) was maintained as confidential and is not generally available to the public and Veritiv's competitors; (5) would provide significant benefit to individuals seeking to compete with or harm Veritiv; and (6) is critical to Veritiv's ability to conduct its business successfully.

88. The information that Defendants have misappropriated or threaten to misappropriate relates to Veritiv, which involve services that are utilized throughout interstate commerce.

89. Defendants will be or have been unjustly enriched by the misappropriation and/or threatened misappropriation of Veritiv's trade secrets and confidential information, and, unless restrained, will continue to threaten to use, actually use, divulge, inevitably disclose, acquire and/or otherwise misappropriate Veritiv's trade secrets and confidential information.

90. On information and belief, Defendants' actual and/or threatened misappropriation has been willful and malicious.

91. As a result of the threatened and/or actual misappropriation of Veritiv's trade secrets and confidential information, Veritiv will be threatened with loss of business expectancies, customers, employees, its trade secrets and goodwill in amounts which may be impossible to determine, unless Defendants are enjoined and restrained by order of the Court.

92. In addition, Veritiv seeks actual, incidental, compensatory, punitive and consequential damages, along with reasonable attorneys' fees and costs in an amount to be determined at trial.

93. Defendants' Agreements contains the notice of immunity under the Defend Trade Secrets Act required by 18 U.S.C. § 1833(b).

94. As an actual and proximate result of Defendants' conduct, as alleged in this claim for relief, Veritiv has suffered actual and consequential damages in an amount in excess of \$75,000 and to be proven at the time of trial, including attorneys' fees and costs to the extent allowed by law.

95. As a further proximate result of Defendants' wrongful conduct and breach of the Agreement, Veritiv has been injured, irreparably and otherwise, and is threatened with additional and ongoing injuries.

SIXTH CAUSE OF ACTION

Georgia Trade Secrets Act (O.C.G.A. § 10-1-760) (Against all Defendants)

96. Veritiv repeats and realleges each and every allegation contained in Paragraphs 1 through 51 of the Complaint as if fully set forth herein.

97. The Trade Secrets Act, O.C.G.A. § 10-1-760, *et seq.* ("GTSA"), prohibits any person from misappropriating trade secrets by improper means, e.g., theft, bribery, breach of contract or other duty, including inducement of such breach.

98. The "actual or threatened misappropriation [of a trade secret] may be enjoined." O.C.G.A. § 10-1-762. In addition to or in lieu of injunctive relief, a

person is entitled to recover damages for trade secret misappropriation. O.C.G.A. § 10-1-763.

99. By virtue of their employment with, and performance of responsibilities for, Veritiv, Defendants were given access to and now possesses trade secrets and other confidential and proprietary business information belonging to Veritiv.

100. Upon information and belief, Defendants retained and are currently in possession of Veritiv's trade secrets and have used and disclosed, or threaten to use and disclose, such trade secrets to compete unfairly against Veritiv for the benefit of themselves.

101. Defendants' retention and actual and/or threatened use and disclosure of Veritiv's trade secrets constitute misappropriation of Veritiv's trade secrets in violation of the GTSA.

102. As a result of the Defendants' wrongdoing, Veritiv has suffered monetary damages and has suffered substantial and irreparable injury and is threatened with further substantial and irreparable injury due to the loss and use by the Defendants of its trade secrets, for which there is no adequate remedy at law to compensate.

103. By reason of the foregoing, Veritiv requires injunctive relief. Unless injunctive relief is granted, Veritiv will be irreparably harmed in a manner not fully compensable by money damages. In addition, Veritiv has been damaged in an amount to be determined at trial.

SEVENTH CAUSE OF ACTION

**Tortious Interference with Contractual Relations
(Against all Defendants)**

104. Veritiv hereby incorporates by reference and realleges each of the allegations contained in the foregoing paragraphs 1 through 51, inclusive, as though fully set forth in this cause of action.

105. Veritiv has existing contractual relations with both Berman and Payne whereby, among other things, each of them are obligated to refrain from using or disclosing Veritiv's trade secrets and other confidential information. Defendants are also prohibited from soliciting Veritiv employees for a period of time following his departure from Veritiv.

106. Each of the Defendants has knowledge of Veritiv's existing contractual relationships with each other.

107. Berman has interfered with Veritiv's existing contractual relations with Payne, by among other things, inducing her to violate her non-disclosure obligations owed to Veritiv.

108. Payne has interfered with Veritiv's existing contractual relations with Berman, by among other things, inducing him to violate his non-disclosure and non-solicitation obligations owed to Veritiv.

109. Defendants' actions are without privilege or justification.

110. As a result of the acts described above, Veritiv has suffered monetary damages and has suffered substantial and irreparable injury and is threatened with further substantial and irreparable injury for which there is no adequate remedy at law to compensate.

111. By reason of the foregoing, Veritiv requires injunctive relief. Unless injunctive relief is granted, Veritiv will be irreparably harmed in a manner not fully compensable by money damages. In addition, Veritiv has been damaged in an amount to be determined at trial.

112. The Defendants' tortious interference, as alleged above, was willful and malicious and in conscious disregard of Veritiv's rights. Accordingly, Veritiv asks that exemplary damages be awarded against the Defendants.

EIGHTH CAUSE OF ACTION

Conspiracy and Violation of Computer Fraud and Abuse Act

(18 U.S.C. § 1030)

(Against all Defendants)

113. Veritiv repeats and realleges each and every allegation contained in Paragraphs 1 through 51 of the Complaint as if fully set forth herein.

114. Veritiv's computers are protected computers for purposes of the Computer Fraud and Abuse Act ("CFAA"), because they are used in or affect interstate or foreign commerce.

115. In violation of the CFAA, Berman conspired with Payne to knowingly and with intent to defraud, exceed Payne's authorized access to Veritiv's protected computers by transferring information from Veritiv's protected computers to Berman for the purpose of stealing Veritiv's confidential information and trade secrets and usurping Veritiv's business opportunities.

116. By intentionally conspiring together to access Veritiv's protected computers without authorization, in Berman's case, and exceeding the scope of authorized access, in Payne's case, and taking overt acts in furtherance of their conspiracy, Defendants conspired to violate, and did in fact violate, the CFAA.

117. As a direct and proximate cause of Defendants' unlawful conduct, Veritiv has suffered damages in excess of \$5,000.00 in attorneys' fees and costs

and in expenses associated with responding to the offense and conducting a forensic assessment.

118. As a direct and proximate cause of Defendants' unlawful conduct, Veritiv has suffered and will continue to suffer financial losses, irreparable harm, loss of the confidentiality of its trade secrets and confidential information, and other continuing harms. The losses and harm to Veritiv are ongoing and cannot be remedied by damages alone.

PRAYER FOR RELIEF

WHEREFORE, Veritiv requests the Court enter judgment in its favor and against Defendants by entry of an Order that:

1. Restrains all Defendants, and those acting in concert with them, preliminary and permanently from using or disclosing any trade secrets or other proprietary data of Veritiv;
2. Instructs Defendants, and those acting in concert with them, to immediately return all property and information belonging to Veritiv to Veritiv;
3. Restrains all Defendants, and those acting in concert with them, preliminary and permanently from violating the Berman and Payne Agreements;

4. Awards Veritiv its damages incurred as a direct and proximate result of Defendants unlawful conduct alleged in the Complaint in an amount according to proof at the time of trial, but in excess of \$75,000;
5. Orders restitution and/or disgorgement;
6. Orders appropriate preliminary and permanent injunctive relief;
7. Awards Veritiv reasonable attorneys' fees and costs where authorized by statute and/or contract; and
8. Grants Veritiv any further relief as this Court deems just and proper.

JURY TRIAL DEMAND

Veritiv demands a jury trial on all issues triable as a matter of law.

[SIGNATURES ON FOLLOWING PAGE]

Respectfully submitted,

// Robert C. Stevens

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Dated: June 20, 2018