

**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

|                                 |   |                       |
|---------------------------------|---|-----------------------|
| -----X                          | : | Case No. 4:22-cv-2644 |
| KARMA AUTOMOTIVE LLC,           | : |                       |
|                                 | : |                       |
| Plaintiff,                      | : | <u>COMPLAINT</u>      |
|                                 | : |                       |
| v.                              | : | <u>JURY DEMAND</u>    |
|                                 | : |                       |
| JOOST DE VRIES, ALAN YUAN, TROY | : |                       |
| BEETZ, NEILO HARRIS, REIMAGINED | : |                       |
| AUTOMOTIVE, LLC, and DELOREAN   | : |                       |
| MOTORS REIMAGINED, LLC,         | : |                       |
|                                 | : |                       |
| Defendants.                     | : |                       |
| -----X                          |   |                       |

**ORIGINAL COMPLAINT**

Plaintiff Karma Automotive LLC (“Karma”), by its undersigned attorneys, as and for their Complaint (the “Complaint”) against Defendants Joost de Vries (“de Vries”), Alan Yuan (“Yuan”), Troy Beetz (“Beetz”), Neilo Harris (“Harris”) (collectively, “Individual Defendants”), Reimagined Automotive, LLC (“Reimagined”), and DeLorean Motors Reimagined, LLC (“DeLorean Reimagined”) (Reimagined and DeLorean Reimagined, collectively, “LLC Defendants”) (Individual Defendants and LLC Defendants, collectively, “Defendants”) alleges as follows:

**NATURE OF THE ACTION**

1. Karma is an electric vehicle manufacturer that was developing a potential joint venture with DeLorean Motor Company (“DMC”) to electrify DMC’s famed DeLorean vehicle, which would have helped both companies to speed into the future at 88 miles per hour. Karma’s executives directed the employees working on the project to come up with a proposal that made economic sense for Karma and would help both companies achieve their goals.

2. Rather than follow that directive, the Karma employees working on the project, Individual Defendants, decided to usurp this opportunity for themselves. While some or all of them were still employed by Karma, they formed a new company, Reimagined. They furtively took confidential Karma information, materials, and templates. They actively concealed information from Karma to keep Karma from pursuing the project or from finding out what Individual Defendants were doing. Then, one by one, they left Karma. Upon leaving Karma, they consummated a deal with DMC, usurping Karma's corporate opportunity for themselves, using Karma's trade secrets and other confidential or proprietary information to facilitate the improper transaction, and continuing to utilize those trade secrets through a new entity created by Reimagined and DMC in Texas, DeLorean Reimagined.

3. In so doing, Individual Defendants breached their contractual obligations to Karma; breached their fiduciary duties to Karma of loyalty and utmost good faith, candor, refraining from self-dealing, acting with integrity of the strictest kind, fair honest dealing, and full disclosure; breached their fiduciary duty to not usurp a corporate opportunity of Karma; tortiously interfered with Karma's prospective business relations; misappropriated trade secrets of Karma in violation of the Defend Trade Secrets Act ("DTSA") and Texas Uniform Trade Secrets Act ("TUTSA"); and committed fraud. LLC Defendants also misappropriated trade secrets of Karma in violation of the DTSA and TUTSA, and Reimagined tortuously interfered with Karma's prospective business relations.

4. Accordingly, Karma now brings this action against Defendants for breach of contract; breach of fiduciary duties of loyalty and utmost good faith, candor, refraining from self-dealing, acting with integrity of the strictest kind, fair honest dealing, and full disclosure; breach

of fiduciary duty through usurpation of corporate opportunity; tortious interference with prospective business relations; violations of the DTSA; violations of TUTSA; and fraud.

**PARTIES**

5. Plaintiff Karma Automotive LLC is a manufacturer of luxury electric vehicles, components, hardware, and software. Karma is organized under the laws of Delaware and maintains its principal place of business in California.

6. Defendant Joost de Vries is an individual and the former Vice President for Sales and Customer Experience at Karma. Upon information and belief, de Vries is a resident of the State of Texas.

7. Defendant Alan Yuan, also known as Qifang Yuan, is an individual and the former Chief Revenue Officer of Karma. Upon information and belief, Yuan is a resident of the State of Texas.

8. Defendant Troy Beetz is an individual and worked in Karma's marketing department. Upon information and belief, Beetz is a resident of the State of California.

9. Defendant Neilo Harris is an individual and worked in Karma's Marketing Department under Beetz. Upon information and belief, Harris is a resident of the State of California.

10. Defendant Reimagined Automotive LLC is a Nevada corporation that, upon information and belief, has its principal place of business in California. Upon information and belief, Reimagined was formed by de Vries and its members include Yuan and Beetz.

11. Defendant DeLorean Motors Reimagined, LLC is a Texas corporation with its principal place of business in Houston, Texas.

12. Non-party DeLorean Motor Company is a Texas corporation with its principal place of business in Humble, Texas and a registered office address in Crosby, Texas.

### **JURISDICTION AND VENUE**

13. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331, and over the state law claims pursuant to ancillary, pendent and supplemental jurisdiction, including under 28 U.S.C. § 1367.

14. This Court has personal jurisdiction over Defendants by reason of, among other things, their systematic and continuous contacts with this forum, including Defendants entering into a joint venture with DMC, a Texas corporation with its principal place of business in Harris County, Texas, and forming a new entity, DeLorean Reimagined, a Texas LLC with its principal place of business in Harris County, Texas, all of which is part of Defendants' underlying misconduct alleged in this action and gives rise to Karma's causes of action.

15. Venue is proper in this District under 28 U.S.C. § 1391(a) and because: (1) a substantial part of the events giving rise to the claims occurred in this District; and (2) Defendants are otherwise subject to personal jurisdiction in this venue.

### **FACTS**

#### **A. Background and trade secrets.**

16. Karma is a manufacturer of luxury electric vehicles, including high-end sedans and sports cars. Karma also develops automotive hardware and software for use in electric vehicles.

17. During the relevant time period, Karma's Chief Executive Officer was Dr. Liang Zhou ("Dr. Lance").

18. Over the course of at least six years and through substantial efforts and financial investment, Karma developed, compiled, and maintained a wealth of trade secret information (hereinafter referred to as Karma's "Trade Secrets") that it uses to service the needs of its

customers, and achieve and secure a competitive edge over other manufacturers of automobiles, automotive hardware, and automotive software, and in particular over other electric vehicle systems manufacturers. Karma's Trade Secrets include, but are not limited to:

- a. Blueprints, specifications, and other design information for the Karma "skateboard," *i.e.*, Karma's electrical engine and other components and technology.
- b. Karma's project planning documents, including internal estimates and figures to develop its engineering and design projects, including a breakdown of discrete tasks and projects to complete and the amount of expected labor time and costs to complete them;
- c. Karma's internal processes for developing a vehicle—from building a factory, to synchronizing suppliers, to Karma's guidelines for quality assurance;
- d. Karma's files and records regarding customers, prospective customers, independent contractors, subcontractors, vendors, and suppliers, and each of their profiles, preferences, specifications, account history, and habits;
- e. information and documents pertaining to Karma's analyses and forecasts of production capacity and readiness to meet customer and partner needs;
- f. the documents, methods, and systems used by Karma in soliciting, marketing, selling, and providing its products and services to its customers, including, but not limited to, comparison pricing analyses, presentation formats and contents, and strategic plans;
- g. financial and accounting information, such as budgets, cost, pricing and billing information, and revenues and profit margins; and

- h. other non-public information of Karma that would be valuable to a competitor or other third-party.

19. Karma's Trade Secrets, all of which were compiled and developed by Karma over many years through substantial efforts and expense, are not known to the public. Karma's Trade Secrets are not readily ascertainable in the electric automotive industry, whether through a trade or public directory or any other source. Karma's Trade Secrets were developed through considerable time, effort, and expense to Karma, and are not readily ascertainable by others, and especially not to Karma's competitors.

20. For example, Karma's Trade Secrets related to its research and development of its vehicles, including designs, software source code, component specifications, sourcing and supply chain coordination, and cost information, are valuable precisely because they give Karma a competitive advantage of being the first to market with its technology. Karma's Trade Secrets, in the hands of a competitor, would enable the competitor to bypass months or even years of research and development that the competitor would have had to otherwise do on its own.

21. Just as importantly, Karma's Trade Secrets, in the hands of a competitor, would show the competitor what *not* to do, based on proposals or ideas that Karma determined were not feasible. A competitor with access to Karma's Trade Secrets could avoid the costly trial-and-error process inherent in any engineering project, further saving time and costs.

22. Karma's Trade Secrets are valuable to Karma and their value lies primarily in being kept secret and not generally known.

23. For that reason, Karma has taken considerable steps to maintain the secrecy of its Trade Secrets, such as: (a) requiring, as a condition of employment or contractual engagement, that all employees and contractors promise not to use or disclose this information, except in the

performance of their duties for Karma; (b) having employees and contractors execute confidentiality and non-disclosure agreements, which instruct Karma's employees and contractors not to disclose, reproduce, or use this information without Karma's consent; (c) emphasizing to employees and contractors Karma's need to keep this information secret; (d) limiting access and/or restricting access to this information by employees and contractors on a need-to-know basis; (e) requiring unique usernames and passwords to access source code and related data on Karma's computer systems and databases; and (f) implementing a number of physical and electronic security measures, including restricting access to databases and network space, assigning passwords and user-level permissions to access information on Karma's computer system, servers, and networks, requiring that Trade Secrets be kept in secure locations when not in use, and requiring dual-factor authentication for remote access and VPN access to Karma's systems.

24. Additionally, Karma entered into confidentiality and non-disclosure agreements with employees, contractors, vendors, suppliers, and business partners, which prohibited all such individuals and entities from disclosing, reproducing, or using Karma's Trade Secrets without Karma's consent.

25. Karma also requires certain employees leaving the company to sign a "Termination Certification" stating that "I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . . ."

26. The Termination Certification also provides that "I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information" of Karma.

27. In the course and scope of their duties as officers, managers, or employees of Karma, Individual Defendants had access to, regularly used, and were responsible for maintaining and safeguarding Karma's Trade Secrets for the purpose of performing their job duties and services for Karma.

**B. Karma's Code of Conduct.**

28. All employees who are employed by Karma, including Individual Defendants, receive a copy of, and must agree to abide by, Karma's Code of Conduct (the "Code of Conduct").

29. The Code of Conduct includes requirements that Karma employees protect company assets, including Karma's Trade Secrets, and other confidential information.

30. The Code of Conduct also prohibits employees from engaging in conduct that constitutes a conflict of interest with Karma.

31. In particular, the Code of Conduct provides that "[y]ou must avoid any conflict, or even the appearance of a conflict, between your personal interests and the interests of our Company."

32. The Code of Conduct further provides that "[a] conflict may also exist when an outside interest interferes with our ability to do our jobs. We should never become involved in a business that competes with Karma Automotive."

33. The Code of Conduct also provides that "[a] business opportunity you learn about because of your job is proprietary to Karma Automotive. Employees shall not compete with the Company nor shall an employee take personal advantage of a business opportunity that is discovered during the course of his or her employment, unless the Company expressly waives its interest in pursuing such opportunity."

34. As part of their employment with Karma, Individual Defendants received the Code of Conduct and agreed to comply with the requirements of that Code of Conduct.

**C. Individual Defendants' employment with Karma.**

35. De Vries was an officer at Karma, serving as its Vice President for Sales and Customer Experience.

36. De Vries joined Karma through its predecessor entity, Fisker Automotive and Technology Group, LLC, in or about January 2015.

37. As part of his employment, de Vries signed a Confidential Information, Invention Assignment, and Arbitration Agreement (the "de Vries Employment Agreement").

38. Pursuant to Section 2 of the de Vries Employment Agreement, de Vries agreed "to hold in strictest confidence, and not to use, except for the benefit of the Company . . . Confidential Information of the Company," including Karma's Trade Secrets.

39. Pursuant to Section 4 of the de Vries Employment Agreement, de Vries agreed "that, during the term of employment with the Company, I will not engage in any other employment, occupation or consulting directly related to the business in which the Company is now involved or becomes involved during the term of my employment, nor will I engage in any other activities that conflict with my obligations to the Company."

40. Pursuant to Section 5 of the de Vries Employment Agreement, de Vries agreed "that, at the time of leaving the employ of the Company, I will deliver to the Company (and will not keep in my possession, recreate or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items development by me pursuant to my employment with the Company or otherwise belonging to the Company, its successors or assigns . . . ."

41. Pursuant to Section 8 of the de Vries Employment Agreement, de Vries agreed to "diligently adhere to the Conflict of Interest Guidelines" of Karma.

42. The Conflict of Interest Guidelines annexed to the de Vries Employment Agreement provided, *inter alia*, that de Vries would not “reveal[] confidential information to outsiders or misus[e] confidential information”; “[u]nlawfully discuss[] prices, costs, customers, sales or markets with competing Companies or their employees”; or “engag[e] in any conduct that is not in the best interest of the Company.”

43. Pursuant to Section 10.D of the de Vries Employment Agreement, de Vries agreed that if Karma sought injunctive relief in connection with, *inter alia*, a violation of the Agreement “or any other agreement regarding trade secrets [or] confidential information,” then “[t]he prevailing party shall be entitled to recover reasonable costs and attorneys’ fees.”

44. In connection with his employment, de Vries also signed a Non-Disclosure Agreement (the “de Vries NDA”), which required him to, *inter alia*, protect and not disclose Karma’s confidential information, including Karma’s Trade Secrets.

45. The de Vries NDA also provided in Section 8 that “[t]he prevailing party in any action to enforce this Agreement shall be entitled to costs and attorneys’ fees.”

46. Yuan was an officer at Karma, serving as its Chief Revenue Officer.

47. Yuan joined Karma in or about December 2019.

48. Among other documents, Yuan signed a certification/attestation stating that he had reviewed the Karma Code of Conduct and agreed to comply with that Code.

49. In connection with his employment, Yuan also signed a Non-Disclosure Agreement (the “Yuan NDA”), which required him to, *inter alia*, protect and not disclose Karma’s confidential information, including Karma’s Trade Secrets.

50. Beetz was an employee of Karma, serving in its marketing department.

51. Beetz joined Karma in or about October 2016.

52. Among other documents, Beetz signed a certification/attestation stating that he had review the Karma Code of Conduct and agreed to comply with that Code.

53. As part of his employment, Beetz signed a Confidential Information, Invention Assignment, and Arbitration Agreement (the “Beetz Employment Agreement”).

54. Pursuant to Section 2 of the Beetz Employment Agreement, Beetz agreed “to hold in strictest confidence, and not to use, except for the benefit of the Company . . . Confidential Information of the Company,” including Karma’s Trade Secrets.

55. Pursuant to Section 4 of the Beetz Employment Agreement, Beetz agreed “that, during the term of employment with the Company, I will not engage in any other employment, occupation or consulting directly related to the business in which the Company is now involved or becomes involved during the term of my employment, nor will I engage in any other activities that conflict with my obligations to the Company.”

56. Pursuant to Section 5 of the Beetz Employment Agreement, Beetz agreed “that, at the time of leaving the employ of the Company, I will deliver to the Company (and will not keep in my possession, recreate or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items development by me pursuant to my employment with the Company or otherwise belonging to the Company, its successors or assigns . . . .”

57. Pursuant to Section 8 of the Beetz Employment Agreement, Beetz agreed to “diligently adhere to the Conflict of Interest Guidelines” of Karma.

58. The Conflict of Interest Guidelines annexed to the Beetz Employment Agreement provided, *inter alia*, that Beetz would not “reveal[] confidential information to outsiders or

misus[e] confidential information”; “[u]nlawfully discuss[] prices, costs, customers, sales or markets with competing Companies or their employees”; or “engag[e] in any conduct that is not in the best interest of the Company.”

59. Pursuant to Section 10.D of the Beetz Employment Agreement, Beetz agreed that if Karma sought injunctive relief in connection with, *inter alia*, a violation of the Agreement “or any other agreement regarding trade secrets [or] confidential information,” then “[t]he prevailing party shall be entitled to recover reasonable costs and attorneys’ fees.”

60. In connection with his employment, Beetz also signed a Non-Disclosure Agreement (the “Beetz NDA”), which required him to, *inter alia*, protect and not disclose Karma’s confidential information, including Karma’s Trade Secrets.

61. Harris was an employee of Karma, serving in its marketing department.

62. Harris joined Karma in or about August 2020.

63. Harris received a copy of the Code of Conduct and agreed to abide by its terms.

64. As part of his employment, Harris signed a Confidential Information and Invention Assignment Agreement (the “Harris Employment Agreement”).

65. Pursuant to Section 2 of the Harris Employment Agreement, Harris agreed “to hold in strictest confidence, and not to use, except for the benefit of the Company . . . Confidential Information of the Company,” including Karma’s Trade Secrets.

66. Pursuant to Section 4 of the Harris Employment Agreement, Harris agreed “that, during the term of employment with the Company, I will not engage in any other employment, occupation or consulting directly related to the business in which the Company is now involved or becomes involved during the term of my employment, nor will I engage in any other activities that conflict with my obligations to the Company.”

67. Pursuant to Section 5 of the Harris Employment Agreement, Harris agreed “that, at the time of leaving the employ of the Company, I will deliver to the Company (and will not keep in my possession, recreate or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items development by me pursuant to my employment with the Company or otherwise belonging to the Company, its successors or assigns . . . .”

68. Pursuant to Section 8 of the Harris Employment Agreement, Harris agreed to “diligently adhere to the Conflict of Interest Guidelines” of Karma.

69. The Conflict of Interest Guidelines annexed to the Harris Employment Agreement provided, *inter alia*, that Harris would not “reveal[] confidential information to outsiders or misus[e] confidential information”; “[u]nlawfully discuss[] prices, costs, customers, sales or markets with competing Companies or their employees”; or “engag[e] in any conduct that is not in the best interest of the Company.”

70. In or about August 2020, Harris signed a Non-Disclosure Agreement (the “Harris NDA”), which required him to, *inter alia*, protect and not disclose Karma’s confidential information, including Karma’s Trade Secrets.

**D. Individual Defendants work on the “Project 88” business opportunity for Karma.**

71. Beginning in or about 2020, Karma began developing a potential business opportunity with DMC to produce DeLorean vehicles utilizing Karma’s electric vehicle technology.

72. In particular, the concept was that the chassis from the famous 1980s DeLorean vehicle would be placed over the Karma “skateboard,” *i.e.*, Karma’s electrical engine and other

components and technology. Thus, the vehicle would look similar to the classic DeLorean, but would utilize Karma's cutting-edge electric vehicle technology.

73. The project was known internally at Karma as "Project 88."

74. Individual Defendants, led by de Vries and Yuan, were tasked with developing the project internally.

75. In connection with his work on Project 88, de Vries received confidential and proprietary information of Karma, such as cost estimates relating to manufacturing various portions of the proposed DeLorean vehicle, including the costs of using carbon versus stainless steel for the body and the costs for the interior, glass, lighting, electrical, and "Exo skeletons"; images of the Karma "skateboard" and information about certain of its technical specifications; and information about the certain specifications of the Karma battery and modifications that would need to be made for the proposed DeLorean vehicle.

76. As part of his work on Project 88, de Vries communicated with DMC's then-Chief Executive Officer and owner, Stephen Wynne ("Wynne"), in Humble, Texas regarding Project 88.

77. On or about September 20, 2020, Harris signed a specific non-disclosure agreement for Project 88 (the "Harris Project 88 NDA"), in addition to the Harris NDA he had previously signed.

78. The Harris Project 88 NDA stated that Project 88 was "a highly sensitive and confidential project."

79. In the Harris Project 88 NDA, Harris acknowledged that "my participation in this Project will require that I have access to highly sensitive proprietary and confidential information that only I and a select few Karma employees shall be given."

80. In the Harris Project 88 NDA, Harris Agreed that “any unauthorized disclosure that I may make of any information I may receive or possess pertaining to the Project, including the existence of the Project . . . will be grounds for my immediate termination as a Karma employee, [and] that Karma reserves its right to pursue other action against me for damages or harm caused by my unauthorized disclosure of such information.”

81. Within Karma, concerns were raised among Karma’s executives that Individual Defendants’ proposals for Project 88 were not sufficiently detailed and raised open questions.

82. Individual Defendants repeatedly promised to provide additional details and information, but failed to do so.

83. Apparently, Individual Defendants grew dissatisfied with Karma’s efforts to make Project 88 more detailed and viable, and instead decided to prevent Karma from being able to move forward with Project 88 so that they could seize the business opportunity for themselves.

84. In particular, on or about December 22, 2020, despite the fact that both were employed by Karma, Yuan emailed de Vries and stated: “Joost, Lets [sic] start to negotiate on our own, I don’t see the chances of keeping P-88 alive if we continue operate [sic] like this.”

85. Thereafter, Individual Defendants kept information about Project 88 to themselves and refused to share information with Karma executives and key personnel, even basic information about the project.

86. Upon information and belief, Individual Defendants stopped sharing information about Project 88 in order to try to keep Karma from pursuing the project and to seize the opportunity for themselves.

87. On January 5, 2021, Beetz emailed Yuan, copying Harris, asking Yuan to “[l]et me know my limits on” Project 88. “**I feel like Neilo and I are working on some black ops program that the rest of karma is not aware of**” (emphasis added).

88. During this time period, de Vries, Yuan, Beetz, and Harris obtained confidential and proprietary information relating to Project 88, including information regarding project finances.

89. In keeping with their decision to seize this opportunity for themselves, Individual Defendants began representing to potential outside investors and partners that Project 88 would be pursued separately from Karma.

90. On or about, January 6, 2021, de Vries wrote to Anthony Anstead (“Anstead”), a British television personality and potential investor, that “I think we’re pretty close to have [sic] a fully funded, and **separate account** ready to kick off Project 88. Alan Yuan is taking the lead to get all the paperwork drawn up” (emphasis added).

91. On or about January 12, 2021, some or all of Individual Defendants had a Q&A with Robert Olejar (“Olejar”), a potential outside investor, and a meeting with Anstead.

92. On or about January 13, 2021, Beetz responded to inquiries from Olejar.

93. Among other things, Olejar asked “[w]hy doesn’t Karma just front the \$5M” needed to initially fund Project 88? Beetz responded: “Karma is involved in a much bigger round of investment discussions. ***This project is not in Karma’s OEM [original equipment manufacturer] and is in a parallel program that needs to live on its own***” (emphasis added).

94. Beetz made these statements despite the fact that Karma was still pursuing Project 88 and simply needed Individual Defendants to provide additional details and information as part of the proposal for the project.

95. On or about January 13, 2021, Yuan emailed Anstead to state that “***Karma Automotive at this point is very much engaged in a much larger fundraise process, and is not able to make capital investment. So, Karma management team will be the party to JV with Radford and DMC, same structure as we discussed before.*** Initial investment will also come from our side. Our responsibilities will remain the same as we discussed, with much quicker decision turnaround time” (emphasis added).

96. Yuan made these statements despite the fact that Karma was still pursuing Project 88 and simply needed Individual Defendants to provide additional details and information as part of the proposal for the project.

97. The same day, Anstead responded to Yuan by stating: “I obviously have a LOT of questions as we seem to have been talking about this for many months without any progress.... Before you piggy back on our DMC deal to create ***a brand new business***, can you send assurance the initial investment is there and available? ***Especially now its no longer coming from Karma***” (emphasis added).

98. During this same period, de Vries, Yuan, Beetz, and Harris obtained confidential “anticipated specs for the vehicle,” including its horsepower, 0 to 60 speed, the mileage range of the electric engine, its use of rear-wheel drive, and its proposed listing price.

99. On or about January 13, 2021, Harris emailed Yuan to ask: “Regarding Newco, are we at Karma taking the opportunity to identify new business and redefine our Karma offer and ‘Newco’ is a new business unit/ segment of Karma? Is Newco a part of how Karma will operate in the future for example ‘powered by Karma’ as a electrification platform?”

100. Upon information and belief, Individual Defendants intended that “Newco” would be separate from Karma and that Defendants would use “Newco” to take Karma’s business opportunity for themselves.

101. Individual Defendants actively concealed from Karma the fact that Individual Defendants were planning to create a new, separate company.

102. Individual Defendants actively concealed from Karma the fact that Individual Defendants were contacting potential outside investors and advising them that Karma would not be part of Project 88 going forward.

103. Upon information and belief, on or about January 15, 2021, while still employed by Karma, Individual Defendants purchased a domain name for the new business they were forming to seize Project 88 for their own benefit: [www.reimaginedautomotive.com](http://www.reimaginedautomotive.com).

104. During the same period, Yuan and Harris worked to develop a PowerPoint deck that described Project 88 as involving a company separate from Karma and which utilized Karma’s confidential information about costs and timing, which they subsequently sent to de Vries and Beetz.

105. Again, Individual Defendants concealed from Karma the fact that they were marketing Project 88 as a venture that would not include Karma.

106. On or about January 22, 2021, Yuan emailed to Beetz and de Vries a Project 88 “Final Proposal” intended for Karma’s management that, upon information and belief, was designed to prevent Karma from pursuing Project 88 so that Individual Defendants could seize the opportunity for themselves.

107. On or about January 25, 2021, Yuan emailed Karma’s CEO, Dr. Lance the “Final Proposal.”

108. On or about January 26, 2021, Yuan sent a letter to Dr. Lance following up on the “Final Proposal.”

109. In that letter, Yuan acknowledged that “[w]e seek *the express written approval and authorization* to continue down this path with this new legal entity so we may try to keep Project 88 alive” (emphasis added).

110. In that letter, Yuan concealed and did not disclose the fact that he and the other Individual Defendants were already telling potential outside investors that Karma would not be part of Project 88.

111. In that letter, Yuan concealed and did not disclose the fact that he and the other Individual Defendants had already taken steps to form a new, separate company to pursue Project 88, including by purchasing a domain name for the company, despite not having received Karma’s authorization to do so.

112. Karma never provided Individual Defendants with express written approval or authorization to pursue Project 88 on their own, or any other approval or authorization to pursue Project 88 on their own.

113. Karma also never told Individual Defendants that Karma did not wish to invest in, or otherwise pursue or participate in, Project 88.

114. To the contrary, Karma continued to express its interest in pursuing Project 88, subject to Individual Defendants refining the proposal and providing additional information.

115. Rather than provide that information, however, Individual Defendants actively concealed the information Karma was requesting and instead worked to seize Project 88 for themselves.

**E. Individual Defendants form a new entity, Defendant Reimagined, to misappropriate Karma's business opportunity.**

116. Despite not receiving the written approval and authorization that they acknowledged was required, Individual Defendants proceeded to form their own separate company to pursue Project 88 while still employed at Karma.

117. Upon information and belief, throughout in or about late 2020 and 2021, de Vries, Yuan, and Beetz used Karma company vehicles to travel to various locations to discuss the formation of a separate company to pursue Project 88, including travelling to meetings at each other's homes, in Las Vegas, at DMC's headquarters, and at Mastro's Steakhouse.

118. On or about February 1, 2021, Individual Defendants formed their new Nevada limited liability company, Reimagined, to seize Karma's business opportunity and utilize Karma's Trade Secrets.

119. Individual Defendants did not notify Karma regarding the formation of Reimagined and instead concealed its existence from Karma.

120. Upon information and belief, following the formation of Reimagined, Individual Defendants transferred Karma's Trade Secrets to Reimagined, which utilized those Trade Secrets in order to pursue Project 88.

121. On or about February 2, 2021, Beetz emailed a potential investor that the "project . . . is called project 88. The company is called Re-Imagined Automotive. They will have the DMC licensed to them to produce the vehicles . . . . *again, this is not a karma program*" (emphasis added).

122. Individual Defendants did not disclose to Karma that they were advising potential investors that Karma would not be involved in Project 88.

123. On or about February 8, 2021, de Vries sent Beetz a pitch deck for Reimagined to send investors using a Karma template, but with all references to Karma removed.

124. The February 8, 2021 pitch deck included financial and technical information that appeared to be based upon Karma's confidential and proprietary financial and technical information.

125. Upon information and belief, de Vries utilized a PowerPoint that Harris had previously created for Karma to create the Reimagined pitch deck.

126. Individual Defendants did not disclose to, and instead concealed from, Karma the fact that Individual Defendants were utilizing Karma's templates and information to seize Project 88 for themselves.

127. On or about February 9, 2021, Beetz forwarded the pitch deck to his personal Gmail account.

128. On or about February 25, 2021, Individual Defendants filed an application to register Reimagined to do business in California.

129. Again, Individual Defendants did not disclose the existence of Reimagined to Karma and instead concealed its existence from Karma.

130. No later than on or about March 16, 2021, Individual Defendants began working with Casey Jon Lambright of the Houston, Texas law firm Lambright McKee, P.C. ("Lambright") to create materials for Reimagined and its potential partnership with DMC.

131. On or about March 16, 2021, Wynne and de Vries emailed regarding a draft operating agreement prepared by Lambright to form a new LLC in Texas.

132. On or about May 12, 2021, de Vries emailed Wynne regarding a text message Wynne sent to de Vries, saying “read it and that made it invisible again so got lost in the xxxx text messages,” *i.e.*, reading the text message made it disappear or delete.

133. On or about June 12, 2021, de Vries created a PowerPoint listing himself, Yuan, and Beetz as the founders of the new company that would partner with DMC, without mentioning Karma, and included a project timeline that listed only DMC and Reimagined, but not Karma.

134. On or about June 13, 2021, de Vries used his Karma email address to send the slide deck relating to Project 88 to Beetz at Beetz’s Reimagined email address.

135. On or about June 13, 2021, de Vries used his Karma email address to send additional slide decks to Beetz and Yuan at their respective Reimagined email addresses and referenced a “Team meeting at 8 p.m.”

136. The June 13, 2021 slide deck stated that Karma would not be participating in Project 88, and that DMC and Reimagined would instead be the owners of the new joint venture.

137. Individual Defendants again did not disclose to, and instead actively concealed from, Karma the fact that Individual Defendants were advising outside investors that Karma would not be participating in Project 88.

138. On or about July 12, 2021, de Vries submitted his resignation to Karma.

139. On or about July 16, 2021, de Vries rescinded his resignation.

140. On or about August 3, 2021, Beetz sent a PowerPoint file to his Gmail address.

141. The PowerPoint contained Karma’s Trade Secrets, including specifications for “Performance” and “Attributes” for the proposed joint venture with DMC, such as information about the battery, electronic differential slipperiness (or “EDS”), charging the battery (including charge time and range), body structure, front suspension, rear suspension, wheels, active systems,

advanced driver assistance systems (or “ADAS”), and vehicle dimensions (wheelbase, width, front overhand, rear overhang, heel to ground, ground clearance, height, front wheel to heel, cowl height, and so forth).

142. The PowerPoint also included images of the proposed vehicle.

143. On or about August 4, 2021, a marketing and advertising firm contacted Beetz with a “discussion starter” about consumer views of the DeLorean brand.

144. Beetz subsequently replied to the marketing firm that “[t]his project was for someone I know. I will have them reach out to you for followup. They will followup via gmail.”

145. Beetz did not disclose to, and concealed from, Karma that Beetz received this marketing information, which was intended for Karma, or that Beetz was redirecting the marketing firm away from Karma.

146. On or about August 15, 2021, Individual Defendants filed a Statement of Information for Reimagined with the California Secretary of State.

147. Individual Defendants’ Statement of Information listed de Vries, Yuan, and Beetz as Reimagined’s members, despite the fact that all three were still employed by Karma at that time.

148. On or about August 29, 2021, de Vries resigned from Karma.

149. On or about September 1, 2021, de Vries signed a “Termination Certification” stating that “I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . . ” and that “I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information” of Karma.

150. On or about November 30, 2021, Individual Defendants, Reimagined, and DMC formed a new entity, DeLorean Reimagined, as a Texas LLC.

151. Individual Defendants and Reimagined listed DeLorean Reimagined's mailing address as Lambright's offices in Houston, Texas, 940 Corbindale Road, Houston, Texas 77024.

152. Individual Defendants and Reimagined also listed Lambright, in Houston, Texas, as DeLorean Reimagined's registered agent.

153. Individual Defendants did not disclose to, and concealed from, Karma the formation of DeLorean Reimagined.

154. On or about February 2, 2022, Harris' employment with Karma terminated.

155. On or about February 3, 2022, Harris signed a "Termination Certification" stating that "I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . ." and that "I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information" of Karma.

156. On or about February 7, 2022, Beetz's employment with Karma terminated.

157. On or about February 28, 2022, Beetz signed a "Termination Certification" stating that "I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . ." and that "I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information" of Karma.

158. On or about February 28, 2022, Yuan's employment with Karma terminated.

159. On or about February 28, 2022, Yuan signed a “Termination Certification” stating that “I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . .” and that “I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information” of Karma.

**F. Individual Defendants and Reimagined announce their business venture with DMC.**

160. Even before Yuan left Karma, Individual Defendants and Reimagined announced their new business venture with DMC.

161. For example, on or about February 23, 2022, a leading publication in the automotive industry, Car and Driver, published an article entitled “DeLorean, Reborn as an EV, to Debut at Pebble Beach This August.”

162. The Car and Driver article indicated that DMC and Reimagined had formed a new company, DeLorean Reimagined, to create an electric DeLorean vehicle.

163. The Car and Drive article stated that DeLorean Reimagined intended to debut the new vehicle at a premier car show, the Pebble Beach Concours d’Elegance, in August 2022.

164. The article stated that de Vries was serving as Chief Executive Officer of DMC.

165. The article identified Beetz as DMC’s Chief Marketing Officer.

166. Upon information and belief, de Vries has relocated to Texas as part of his role as CEO of DMC.

167. Upon information and belief, Yuan, Beetz, and Harris provide services to DMC and DeLorean Reimagined in Texas.

168. Upon information and belief, Yuan is serving as the Chief Operating Officer of DMC and also provides services to DeLorean Reimagined.

169. Upon information and belief, Yuan has relocated to Texas as part of his role as Chief Operating Officer of DMC.

170. Upon information and belief, Harris is serving as the Vice President of Brand and Creative for DMC and/or DeLorean Reimagined.

**G. Defendants utilized Karma's Trade Secrets without authorization.**

171. Based on its investigation to date, Karma believes that Defendants have utilized a variety of Karma's Trade Secrets, without authorization, in order to seize Karma's business opportunity with DMC and to then develop the new DeLorean electric vehicle.

172. Upon information and belief, de Vries and potentially other Individual Defendants obtained from Karma's engineering department information that potentially included cost information, blueprints for the Karma "skateboard," information and specifications relating to vehicle architecture, or other information about how to build electric vehicles and the Karma "skateboard."

173. Upon information and belief, each of the Individual Defendants obtained from Karma and utilized Karma's proprietary information regarding the features and specifications of the proposed new vehicle and Karma's "skateboard."

174. Upon information and belief, each of the Individual Defendants obtained from Karma and utilized Karma's proprietary information about meeting limited use vehicle regulations while using Karma technology, including the amount of time and money involved.

175. Upon information and belief, each of the Individual Defendants obtained from Karma and utilized Karma's proprietary information about the homologation process, *i.e.*, the

process for getting the vehicle approved or certified for motorsports and racing, including timing estimates developed by Karma engineers.

176. Upon information and belief, each of the Individual Defendants obtained from Karma and utilized Karma's proprietary information about the estimate of full-time equivalent (FTE) worker hours that would be needed to carry out Project 88, as developed by Karma's engineering team.

177. Upon information and belief, each of the Individual Defendants obtained from Karma and utilized Karma's proprietary information about the equipment that would be needed to develop the DeLorean electric vehicle.

178. Upon information and belief, each of the Individual Defendants obtained from Karma and utilized Karma's proprietary information regarding marketing, development costs, purchasing, bill of materials information for the materials needed to produce the vehicles, and vendor pricing for the materials.

179. Upon information and belief, Beetz and potentially other Individual Defendants obtained from Karma and utilized Karma's proprietary information regarding speakers and Bluetooth connections for vehicles.

180. Upon information and belief, each of the Individual Defendants obtained from Karma and utilized Karma's proprietary information about the profile of potential or target customers for the proposed DeLorean vehicle.

181. Upon information and belief, each of the Individual Defendants obtained from Karma and utilized Karma's proprietary information in addition to the information described above.

182. Upon information and belief, Individual Defendants transferred Karma's Trade Secrets to Reimagined, which utilized those Trade Secrets in order to induce DMC, in Texas, to enter into a joint venture with Reimagined and Individual Defendants.

183. Upon information and belief, Individual Defendants and Reimagined subsequently transferred Karma's Trade Secrets to DeLorean Reimagined, in Texas, which utilized the Trade Secrets in Texas in order to develop a new DeLorean electric vehicle.

**COUNT ONE**  
**(Breach of Contract Against de Vries)**

184. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 183 of this Complaint as if fully set forth herein.

185. In connection with his employment with Karma, de Vries entered into several contracts with Karma, including: (1) the de Vries Employment Agreement; and (2) the de Vries NDA (collectively, the "de Vries Agreements").

186. The de Vries Agreements were valid, enforceable, and binding contracts between de Vries and Karma.

187. Karma fully performed its obligations under the de Vries Agreements, including by employing de Vries, paying him in connection with that employment, and providing de Vries with access to Karma's confidential, proprietary, and trade secret information.

188. As set forth above, de Vries agreed in the de Vries Agreements to, among other things: (1) protect Karma's Trade Secrets and Karma's other confidential and proprietary information; and (2) not engage in business activities that would conflict with Karma during the term of his employment.

189. De Vries breached the de Vries Agreements by failing to honor his obligations, including by, among other things: (1) engaging in conflicting business activities during the term

of his employment with Karma; and (2) failing to protect Karma's Trade Secrets and other confidential and proprietary information by disclosing that information to third parties and utilizing it to obtain a joint venture agreement with DMC, at Karma's expense.

190. As a result of de Vries' breaches of contract, Karma has suffered damages in an amount to be determined at trial.

191. Karma is also entitled to attorneys' fees pursuant to, *inter alia*, Section 10.D of the de Vries Employment Agreement and Section 8 of the de Vries NDA.

**COUNT TWO**  
**(Breach of Contract Against Yuan)**

192. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 191 of this Complaint as if fully set forth herein.

193. In connection with his employment with Karma, Yuan entered into contracts with Karma, including the agreement to abide by the Code of Conduct and the Yuan NDA (collectively, the "Yuan Agreements").

194. The Yuan Agreements were valid, enforceable, and binding contracts between Yuan and Karma.

195. Karma fully performed its obligations under the Yuan Agreements, including by employing Yuan, paying him in connection with that employment, and providing Yuan with access to Karma's confidential, proprietary, and trade secret information.

196. As set forth above, Yuan agreed in the Yuan Agreements to, among other things: (1) protect Karma's Trade Secrets and Karma's other confidential and proprietary information; and (2) not engage in business activities that would conflict with Karma during the term of his employment.

197. Yuan breached the Yuan Agreements by failing to honor his obligations, including by, among other things: (1) engaging in conflicting business activities during the term of his employment with Karma; and (2) failing to protect Karma's Trade Secrets and other confidential and proprietary information by disclosing that information to third parties and utilizing it to obtain a joint venture agreement with DMC, at Karma's expense.

198. As a result of Yuan's breaches of contract, Karma has suffered damages in an amount to be determined at trial.

**COUNT THREE**  
**(Breach of Contract Against Beetz)**

199. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 198 of this Complaint as if fully set forth herein.

200. In connection with his employment with Karma, Beetz entered into several contracts with Karma, including: (1) the agreement to abide by the Code of Conduct; (2) the Beetz Employment Agreement; and (2) the Beetz NDA (collectively, the "Beetz Agreements").

201. The Beetz Agreements were valid, enforceable, and binding contracts between Beetz and Karma.

202. Karma fully performed its obligations under the Beetz Agreements, including by employing Beetz, paying him in connection with that employment, and providing Beetz with access to Karma's confidential, proprietary, and trade secret information.

203. As set forth above, Beetz agreed in the Beetz Agreements to, among other things: (1) protect Karma's Trade Secrets and Karma's other confidential and proprietary information; and (2) not engage in business activities that would conflict with Karma during the term of his employment.

204. Beetz breached the Beetz Agreements by failing to honor his obligations, including by, among other things: (1) engaging in conflicting business activities during the term of his employment with Karma; and (2) failing to protect Karma's Trade Secrets and other confidential and proprietary information by disclosing that information to third parties and utilizing it to obtain a joint venture agreement with DMC, at Karma's expense.

205. As a result of Beetz's breaches of contract, Karma has suffered damages in an amount to be determined at trial.

206. Karma is also entitled to attorneys' fees pursuant to, *inter alia*, Section 10.D of the Beetz Employment Agreement.

**COUNT FOUR**  
**(Breach of Contract Against Harris)**

207. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 206 of this Complaint as if fully set forth herein.

208. In connection with his employment with Karma, Harris entered into several contracts with Karma, including: (1) the agreement to abide by the Code of Conduct; (2) the Harris Employment Agreement; (3) the Harris NDA; and (4) the Harris Project 88 NDA (collectively, the "Harris Agreements").

209. The Harris Agreements were valid, enforceable, and binding contracts between Harris and Karma.

210. Karma fully performed its obligations under the Harris Agreements, including by employing Harris, paying him in connection with that employment, and providing Harris with access to Karma's confidential, proprietary, and trade secret information.

211. As set forth above, Harris agreed in the Harris Agreements to, among other things: (1) protect Karma's Trade Secrets and Karma's other confidential and proprietary information;

and (2) not engage in business activities that would conflict with Karma during the term of his employment.

212. Harris breached the Harris Agreements by failing to honor his obligations, including by, among other things: (1) engaging in conflicting business activities during the term of his employment with Karma; and (2) failing to protect Karma's Trade Secrets and other confidential and proprietary information by disclosing that information to third parties and utilizing it to obtain a joint venture agreement with DMC, at Karma's expense.

213. As a result of Harris' breaches of contract, Karma has suffered damages in an amount to be determined at trial.

**COUNT FIVE**  
**(Tortious Interference with Prospective Business  
Relations Against Individual Defendants and Reimagined)**

214. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 213 of this Complaint as if fully set forth herein.

215. Until the events giving rise to this action, Karma had reasonable prospective economic advantages with potential new business partners. Karma reasonably expected that these economic advantages would continue and would not be unjustifiably disrupted.

216. Specifically, there was a reasonable probability of Karma entering into a contractual or business relationship with DMC and other parties, such as Anstead, as evidenced by drafts of term sheets and agreements exchanged internally at Karma and with certain other parties involved in the prospective joint venture.

217. Individual Defendants were aware of this reasonable prospective business relationship as a result of Individual Defendants' positions of employment with Karma and their work on Project 88 relating to the potential joint venture.

218. Reimagined was aware of this reasonable prospective business relationship through the knowledge of its officers and/or members, Individual Defendants.

219. Notwithstanding knowledge of the existence of this reasonable prospective business relationship, Individual Defendants and Reimagined intentionally and unjustifiably interfered with Karma's reasonable prospective business relationship by attempting to scuttle the deal internally at Karma while simultaneously utilizing Karma's Trade Secrets and Karma's other confidential and proprietary information in order to induce DMC and other parties to enter into a joint venture with Reimagined instead of Karma.

220. Upon information and belief, Individual Defendants and Reimagined acted purposefully, with malice, and with intent to injure Karma by ensuring that Karma would not pursue or enter into a contractual or business relationship with DMC and other parties so that Individual Defendants and Reimagined could seize that opportunity for themselves.

221. By the acts described above, Individual Defendants and Reimagined had an improper motive and used improper means in interfering with Karma's prospective business relationship, including by improperly misappropriating Karma's Trade Secrets and Karma's other confidential and proprietary information, and by acting in violation of Individual Defendants' contractual obligations and fiduciary duties.

222. DMC and other parties did, ultimately, enter into a joint venture with Reimagined and Individual Defendants instead of with Karma.

223. There was a reasonable probability of Karma entering into the business relationship with DMC and other parties, as described above, but Individual Defendants and Reimagined unlawfully and through the tortious actions described above disrupted the prospective business relationship.

224. As a result of Individual Defendants' and Reimagined's intentional interference with Karma's prospective business relations, Karma has suffered damages in an amount to be determined at trial.

**COUNT SIX**

**(Breach of Fiduciary Duty -- Duties of Loyalty, Good Faith, Candor, No Self-Dealing, Integrity, Fair and Honest Dealing, and Full Disclosure Against Individual Defendants)**

225. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 224 of this Complaint as if fully set forth herein.

226. De Vries was an officer and employee of Karma.

227. Yuan was an officer and employee of Karma.

228. Beetz was an employee of Karma.

229. Harris was an employee of Karma.

230. As employees and/or officers of Karma, each of the Individual Defendants owed fiduciary duties to Karma.

231. Karma also reposed trust and confidence in each of the Individual Defendants, as evidenced by, *inter alia*, Karma permitting each of the Individual Defendants to access Karma's Trade Secrets and Karma's other confidential and proprietary information in connection with Individual Defendants' respective job duties.

232. Individual Defendants' fiduciary duties to Karma included the duties of loyalty and utmost good faith; duty of candor; duty to refrain from self-dealing; duty to act with integrity of the strictest kind; duty of fair honest dealing; and duty of full disclosure.

233. Individual Defendants violated these duties by, among other things: (1) failing to disclose, and actively concealing from, Karma the facts that, *inter alia*, Individual Defendants had formed a separate company, were advising potential investors that Karma would not be part of Project 88, and were negotiating separately with DMC, Anstead, and others in order to pursue

Project 88 for their new company, rather than for Karma; (2) misappropriating Karma's Trade Secrets and Karma's other confidential and proprietary information for use in connection with Individual Defendants' seizure of Karma's business opportunity, rather than for Karma's benefit; (3) engaging in self-dealing and disloyal conduct by negotiating with DMC and other parties for Individual Defendants' own benefit, rather than Karma's; and (4) attempting to prevent Karma from pursuing Project 88 by failing to provide information requested Karma's management, and actively concealing information about the project, so that Individual Defendants could instead pursue the deal for themselves.

234. As a result of Individual Defendants' breaches of their fiduciary duties to Karma, Karma has suffered damages in an amount to be determined at trial.

**COUNT SEVEN**  
**(Breach of Fiduciary Duty --**  
**Usurpation of Corporate Opportunity Against Individual Defendants)**

235. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 234 of this Complaint as if fully set forth herein.

236. De Vries was an officer and employee of Karma.

237. Yuan was an officer and employee of Karma.

238. Beetz was an employee of Karma.

239. Harris was an employee of Karma.

240. As employees and/or officers of Karma, each of the Individual Defendants owed fiduciary duties to Karma.

241. Karma also reposed trust and confidence in each of the Individual Defendants, as evidenced by, *inter alia*, Karma permitting each of the Individual Defendants to access Karma's Trade Secrets and Karma's other confidential and proprietary information in connection with Individual Defendants' respective job duties.

242. Individual Defendants' fiduciary duties to Karma included the duty not to usurp corporate opportunities of Karma.

243. Karma was fully able to take advantage of the business opportunity presented by Project 88, including because it was engaged in the same line of business presented by Project 88 (*i.e.*, the automotive business); Project 88 presented an opportunity as to which Karma had fundamental knowledge, practical experience, and ability to pursue (*e.g.*, knowledge, experience, and ability relating to electric vehicles); Project 88 was logically and naturally adaptable to its business (*i.e.*, electric vehicles); and was consonant with Karma's reasonable needs and aspirations for expansion (*e.g.*, to grow the market for electric vehicles using Karma technology).

244. Karma had a legitimate interest and expectancy in, and the financial resources to take advantage of, the business opportunity presented by Project 88.

245. The business opportunity presented by Project 88 properly belonged to Karma.

246. In violation of their fiduciary duties, Individual Defendants misappropriated, usurped, and diverted Karma's corporate opportunity by working internally to stymie Karma's ability to move forward with Project 88 while working externally to convince DMC and other parties to contract with Individual Defendants' new company instead of with Karma.

247. As a result of Individual Defendants' usurpation of Karma's corporate opportunity, Karma has suffered damages in an amount to be determined at trial.

**COUNT EIGHT**  
**(Defend Trade Secrets Act 18 U.S.C. §§ 1832, 1836, *et seq.*—Misappropriation of Trade  
Secrets Against All Defendants)**

248. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 247 of this Complaint as if fully set forth herein.

249. As set forth more fully above, Karma possesses confidential, proprietary, and trade secret information necessary for Karma to conduct its business in a competitive market place, *i.e.*, Karma's Trade Secrets.

250. In particular, Karma's Trade Secrets include information regarding (1) blueprints, specifications, and other design information for the Karma "skateboard"; (2) Karma's project planning documents, including internal estimates and figures to develop its engineering and design projects, including a breakdown of discrete tasks and projects to complete and the amount of expected labor time and costs to complete them; (3) Karma's internal processes for developing a vehicle—from building a factory, to synchronizing suppliers, to Karma's guidelines for quality assurance; (4) Karma's files and records regarding customers, prospective customers, independent contractors, subcontractors, vendors, and suppliers, and each of their profiles, preferences, specifications, account history, and habits; (5) information and documents pertaining to Karma's analyses and forecasts of production capacity and readiness to meet customer and partner needs; (6) the documents, methods, and systems used by Karma in soliciting, marketing, selling, and providing its products and services to its customers, including, but not limited to, comparison pricing analyses, presentation formats and contents, and strategic plans; (7) financial and accounting information, such as budgets, cost, pricing and billing information, and revenues and profit margins; and (8) other non-public information of Karma that would be valuable to a competitor or other third-party.

251. Karma's Trade Secrets relate to products and services used in, or intended for use in, interstate commerce, including the manufacture of vehicles sold in, and advertised for sale in, interstate commerce.

252. Karma's Trade Secrets are of great value to Karma, as set forth above. They are also valuable to Defendants, who effectively competed with Karma to seize a business opportunity with DMC and used the Karma's Trade Secrets in order to seize that opportunity from Karma, and then to develop a new electric vehicle through DeLorean Reimagined.

253. Karma kept its Trade Secrets safe from disclosure through all reasonable, appropriate, and necessary means, consistent with industry practice, such that they were not generally known or available to individuals or entities outside of Karma.

254. Among other things, the Trade Secrets were protected through confidentiality agreements and other security measures described above, all consistent with measures taken by similar businesses in the automotive industry.

255. Individual Defendants circumvented these protections by violating their non-disclosure agreements and, among other things, sending Karma's Trade Secrets to personal email addresses and other outside email addresses, and then ultimately transferring the Trade Secrets to Reimagined and DeLorean Reimagined, which each utilized Karma's Trade Secrets.

256. Karma's Trade Secrets revealed to Defendants are critical to the success of Karma's business and provide Karma with a distinct competitive advantage in the market place.

257. Defendants were aware that Karma's Trade Secrets were to be kept confidential and not to be disclosed to outside by parties, including because each of the Individual Defendants signed non-disclosure agreements to that effect and their knowledge is imputed to Reimagined and DeLorean Reimagined because they are members, officers, and/or employees of those entities.

258. Defendants knew that the confidential, proprietary, and trade secret information being obtained from Karma was confidential and in the nature of trade secrets and, nevertheless, Defendants chose to gather, receive, and utilize it.

259. As further set forth above, Defendants misappropriated Karma's Trade Secrets by acquiring them through unlawful means, in violation of Individual Defendants' agreements with Karma, and with intent to convert them, and/or disclosing and using them to compete with Karma and in derogation of Karma's interest, and continuing to retain possession of them to this day, all in violation of the Defend Trade Secrets Act, 18 U.S.C §§ 1832, 1836, *et seq.*

260. Upon information and belief, Karma's Trade Secrets have been transferred to and maintained on Defendants' computers and other electronic devices.

261. Karma's Trade Secrets remain in the possession of Defendants.

262. Upon information and belief, Defendants have not merely retained Karma's Trade Secrets, but have actively utilized this information to induce DMC and other parties to enter into a joint venture and then continued to use Karma's Trade Secrets after their joint venture with DMC was consummated in order to develop DeLorean Reimagined to market and sell goods in interstate commerce.

263. Upon information and belief, Defendants continue to possess, use, and disclose Karma's misappropriated Trade Secrets for the creation and development of goods to be marketed and sold in interstate commerce. The conduct of Defendants therefore threatens further wrongful misappropriation, use, disclosure, and destruction of Karma's Trade Secrets.

264. Karma cannot uncover the full extent of Defendants' theft and misappropriation of the Karma's Trade Secrets without a forensic examination of Defendants' computers and other electronic devices.

265. Because Defendants continue to use Karma's confidential, proprietary, and trade secret information, along with electronic records and documents, Defendants' misappropriation of Karma's trade secrets is continuing and ongoing.

266. As a direct and proximate cause of Defendants' wrongful conduct, Karma has suffered and will continue to suffer incalculable financial losses, imminent and permanent irreparable harm, loss of the confidentiality of their trade secrets, loss of goodwill, loss of business opportunities, and other continuing harm.

267. The losses and harm to Karma are ongoing and cannot be remedied by damages alone.

268. Karma has no adequate remedy at law for these injuries unless and until the Defendants are restrained from using Karma's misappropriated Trade Secrets in the future and ordered to return such information and property to Karma, because calculations of damages will be difficult, and Karma will be compelled to bring multiple suits to protect its interests every time that its Trade Secrets are misused in future development projects. Karma's damages are not easily quantified but include, and are not limited to, its lost profits and productivity as a result of damage to its reputation, goodwill, disruption of its operations, and time and resources spent investigating the unlawful conduct of Defendants, in an amount to be proven at trial.

269. Karma is informed and believes that the conduct of Defendants was, and is, malicious, fraudulent, deliberate, and willful, as revealed by their conduct described above. Karma is therefore entitled to recover from the Defendants exemplary damages in an amount twice the total of the damages recovered for actual loss as permitted by 18 U.S.C. § 1836(b)(3)(C).

270. Karma is also entitled to an award of attorneys' fees pursuant to 18 U.S.C. §1836(b)(3)(D).

**COUNT NINE**

**(Texas Uniform Trade Secrets Act, Tex. Civ. Prac. & Rem. Code § 134A—  
Misappropriation of Trade Secrets Against All Defendants)**

271. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 270 of this Complaint as if fully set forth herein.

272. As set forth more fully above, Karma possesses confidential, proprietary, and trade secret information necessary for Karma to conduct their business in a competitive market place, *i.e.*, Karma's Trade Secrets.

273. In particular, the information includes information regarding (1) blueprints, specifications, and other design information for the Karma "skateboard"; (2) Karma's project planning documents, including internal estimates and figures to develop its engineering and design projects, including a breakdown of discrete tasks and projects to complete and the amount of expected labor time and costs to complete them; (3) Karma's internal processes for developing a vehicle—from building a factory, to synchronizing suppliers, to Karma's guidelines for quality assurance; (4) Karma's files and records regarding customers, prospective customers, independent contractors, subcontractors, vendors, and suppliers, and each of their profiles, preferences, specifications, account history, and habits; (5) information and documents pertaining to Karma's analyses and forecasts of production capacity and readiness to meet customer and partner needs; (6) the documents, methods, and systems used by Karma in soliciting, marketing, selling, and providing its products and services to its customers, including, but not limited to, comparison pricing analyses, presentation formats and contents, and strategic plans; (7) financial and accounting information, such as budgets, cost, pricing and billing information, and revenues and profit margins; and (8) other non-public information of Karma that would be valuable to a competitor or other third-party.

274. Karma's Trade Secrets relate to products and services used in, or intended for use in, interstate commerce, including the manufacture of vehicles sold in, and advertised for sale in, interstate commerce.

275. Karma's Trade Secrets are of great value to Karma, as set forth above. They are also valuable to Defendants, who effectively competed with Karma to seize a business opportunity with DMC and then used the Karma's Trade Secrets in order to seize that opportunity from Karma, and then to develop a new electric vehicle through DeLorean Reimagined.

276. Karma kept its Trade Secrets from disclosure through all reasonable, appropriate, and necessary means, consistent with industry practice, such that they were not generally known or available to individuals or entities outside of Karma.

277. Among other things, the Trade Secrets were protected through confidentiality agreements and other security measures described above, all consistent with measures taken by similar businesses in the automotive industry.

278. Individual Defendants circumvented these protections by violating their non-disclosure agreements and, among other things, sending Karma's Trade Secrets to personal email addresses and other outside email addresses, and then ultimately transferring the Trade Secrets to Reimagined and DeLorean Reimagined, which each utilized Karma's Trade Secrets, including utilizing the Trade Secrets in Texas.

279. Karma's Trade Secrets revealed to Defendants are critical to the success of Karma's business and provide Karma with a distinct competitive advantage in the market place.

280. Defendants were aware that Karma's Trade Secrets were to be kept confidential and not to be disclosed to outside by parties, including because each of the Individual Defendants

signed non-disclosure agreements to that effect and their knowledge is imputed to Reimagined and DeLorean Reimagined because they are members, officers, and/or employees of those entities.

281. Defendants knew that the confidential, proprietary, and trade secret information being obtained from Karma was confidential and in the nature of trade secrets and, nevertheless, Defendants chose to gather, receive, and utilize it.

282. As further set forth above, Defendants misappropriated Karma's Trade Secrets by acquiring them through unlawful means, in violation of Individual Defendants' agreements with Karma, and with intent to convert them, and/or disclosing and using them to compete with Karma and in derogation of Karma's interest, and continuing to retain possession of them to this day, all in violation of the Texas Uniform Trade Secrets Act, Tex. Civ. Prac. & Rem. Code § 134A.

283. Upon information and belief, Karma's Trade Secrets have been transferred to and maintained on Defendants' computers and other electronic devices, including in Texas.

284. Karma's Trade Secrets remain in the possession of Defendants.

285. Upon information and belief, Defendants have not merely retained Karma's Trade Secrets, but have actively utilized this information to induce DMC and other parties to enter into a joint venture and then continued to use Karma's Trade Secrets after their joint venture with DMC was consummated in order to develop DeLorean Reimagined.

286. Upon information and belief, Defendants continue to possess, use, and disclose Karma's misappropriated Trade Secrets, including use of the Trade Secrets in Texas. The conduct of Defendants therefore threatens further wrongful misappropriation, use, disclosure, and destruction of Karma's Trade Secrets.

287. Karma cannot uncover the full extent of Defendants' theft and misappropriation of Karma's Trade Secrets without a forensic examination of Defendants' computers and other electronic devices.

288. Because Defendants continue to use Karma's confidential, proprietary, and trade secret information, along with electronic records and documents, Defendants' misappropriation of Karma's trade secrets is continuing and ongoing.

289. As a direct and proximate cause of Defendants' wrongful conduct, Karma has suffered and will continue to suffer incalculable financial losses, imminent and permanent irreparable harm, loss of the confidentiality of their trade secrets, loss of goodwill, loss of business opportunities, and other continuing harm.

290. The losses and harm to Karma are ongoing and cannot be remedied by damages alone.

291. Karma has no adequate remedy at law for these injuries unless and until the Defendants are restrained from using Karma's misappropriated Trade Secrets in the future and ordered to return such information and property to Karma, because calculations of damages will be difficult, and Karma will be compelled to bring multiple suits to protect its interests every time that its Trade Secrets are misused in future development projects. Karma's damages are not easily quantified but include, and are not limited to, its lost profits and productivity as a result of damage to its reputation, goodwill, disruption of its operations, and time and resources spent investigating the unlawful conduct of Defendants, in an amount to be proven at trial.

292. Defendants have acted willfully, maliciously, and with reckless disregard to the rights of Karma.

**COUNT TEN**  
**(Fraud Against de Vries)**

293. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 292 of this Complaint as if fully set forth herein.

294. De Vries made a false statement of material fact that he knew was false when, on or about September 1, 2021, de Vries signed a “Termination Certification” stating that “I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . . ” and that “I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information” of Karma.

295. De Vries knew this statement was false because he knew he had taken Karma’s Trade Secrets and Karma’s other confidential and proprietary information in connection with Reimagined and his attempts to secure a business venture with DMC and other parties.

296. De Vries’ false statement was material because the protection of Karma’s Trade Secrets and other confidential and proprietary information is of critical importance to Karma, as evidenced by the security measures it takes to protect those Trade Secrets and information, as described above.

297. Upon information and belief, de Vries intended for Karma to rely on his misrepresentation so that Karma would not investigate his misappropriation of Karma’s Trade Secrets and Karma’s other confidential and proprietary information until after Defendants had concluded their agreement with DMC and other parties.

298. Karma reasonably relied upon de Vries’ statement, including because de Vries was a long-time, high-level employee of Karma who had signed the de Vries Agreements, by which he

agreed to protect and not misuse Karma's Trade Secrets and Karma's other confidential and proprietary information.

299. Karma relied upon de Vries' false statement to its detriment.

300. In particular, Karma delayed in investigating de Vries' misappropriation of Karma's Trade Secrets and Karma's other confidential and proprietary information until after de Vries had improperly utilized that information to consummate an agreement with DMC and other parties.

301. As a result of de Vries' fraud, Karma has suffered damages in an amount to be determined at trial.

**COUNT ELEVEN**  
**(Fraud Against Yuan)**

302. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 301 of this Complaint as if fully set forth herein.

303. Yuan made a false statement of material fact by omission when, on or about January 25 and January 26, 2022, he sent letters to Karma's CEO requesting that Karma commit to investing a certain amount of money in Project 88 or provide express written authorization for Defendants to pursue the project, without disclosing that Defendants were already taking steps to form their new entity to seize Project 88 for Defendants' own benefit, at the expense of Karma, and without disclosing that Defendants were already advising potential investors that Karma would not be involved in the project.

304. Yuan knew that his statements were false and misleading by reason of these omissions, as he was aware of the underlying facts not disclosed and, upon information and belief, intentionally failed to disclose those facts in order to conceal the truth from Karma and so that Karma would continue to believe that Defendants were developing Project 88 for Karma's benefit.

305. These omissions were material because, among other things, Karma's assessment of Yuan's communications and of Project 88 would have been radically altered had Yuan disclosed the true facts.

306. Upon information and belief, Yuan intended for Karma to rely on his misrepresentation so that Defendants could continue to pursue Project 88 for their own benefit, without interference from Karma and in order to keep Karma from realizing that Defendants were seeking to seize Project 88 for themselves.

307. Karma reasonably relied upon Yuan's statement, including because Yuan was a long-time, high-level employee of Karma who had signed the Yuan Agreements, by which he agreed to protect and not misuse Karma's Trade Secrets and Karma's other confidential and proprietary information.

308. Karma relied upon Yuan's false statement to its detriment.

309. In particular, Karma lost an opportunity to prevent Defendants from improperly usurping Project 88 and, ultimately, lost the project altogether due to its reliance upon Yuan's false statement.

310. Yuan made a further false statement of material fact that he knew was false when, on or about February 28, 2022, Yuan signed a "Termination Certification" stating that "I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . ." and that "I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information" of Karma.

311. Yuan knew this statement was false because he knew he had taken Karma's Trade Secrets and Karma's other confidential and proprietary information in connection with Reimagined and his attempts to secure a business venture with DMC and other parties.

312. Yuan's false statement was material because the protection of Karma's Trade Secrets and other confidential and proprietary information is of critical importance to Karma, as evidenced by the security measures it takes to protect those Trade Secrets and information, as described above.

313. Upon information and belief, Yuan intended for Karma to rely on his misrepresentation so that Karma would not investigate his misappropriation of Karma's Trade Secrets and Karma's other confidential and proprietary information until after Defendants had concluded their agreement with DMC and other parties.

314. Karma reasonably relied upon Yuan's statement, including because Yuan was a long-time, high-level employee of Karma who had signed the Yuan Agreements, by which he agreed to protect and not misuse Karma's Trade Secrets and Karma's other confidential and proprietary information.

315. Moreover, although Defendants' joint venture with DMC had been announced in the press prior to the termination of Yuan's employment, the February 23, 2022 Car and Driver article did not identify Yuan and Karma was not aware as of the date that Yuan signed the Termination Agreement that he was involved in Defendants' improper conduct.

316. Karma relied upon Yuan's false statement to its detriment.

317. In particular, Karma delayed in investigating Yuan's misappropriation of Karma's Trade Secrets and Karma's other confidential and proprietary information until after Yuan had improperly utilized that information to consummate an agreement with DMC and other parties.

318. As a result of Yuan's fraud, Karma has suffered damages in an amount to be determined at trial.

**COUNT TWELVE**  
**(Fraud Against Beetz)**

319. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 318 of this Complaint as if fully set forth herein.

320. Beetz made a false statement of material fact that he knew was false when, on or about February 28, 2022, Beetz signed a "Termination Certification" stating that "I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . ." and that "I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information" of Karma.

321. Beetz knew this statement was false because he knew he had taken Karma's Trade Secrets and Karma's other confidential and proprietary information in connection with Reimagined and his attempts to secure a business venture with DMC and other parties.

322. Beetz's false statement was material because the protection of Karma's Trade Secrets and other confidential and proprietary information is of critical importance to Karma, as evidenced by the security measures it takes to protect those Trade Secrets and information, as described above.

323. Upon information and belief, Beetz intended for Karma to rely on his misrepresentation so that Karma would not investigate his misappropriation of Karma's Trade Secrets and Karma's other confidential and proprietary information until after Defendants had concluded their agreement with DMC and other parties.

324. Karma reasonably relied upon Beetz's statement, including because Beetz was a high-level employee of Karma who had signed the Beetz Agreements, by which he agreed to protect and not misuse Karma's Trade Secrets and Karma's other confidential and proprietary information.

325. Karma relied upon Beetz's false statement to its detriment.

326. In particular, Karma delayed in investigating Beetz's misappropriation of Karma's Trade Secrets and Karma's other confidential and proprietary information until after Beetz had improperly utilized that information to consummate an agreement with DMC and other parties.

327. As a result of Beetz's fraud, Karma has suffered damages in an amount to be determined at trial.

**COUNT THIRTEEN**  
**(Fraud Against Harris)**

328. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 327 of this Complaint as if fully set forth herein.

329. Harris made a false statement of material fact that he knew was false when, on or about February 3, 2022, Harris signed a "Termination Certification" stating that "I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any aforementioned items belonging to Karma . . ." and that "I will preserve as confidential all trade secrets, confidential knowledge, data, or other proprietary information" of Karma.

330. Harris knew this statement was false because he knew he had taken Karma's Trade Secrets and Karma's other confidential and proprietary information in connection with Reimagined and his attempts to secure a business venture with DMC and other parties.

331. Harris' false statement was material because the protection of Karma's Trade Secrets and other confidential and proprietary information is of critical importance to Karma, as evidenced by the security measures it takes to protect those Trade Secrets and information, as described above.

332. Upon information and belief, Harris intended for Karma to rely on his misrepresentation so that Karma would not investigate his misappropriation of Karma's Trade Secrets and Karma's other confidential and proprietary information until after Defendants had concluded their agreement with DMC and other parties.

333. Karma reasonably relied upon Harris' statement, including because Harris was a trusted employee of Karma who had signed the Harris Agreements, by which he agreed to protect and not misuse Karma's Trade Secrets and Karma's other confidential and proprietary information.

334. Karma relied upon Harris' false statement to its detriment.

335. In particular, Karma delayed in investigating Harris' misappropriation of Karma's Trade Secrets and Karma's other confidential and proprietary information until after Harris had improperly utilized that information to consummate an agreement with DMC and other parties.

336. As a result of Harris' fraud, Karma has suffered damages in an amount to be determined at trial.

**INJUNCTIVE RELIEF**  
**(Preliminary and Permanent Injunction Against All Defendants)**

337. Karma hereby repeats and realleges each and every allegation contained in paragraphs 1 through 336 of this Complaint as if fully set forth herein.

338. As set forth above, Plaintiffs are likely to succeed, and will succeed, on the merits of their claims, because some or all of Defendants have breached their contractual obligations and fiduciary duties to Karma; usurped Karma's corporate opportunities tortiously interfered with

Karma's prospective business relationships; misappropriated the Karma's Trade Secrets; and committed fraud.

339. Karma is being irreparably harmed by, *inter alia*, the loss of a unique business opportunity and the misuse of the Karma's Trade Secrets by Defendants.

340. Karma has no adequate remedy at law because money damages are not sufficient to compensate Karma for the harms it is suffering and will continue to suffer absent injunctive relief, including the loss of a unique business opportunity and the ongoing misappropriation of the Karma's Trade Secrets.

341. The balance of the equities weighs heavily in Karma's favor because Defendants are willfully breaching their agreements with, and fiduciary duties to, Karma; willfully disregarding Karma's rights; and willfully misappropriating Karma's trade secrets.

342. By reason of the foregoing, Karma is entitled to an injunction preliminarily and permanently enjoining Defendants, their officers, partners, members, employees, agents, servants, attorneys, representatives, and all others acting under it or on its behalf, or in concert with it, known or unknown, from utilizing Karma's confidential, proprietary, and trade secret information for any purpose.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs respectfully request that this Court enter:

- (a) A Judgment that Defendants are liable under each of the Counts above, as applicable;
- (b) An Order preliminarily and permanently enjoining Defendants, their officers, partners, members, employees, agents, servants, attorneys, representatives, and all others acting under it or on its behalf, or in concert with it, known or unknown,

from utilizing Karma's confidential, proprietary, and trade secret information for any purpose;

- (c) An Order that Defendants return to Karma, and purge from their possession, custody, and control, any and all documents, computer-based files or data, or information in any form, whether originals, copies, compilations, or derivations, which were removed from Karma or Karma-owned computers issued to Individual Defendants by Karma, or which were obtained by Defendants or anyone acting on their behalf or in concert with them;
- (d) An Order that Defendants return any and all of Karma's Trade Secrets and other confidential and proprietary information, and an order prohibiting any further use or benefit from the use of such information;
- (e) An award of compensatory, consequential, economic, general, and special damages, as alleged above, in an amount and nature to be proven after the discovery of all relevant evidence and trial, including, without limitation:
  - a. actual damages,
  - b. lost profits,
  - c. disgorgement of profits and other ill-gotten gains,
  - d. reasonable royalties,
  - e. established royalties,
  - f. loss of value of the trade secrets,
  - g. head-start damages,
  - h. sweat equity damages,
  - i. avoided development costs, and/or

- j. unjust enrichment;
- (f) An award of compensatory damages to Karma in an amount to be determined at a hearing and/or trial including, but not limited to, the attorneys' fees, computer forensic fees, and costs Karma has incurred to investigate and address Defendants' unauthorized access and improper use of Karma's computers;
- (g) An Order directing Defendants to disgorge all gross revenues and profits that they or anyone acting in concert or participation with them received as a result of their wrongful conduct, in an amount to be determined at trial;
- (h) Based on the violations of the Defend Trade Secrets Act; the Texas Uniform Trade Secrets Act; and the Texas common law torts of tortious interference, breaches of fiduciary duty, and fraud; exemplary, punitive, exemplary and other monetary damages allowed by law and equity;
- (i) Based on the violations of the Defend Trade Secrets Act; the Texas Uniform Trade Secrets Act; and the Texas common law torts of tortious interference, breaches of fiduciary duty, and fraud; all statutory double and treble damages permitted by law;
- (j) An award of attorneys' fees pursuant to 18 U.S.C. § 1836(b)(3)(D) and/or the attorneys' fees provisions of the agreements between Karma and Individual Defendants;
- (k) Costs and expenses in this action;
- (l) Pre-judgment and post-judgment interest to the fully extent permitted by law; and

(m) Such further and other relief as this Court may deem just and proper.

Dated: August 8, 2022

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