

1 SEAN P. GATES (CA SBN 186247)
2 SGates@charislex.com
3 CHARIS LEX P.C.
4 301 N. Lake Ave., Suite 1100
Pasadena, California 91101
Telephone: 626.508.1717
Facsimile: 626.508.1730

5 Attorney for Plaintiff TESLA, INC.

6
7
8 **SUPERIOR COURT OF CALIFORNIA**
9 **COUNTY OF SANTA CLARA**

10 TESLA, INC.,

11 *Plaintiff,*

12 v.

13 RIVIAN AUTOMOTIVE, INC., RIVIAN
14 AUTOMOTIVE, LLC, TAMI PASCALE,
15 KIM WONG, JESSICA SIRON,
16 CARRINGTON BRADLEY, and
DOES 1-20.

17 *Defendants.*

Case No. 20CV368472

**COMPLAINT FOR INJUNCTIVE
RELIEF AND DAMAGES FOR:**

- 1. **VIOLATION OF THE UNIFORM
TRADE SECRETS ACT (CAL.
CIV. CODE § 3426 ET SEQ.);**
- 2. **BREACH OF CONTRACT; AND**
- 3. **INTENTIONAL INTERFERENCE
WITH CONTRACT.**

DEMAND FOR JURY TRIAL

1 Tesla, Inc. brings this action against Rivian Automotive, Inc., Rivian Automotive, LLC,
2 Tami Pascale, Kim Wong, Jessica Siron, Carrington Bradley, and Does 1-20 alleging upon
3 knowledge as to its own acts and upon information and belief with respect to all other matters, as
4 follows:

5 **THE NATURE OF THE ACTION**

6 1. This dispute stems from Rivian’s efforts to misappropriate Tesla’s trade secret,
7 confidential, and proprietary information by recruiting Tesla employees and encouraging them to
8 take such information as they leave Tesla.

9 2. Rivian is a small startup company seeking to enter the electric vehicle market. Tesla
10 is the world’s leading manufacturer of electric vehicles. Unsurprisingly, Rivian recruits heavily
11 from Tesla’s ranks, which, when done fairly, Tesla respects as legitimate competitive conduct.

12 3. Tesla has recently discovered, however, an alarming pattern among Tesla employees
13 recently leaving to join Rivian. As Tesla now knows, Rivian instructed one recently departing Tesla
14 employee about the types of Tesla confidential information that Rivian needs. Both Rivian and the
15 employee knew full well that taking such information would violate the employee’s non-disclosure
16 obligations to Tesla. Nonetheless, the employee expropriated for Rivian the exact information
17 Rivian sought—highly sensitive, trade secret information that would give Rivian a huge competitive
18 advantage.

19 4. Tesla has uncovered three additional employees similarly taking Tesla highly
20 valuable, confidential information as they left for Rivian. Two were questioned by Tesla’s
21 investigators, both falsely denied having taken anything. One of them actively interfered with
22 Tesla’s investigation. The third was not interviewed because the misappropriation was not
23 discovered until after he joined Rivian.

24 5. Tesla’s investigation is continuing, and Tesla has since identified two more former
25 Tesla employees who are now working for Rivian and who also likely misappropriated Tesla trade
26 secret, confidential, or proprietary information.

1 uncovered evidence that additional former Tesla employees now employed by Rivian likely have
2 misappropriated Tesla trade secret, confidential, or proprietary information.

3 16. Tesla refers in this Complaint to Tami Pascale, Kim Wong, Jessica Siron, and
4 Carrington Bradley collectively as the “Individual Defendants.” Tesla refers to the Individual
5 Defendants and Rivian, together, as “Defendants.”

6 17. Rivian has at least the following facilities in California:

- 7 a. Electric Power Conversion and Facilities, Carson, CA;
- 8 b. Battery Systems, Vehicle Dynamics, and Customer Experience, Irvine, CA
- 9 c. Digital Commerce and Cloud Connectivity, Palo Alto, CA; and
- 10 d. Autonomy and Vehicle Electronics, San Jose, CA.

11 **JURISDICTION AND VENUE**

12 18. This Court has jurisdiction over Defendant Rivian Automotive, Inc., which is
13 authorized to conduct, and in fact does conduct, business in California. Rivian Automotive, Inc. has
14 sufficient minimum contacts with this State, and otherwise purposely avails itself of the markets in
15 this State through the research, development, and manufacture of products in this State, and
16 employment of persons in this State, so as to render the exercise of jurisdiction by California courts
17 permissible under traditional notions of fair play and substantial justice.

18 19. This Court has jurisdiction over Defendant Rivian Automotive, LLC, which is
19 authorized to conduct, and in fact does conduct, business in California. Rivian Automotive, LLC
20 has sufficient minimum contacts with this State, and otherwise purposely avails itself of the markets
21 in this State through the research, development, and manufacture of products in this State, and
22 employment of persons in this State, so as to render the exercise of jurisdiction by California courts
23 permissible under traditional notions of fair play and substantial justice.

24 20. This Court has jurisdiction over the Individual Defendants because they are or were
25 California residents, this action arises out of their employment for Tesla while they were in
26 California, and they have transacted business in and have caused injury to Tesla in the State of
27 California. As discussed below, the Individual Defendants also breached agreements with Tesla that
28

1 provide for exclusive jurisdiction and venue in the state and federal courts in Santa Clara or San
2 Francisco Counties.

3 21. Venue is also proper in Santa Clara Superior Court because Tesla's headquarters is in
4 Santa Clara County. Thus, the injury to Tesla occurred in this County.

5 **FACTUAL ALLEGATIONS**

6 22. Tesla is an American company, founded in 2003, that designs, manufactures, and
7 sells electric cars, electric vehicle powertrain components, as well as scalable clean energy
8 generation and storage products in order to accelerate the world's transition to sustainable energy.
9 Tesla sells the successful Model 3, Model Y, Model S, and Model X vehicles, all with state of the art
10 automation systems. Tesla is also poised to enter the pickup truck market, with over 500,000
11 reservations for Tesla's highly anticipated Cybertruck.

12 23. Rivian is a prospective electric vehicle manufacturer that desires to bring to market a
13 truck and an SUV based on an electric drivetrain and level 3 automation. At the end of 2016, it had
14 about 100 employees. After several rounds of financing and investments, by mid-2019, it had about
15 1000 employees.

16 24. Tesla, as the world leader in electric vehicles and vehicle automation, is Rivian's
17 number one target from which to acquire information, including trade secret, confidential, and
18 proprietary information. To date, Rivian has hired 178 ex-Tesla employees, roughly 70 of which
19 joined Rivian directly from Tesla.

20 25. Thirteen of Rivian's recruiters are former Tesla employees. These recruiters are thus
21 familiar with the types of information to which Tesla employees have access and what information
22 would be useful to Rivian. They are also familiar with Tesla's several agreements, policies, and
23 practices that forbid Tesla employees, including former employees, from disclosing Tesla's
24 confidential and proprietary information to Tesla's competitors and other third parties.

25 **A. Tesla Vigorously Protects Its Confidential and Proprietary Information**

26 26. Tesla's innovation advantage has not come by accident. Tesla has spent more than a
27 decade recruiting talent, enabling that talent to thrive industriously and creatively, and then
28

1 protecting the fruits of this creative ecosystem by ensuring trade secret, confidential, and proprietary
2 information remains with Tesla and is not stolen by competitors.

3 27. Tesla has put in place a comprehensive set of policies and practices that robustly
4 protect its confidential and proprietary information. As a condition of employment, all Tesla
5 employees must sign the Tesla, Inc. Employee Nondisclosure And Inventions Assignment
6 Agreement (referred to herein as the “NDA” or “Non-Disclosure Agreement”). This NDA was
7 electronically signed by Pascale on December 16, 2017, Wong on September 1, 2017, Siron on
8 January 24, 2018, and Bradley on September 1, 2017.

9 28. Through the NDA, Tesla employees pledge, among other things, to not disclose
10 Tesla’s “Proprietary Information,” defined to include “all information, in whatever form and format,
11 to which I have access by virtue of and in the course of my employment,” and encompassing, as
12 relevant here, “technical data, trade secrets, know-how, ... plans, designs,... methods, processes, ...
13 data, programs, lists of or information relating to, employees, suppliers, ... financial information and
14 other business information.” NDA ¶ 1 (attached hereto as Exhibit A and incorporated herein).

15 29. Tesla employees also read and sign the Tesla Code of Ethics, which requires
16 employees to protect Tesla’s confidential or proprietary information and its trade secrets. Siron
17 signed the Tesla Code of Ethics on May 25, 2017. Pascale signed it on May 5, 2016. And Wong
18 signed it on June 7, 2017.

19 30. Tesla’s Internet Usage Policy and Technology Systems and Electronic
20 Communications Policy both specifically prohibit the unauthorized “transmitting, copying,
21 downloading, or removing” of Tesla trade secret, proprietary, or confidential business information.
22 Tesla also reminds employees that they “must not ... forward work emails outside of ... Tesla or to a
23 personal email account.”

24 31. In addition, Tesla secures its physical facilities by restricting access to authorized
25 personnel, and then monitoring actual access with security guards and cameras. Visitors to Tesla’s
26 facilities must check in with a receptionist or security guard, sign a nondisclosure agreement, and
27 submit to a photograph. Visitors must further be escorted by a Tesla employee at all times.
28

1 32. Tesla also protects its confidential, proprietary, and trade secret information with
2 stringent information security policies and practices. Tesla’s network and servers are password-
3 protected, firewall-protected, and accessible only to current Tesla employees with proper credentials.

4 33. In short, Tesla takes extensive measures to ensure that its trade secret, confidential,
5 and proprietary information cannot be wrongfully misappropriated by other companies that seek to
6 evade the hard work of innovation themselves.

7 **B. Rivian Hires Former Tesla Employees Who Steal Tesla’s Trade Secret,**
8 **Proprietary, and Confidential Information and Encourages Their Theft**

9 34. Rivian is knowingly encouraging the misappropriation of Tesla’s trade secret,
10 confidential, and proprietary information by Tesla employees that Rivian hires. In about the past
11 week, Tesla has discovered a disturbing pattern of employees who are departing for Rivian
12 surreptitiously stealing Tesla trade secret, confidential, and proprietary information—information
13 that is especially useful for a startup electric vehicle company. And Rivian encourages those thefts
14 even though Rivian is well aware of Tesla employees’ confidentiality obligations. In fact, 13 Rivian
15 recruiters are from Tesla, and they themselves are still subject to Tesla’s confidentiality obligations.

16 **1. Kim Wong and Duran’s Instructions**

17 35. Defendant Kim Wong worked at Tesla as Staff Recruiter until she left to work for
18 Rivian. Earlier this year, Wong was contacted by Vince Duran at Rivian, who had been her manager
19 when he was at Tesla. Duran recruited Wong to join Rivian. She accepted Rivian’s offer of
20 employment on June 30, 2020.

21 36. Before Wong left Tesla, *Duran instructed her that Rivian did not have the recruiting*
22 *templates, structures, formulas, or documents that would be needed for Rivian’s recruitment efforts.*
23 Such information and documents, as Wong admitted, would be particularly useful for Rivian as a
24 start-up that was currently building a sales force.

25 37. On July 7, 2020, after her conversation with Duran and the same day that Wong
26 received an update on her background check by Rivian, she sent at least sixteen highly confidential
27 and trade secret recruiting documents from Tesla’s network to her Gmail account, including various
28

1 guides and templates developed by Tesla—the very types of documents that Duran had instructed
2 her that Rivian needed.

3 38. The information Wong took from Tesla included highly sensitive details regarding
4 Tesla’s high-volume recruiting process, providing a roadmap for recruiting and building out a large
5 manufacturing or vehicle service workforce. By way of example, these files included: “Group
6 Interview Process.pptx,” which included statistics on Tesla hiring pipelines for sales positions and
7 detailed information about Tesla’s hiring process, which was marked “Proprietary and Confidential
8 Business Information;” and “Interview Training Guide – Final 6.8.pptx,” which contained extensive
9 confidential information about Tesla’s recruiting tactics and strategies, and was also marked
10 “Proprietary and Confidential Business Information.” This information represents years of
11 accumulated Tesla confidential know-how.

12 39. Even more harmful to Tesla, Wong took highly sensitive trade secret compensation
13 and bonus information for Tesla sales personnel for use at Rivian—including base pay rates, target
14 bonuses, new hire equity awards, and incentive-based compensation numbers. For example, the
15 “Tesla Advisor Overview” document that she took had salary rates, equity grants, bonus tiers, and
16 fluctuations therein for various positions and performance levels. Knowing Tesla’s pay scales would
17 provide Rivian a huge competitive advantage in its efforts to poach Tesla’s vehicle sales and service
18 employees as Rivian builds out its business. This also would allow Rivian to unfairly avoid the hard
19 work of developing through trial and error comparably effective compensation structures.

20 40. The confidential documents and information that Wong misappropriated represent the
21 fruits of years of efforts by Tesla to develop recruiting materials, recruiting processes, and
22 compensation structures.

23 41. On information and belief, Wong will begin work at Rivian shortly and has faced no
24 consequences for her misappropriation of Tesla’s trade secret, confidential, and proprietary
25 information.

26 2. Tami Pascale

27 42. Defendant Tami Pascale worked at Tesla as a Senior Manager for Staffing until she
28 left to work for Rivian. On or around June 23, 2020, Pascale received and signed an offer letter from

1 Rivian. The very next day, on June 24, 2020, Pascale took at least ten confidential and proprietary
2 documents from Tesla’s network, which would allow Rivian to poach Tesla’s highest-performing
3 talent and promising employment prospects.

4 43. The files include trade secret, confidential, and proprietary information related to
5 Tesla recruiting, including candidate lists, Tesla recruiting organizational charts, information about
6 Tesla recruiters, companies from which Tesla sources candidates, and additional Tesla forms and
7 templates. For example, Pascale took Tesla presentation decks with detailed information on Tesla’s
8 candidate pipeline for senior-level operations managers, including a detailed internal write-up of an
9 executive level candidate. She also took presentations that identified high-performing Tesla
10 employees, summaries of Tesla candidates and hires, and information on Tesla’s best recruiters.
11 Another presentation set forth a “heat map” showing the best recruiting sources for Tesla,
12 summarizing the results of years of trial and error by Tesla to identify and verify these sources.

13 44. The information taken by Pascale for use at Rivian would allow Rivian to unfairly
14 target the best Tesla employees and candidates and would allow Rivian to benefit from Tesla’s hard
15 work identifying, for an electric vehicle manufacturer, the best sources for recruiting.

16 45. Tesla investigators discovered the misappropriation and interviewed Pascale by
17 phone on July 6, 2020. Pascale falsely denied taking any documents from Tesla. When pressed, she
18 continued her denial, claiming to only have taken personal documents. Only after investigators
19 confronted her with specific documents she had taken, Pascale finally confessed to taking the
20 confidential and proprietary documents.

21 46. When asked to work with one of the Tesla investigators to delete Tesla’s documents
22 from her personal cloud-based storage, Pascale declined, claiming she did not have access to a
23 computer at her residence. In fact, as Tesla later learned, Pascale still had possession of her Tesla
24 laptop—and her husband is an IT professional.

25 47. After a back and forth, Pascale shared the screen of her phone and claimed she had
26 already deleted the documents. Throughout this process, however, Pascale stopped screen sharing
27 several times, preventing Tesla investigators from seeing what she was doing. Investigators
28 eventually convinced Pascale to search for “Tesla.” When she did, numerous files were briefly

1 visible to Tesla investigators via the screen share, but Pascale abruptly ended the session and said all
2 the remaining files were personal. She then refused to cooperate with any deletions.

3 48. This is even more concerning because Pascale, contrary to Tesla's demands, has kept
4 her Tesla laptop. Tesla demanded she return her laptop immediately following the interviews, yet as
5 of the filing of this complaint, the laptop still has not been returned.

6 49. Pascale's laptop contains a host of Tesla trade secret, confidential, and proprietary
7 information. But Tesla cannot secure that information from Pascale and Rivian even now.

8 50. On information and belief, Pascale currently works for Rivian and has faced no
9 consequences for her misappropriation of Tesla's trade secret, confidential, and proprietary
10 information.

11 3. Jessica Siron

12 51. Defendant Jessica Siron worked at Tesla as Manager, Environmental Health and
13 Safety, where she oversaw safety operations. On or around March 21, 2020, Siron signed an offer
14 letter from Rivian. Just three days later, on March 24, 2020, Siron used her Tesla-issued laptop to
15 access several confidential and proprietary documents from the EHS fileshare and other locations on
16 the Tesla network. Siron then sent the documents to her personal Gmail account and, afterward,
17 tried to delete them from her desktop computer.

18 52. These documents consisted of highly sensitive trade secret, confidential, and
19 proprietary engineering information about manufacturing project management, controls
20 specifications for manufacturing equipment, specifications regarding manufacturing robotics, and
21 manufacturing equipment requirements. These documents would be used rarely, if at all, by Siron as
22 a manager of Environmental Health and Safety, yet she exported them shortly after accepting her
23 offer at Rivian.

24 53. On the other hand, these documents would be incredibly helpful to a startup electric
25 vehicle manufacturer such as Rivian and would provide a playbook for Rivian to set up
26 manufacturing operations for building electric vehicles. For example, one of the documents,
27 "Procedure Equipment Design," provides a detailed, step-by-step guidebook for the start-to-finish
28 management of the incredibly complex task of installing and setting up manufacturing and

1 automation processes. The confidential guidebook would provide a huge advantage to Rivian as it
2 seeks to ramp up its manufacturing capabilities.

3 54. Another confidential document taken by Siron, Tesla’s “Equipment Mechanical
4 Requirements,” provided detailed manufacturing guidelines developed by Tesla through years of
5 experience. The guidelines include such hard-learned lessons as what types of steel and fasteners to
6 use for different components, what manufacturing tolerances are optimal, tooling design, and a host
7 of other manufacturing process details.

8 55. When confronted by Tesla investigators, Siron confirmed that she was leaving for a
9 senior position at Rivian where she would set up their EHS program, but falsely denied taking any
10 confidential or proprietary information from Tesla. Even after investigators showed Siron the
11 documents she had taken, Siron still denied taking or accessing them. When pressed even further,
12 she finally admitted to sending only one confidential document to herself and claimed no knowledge
13 of the rest.

14 56. On information and belief, Siron currently works for Rivian and has faced no
15 consequences for her misappropriation of Tesla’s trade secret, confidential, and proprietary
16 information.

17 4. Carrington Bradley

18 57. Defendant Carrington Bradley worked at Tesla as Manager for Charging Programs
19 until he left for Rivian on March 20, 2020. Mr. Bradley’s role at Rivian is Senior Manager for
20 Charging Development—presumably to build a charging network for Rivian to mimic Tesla’s
21 Supercharger network.

22 58. To help build out Rivian’s charging network, Rivian has heavily recruited Tesla
23 employees with expertise in charging and modeling. But experts in charging and modeling are only
24 part of the team needed to build a charging network, Rivian also needs experts in the deployment
25 and management of a charging network.

26 59. On March 19, 2020, the day before he left Tesla to go to Rivian, Bradley forwarded
27 to his personal email address a list of a highly curated select group of high-level Tesla employees
28 who are experts in the deployment and management of charging networks—precisely the type of

1 team Rivian needs to deploy its own charging network. The information would allow Rivian to
2 target for recruitment the members of that group, which is responsible for the selection, deployment,
3 and management of Tesla’s global Supercharger network.

4 60. Tesla spent considerable time and effort recruiting the members of this select group.
5 The list of members is confidential.

6 61. Soon after Bradley began working for Rivian, members of this select group were
7 recruited by Rivian.

8 62. On information and belief, Bradley currently works at Rivian, and has faced no
9 consequences for his misappropriation of Tesla’s trade secret, confidential, and proprietary
10 information.

11 **5. Rivian’s Response to Tesla’s Concerns**

12 63. Rivian’s complicity in the misappropriation further became evident when Tesla
13 confronted Rivian about it. On July 10, 2020, Tesla sent a letter to Rivian describing the thefts of
14 information by Pascale, Wong, and Siron. In a phone call on July 15, 2020 between the Rivian
15 Associate General Counsel, Ash Zahr, and Tesla Vice President of Legal, Al Prescott, and Deputy
16 General Counsel, Lynn Miller, Mr. Zahr admitted that in the almost five days since Tesla’s letter,
17 Rivian had only talked with a single employee about the allegations, who confirmed that she had
18 misappropriated Tesla documents. Nonetheless, Mr. Zahr indicated that Rivian was satisfied with
19 this employee based on her say-so that she deleted everything—despite the confirmed
20 misappropriation of Tesla trade secret information and the history of false denials when questioned
21 about these takings.

22 64. Mr. Zahr also stated several times that he was confident that nothing would be found
23 when Rivian reviewed its computer systems, which he described as “primitive,” for Tesla
24 information—after just the one interview where the misappropriation was *confirmed* and where he,
25 inconsistently, claimed that taking confidential information was common in the industry.

26 65. Mr. Zahr’s cavalier attitude about the misappropriation—even after Tesla raised the
27 alarm—and the clear message that Rivian planned to advise Tesla that there was no problem
28 regardless of what their employees had done left Tesla no choice but to bring this lawsuit.

1 **C. Possible Additional Violations**

2 66. About 70 Tesla employees joined Rivian directly from Tesla, with 22 of those leaving
3 in the last four months. Using recently acquired sophisticated electronic security monitoring tools,
4 Tesla investigators were able to catch four of those employees red-handed. Tesla’s continuing
5 investigation has revealed information showing that at least two other employees likely took trade
6 secret, confidential, and proprietary information from Tesla as they were leaving to go to Rivian.

7 67. These likely misappropriations would only be for the purpose of Rivian gaining an
8 unfair advantage. None had any legitimate reason to export the information out of Tesla, much less
9 as they were leaving for Rivian, and did so for Rivian’s use. One of the two former employees not
10 yet named even took confidential and proprietary Tesla materials that were unrelated to her job, but
11 which would be very useful to recruiters at Rivian as they sought to build Rivian’s work force.

12 68. Others Tesla employees, who left before the new security tools or who were stealthier
13 in taking Tesla information, would also have been able to evade the investigators.

14 **D. The Stolen Tesla Documents Were Trade Secret, Confidential, and Proprietary,**
15 **and Their Misappropriation Has Damaged Tesla**

16 69. The information misappropriated by Defendants allows Rivian to copy significant
17 parts of Tesla’s work in key areas, without investing the substantial effort, time, and resources that
18 Rivian would need to develop these systems on its own. This is information that Tesla does not
19 make available to competitors or to the public.

20 70. The trade secret, confidential, and proprietary Tesla information specifically
21 exfiltrated by Defendants has independent value from being not generally known and the
22 information in them could not be readily ascertainable through proper means. That is not only
23 objectively the case, but the fact that former employees of Tesla took such risks to steal these
24 documents further demonstrates their value.

25 **FIRST CAUSE OF ACTION**
26 **Violation of Uniform Trade Secrets Act (Against all Defendants)**

27 71. Tesla incorporates the preceding paragraphs of this Complaint as if fully set forth
28 herein.

1 72. Tesla’s engineering documents regarding manufacturing project management,
2 manufacturing equipment requirements, and manufacturing specifications constitute trade secrets as
3 described above and as defined by California’s Uniform Trade Secrets Act.

4 73. Tesla’s salary rates, equity grants, bonus tiers, and fluctuations therein for various
5 positions and performance levels, base pay rates, target bonuses, new hire equity awards, and
6 incentive-based compensation structures and targets also constitute trade secrets as described above
7 and as defined by California’s Uniform Trade Secrets Act.

8 74. In addition, the Tesla information regarding its recruits, hires, best-performing
9 employees, and best sources of recruitment constitute trade secrets as described above and as defined
10 by California’s Uniform Trade Secrets Act.

11 75. Tesla keeps the trade secret information alleged in this Complaint confidential and
12 has undertaken reasonable efforts to maintain the secrecy of the trade secrets at issue, as discussed
13 above. Tesla’s trade secret information described herein derives independent economic value from
14 not being generally known to the public or others who could obtain economic value from their
15 disclosure or use (such as competitors).

16 76. Such confidential information constitutes trade secrets within the meaning of
17 California Civil Code Section 3426.1.

18 77. Defendant Rivian misappropriated Tesla’s trade secret information at least by
19 acquiring such information improperly through the Individual Defendants in violation of those
20 individuals’ duties of confidentiality to Tesla and in breach of their NDAs, Tesla Code of Ethics, and
21 other agreements with Tesla.

22 78. Defendants knew or should have known under the circumstances that the information
23 misappropriated was trade secret information.

24 79. Defendants’ misconduct detailed herein constitutes misappropriation of Tesla’s trade
25 secrets and violates Sections 3426 *et seq.* of the California Civil Code. As a direct and proximate
26 result of Defendants’ conduct, Tesla has been damaged in amount to be proven at trial. Tesla has
27 also incurred, and will continue to incur, additional damages, costs and expenses, including
28

1 attorneys' fees, as a result of Defendants' misappropriation. As a further proximate result of the
2 misappropriation and use of Tesla's trade secrets, Defendants were unjustly enriched.

3 80. Pursuant to Section 3426.2 of the California Civil Code, Tesla is entitled to an
4 injunction to prohibit Defendants from using, disclosing and/or otherwise benefiting from Tesla's
5 trade secrets; to eliminate any commercial advantage that Defendants may otherwise derive from
6 their misappropriation; and to require Defendants to immediately return to Tesla all confidential
7 information, documents, and any other misappropriated materials.

8 81. Pursuant to Section 3426.3 of the California Civil Code, Tesla is entitled to recover
9 its damages incurred by virtue of Defendants' wrongful misappropriation of their trade secrets, in
10 addition to disgorgement of all amounts by which Defendants have been unjustly enriched or the
11 payment of a reasonable royalty, in an amount to be proven at trial.

12 82. In performing the conduct described herein, Defendants acted willfully and
13 maliciously, intending to injure Tesla and to wrongfully obtain an advantage at Tesla's expense.
14 Pursuant to Section 3426.3 of the California Civil Code, Tesla is entitled to all remedies available
15 under the law to compensate Tesla, including but not limited to an award of exemplary damages
16 against Defendants.

17 83. Pursuant to Section 3426.4 of the California Civil Code, Tesla is also entitled to an
18 award of its attorneys' fees and costs incurred in this action.

19 **SECOND CAUSE OF ACTION**
20 **Breach of Contract (Against the Individual Defendants)**

21 84. Tesla incorporates the preceding paragraphs of this Complaint as if fully set forth
22 herein.

23 85. In connection with their employment at Tesla, the Individual Defendants entered into
24 several agreements, including but not limited to an NDA, in the form of Exhibit A, attached hereto,
25 and the Tesla Code of Ethics. These confidentiality obligations were periodically reinforced by Tesla
26 throughout the Individual Defendants' employment.

27 86. Tesla performed all its obligations under the NDAs, the Tesla Code of Ethics, and
28 other agreements with Tesla that impose duties of confidentiality on Tesla employees.

1 assisted, encouraged, and/or participated in this conduct, with the goal of acquiring Tesla's
2 confidential or proprietary information to shortcut the hard work of building an innovative company.
3 In doing so, Rivian was able to acquire valuable and confidential Tesla business information to help
4 Rivian set up electric vehicle manufacturing facilities and recruit and hire highly skilled workers in
5 the automotive space. On information and belief, Rivian has misappropriated additional valuable
6 trade secret, confidential, and proprietary Tesla business information on other topics as well that may
7 enable Rivian to more easily set up a competing electric automotive business.

8 94. To acquire this information from Tesla, Rivian intentionally induced and encouraged
9 Tesla employees—including without limitation the Individual Defendants—to breach their contracts
10 with Tesla.

11 95. Rivian's actions caused the Individual Defendants to breach their NDAs and other
12 obligations to Tesla. Because of Defendants' conduct, Tesla has suffered damages and will continue
13 to suffer further damages that it would not have suffered absent Defendants' misconduct. Such
14 damages cannot presently be ascertained with precision.

15 96. The aforementioned conduct has been despicable, wanton, oppressive, willful,
16 malicious, duplicitous, and performed with conscious disregard of Tesla's rights and intending to
17 injure Tesla and cause it harm. Tesla thus requests an award of punitive and exemplary damages.

18 **PRAYER FOR RELIEF**

19 WHEREFORE, Tesla respectfully prays for judgment against Defendants, and each of them,
20 as follows:

- 21 1. That the Court issue a preliminary and permanent injunction ordering the return of
22 Tesla's confidential, proprietary, and trade secret information, requiring removal and/or
23 destruction of any and all of Tesla's confidential, proprietary, and trade secret
24 information in the possession, custody or control of Defendants, and enjoining
25 Defendants, their successors, officers, agents, and employees, and anyone acting in
26 concert with or at their behest, from further breaching their agreements with Tesla and/or
27 further accessing or using this information in any way and from any further
28 misappropriation of Tesla's confidential, proprietary, and trade secret information.

- 1 2. That Tesla be awarded its actual and consequential damages according to proof at trial;
- 2 3. That Tesla be awarded prejudgment interest to the fullest extent available under
- 3 applicable law;
- 4 4. That Tesla be awarded Defendants' unjust enrichment and restitution to the fullest extent
- 5 available under applicable law;
- 6 5. That Tesla be awarded reasonable royalties to the fullest extent available under applicable
- 7 law;
- 8 6. That Tesla be awarded punitive, enhanced, and/or exemplary damages, including but not
- 9 limited to doubled damages and unjust enrichment under Cal. Civ. Code Section 3426, to
- 10 the fullest extent available under applicable law;
- 11 7. That Tesla be awarded reasonable attorneys' fees and costs to the fullest extent available
- 12 under applicable law;
- 13 8. That Tesla be awarded such other injunctive and provisional remedies, as appropriate, as
- 14 well as an accounting to the fullest extent available under applicable law; and
- 15 9. That Tesla be granted such other and further relief as the Court deems just and proper.

16
17 **JURY DEMAND**

18 Tesla hereby demand trial by jury of all claims and issues presented in this complaint.

19 Dated: July 17, 2020

CHARIS LEX P.C.

20
21 By: 
22 Sean P. Gates

23 Attorneys for Defendants
24 Tesla, Inc.

Exhibit A

TESLA, INC. EMPLOYEE NON-DISCLOSURE AND INVENTIONS ASSIGNMENT AGREEMENT

In consideration of my employment or continued employment by TESLA, INC. (collectively with its divisions, subsidiaries and affiliates, the “*Company*”) and the compensation now and hereafter paid to me, I agree as follows:

1. **PROPRIETARY INFORMATION.** At all times during my employment and thereafter, I will hold in strictest confidence and will not disclose, use, lecture upon or publish any of the Company’s Proprietary Information (defined below), except as such disclosure, use or publication may be required in connection with my work for the Company, or unless an officer of the Company expressly authorizes such in writing. “*Proprietary Information*” shall mean all information, in whatever form and format, to which I have access by virtue of and in the course of my employment by the Company. Proprietary Information includes without limitation technical data, trade secrets, know-how, research and development, products, features, concepts, ideas, plans, designs, formulas, methods, processes, discoveries, improvements, source and object codes, data, programs, lists of or information relating to, employees, suppliers, and customers, financial information and other business information, Inventions, and works of authorship. Notwithstanding the foregoing, Proprietary Information excludes any information that is or lawfully becomes part of the public domain. I agree that, in any dispute related to this Agreement, I will bear the burden of proving by clear and convincing evidence the applicability of this exclusion. This Agreement is intended to supplement, and not to supersede, any rights the Company may have in law or equity with respect to the protection of trade secrets or confidential or proprietary information.

2. **ASSIGNMENT OF INVENTIONS.**

2.1 **Proprietary Rights.** The term “*Proprietary Rights*” shall mean all trade secret, patent, copyright, mask work, and other intellectual property rights throughout the world, including any registrations of or applications to register such rights.

2.2 **Moral Rights.** The term “*Moral Rights*” shall mean any rights to claim authorship of or credit on any Company Inventions (defined below), to object to or prevent the modification or destruction of any Company Inventions, or to withdraw from circulation or control the publication or distribution of any Company Inventions, and any similar right, existing

under judicial or statutory law of any country or subdivision thereof in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a “moral right.”

2.3 **Inventions.** The term “*Inventions*” shall mean any idea, concept, discovery, invention, development, research, technology, work of authorship, trade secret, software, firmware, content, audiovisual material, tool, process, technique, know-how, data, plan, device, apparatus, specification, design, prototype, circuit, layout, mask work, algorithm, program, code, documentation, or other material or information, tangible or intangible, whether or not it may be patented, copyrighted, trademarked, or otherwise protected (including all versions, modifications, enhancements, improvements, and derivative works thereof).

2.4 **Prior Inventions.** I have set forth on **Exhibit A, PRIOR INVENTIONS DISCLOSURE, to this Agreement** a complete list of all inventions that I have, alone or jointly with others, conceived, developed, or reduced to practice prior to the commencement of my employment with the Company, that I consider to be my property or the property of third parties and that I wish to have excluded from the scope of this Agreement (collectively referred to as “*Prior Inventions*”). If no such disclosure is attached, I represent that there are no Prior Inventions. If, in the course of my employment with the Company, I incorporate a Prior Invention into a Company product, process, or machine, the Company is hereby granted a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license (with rights to sublicense through multiple tiers of sublicensees) to make, have made, modify, use, copy, distribute, and sell such Prior Invention. Notwithstanding the foregoing, I agree that I will not incorporate, or permit to be incorporated, Prior Inventions in any Company Inventions without the Company’s prior written consent.

2.5 **Labor Code Section 2870 Notice.** I have been notified and understand that the provisions of Section 2.6 of this Agreement do not apply to any Company Invention (defined below) that qualifies fully as a nonassignable invention under the provisions of Section 2870 of the California Labor Code, which states:

ANY PROVISION IN AN EMPLOYMENT AGREEMENT WHICH PROVIDES THAT AN EMPLOYEE SHALL ASSIGN, OR OFFER TO ASSIGN, ANY OF HIS OR HER RIGHTS IN AN INVENTION TO HIS OR HER EMPLOYER SHALL NOT APPLY TO AN INVENTION THAT THE EMPLOYEE DEVELOPED ENTIRELY ON HIS OR HER OWN TIME WITHOUT USING THE

EMPLOYER'S EQUIPMENT, SUPPLIES, FACILITIES, OR TRADE SECRET INFORMATION EXCEPT FOR THOSE INVENTIONS THAT EITHER: (1) RELATE AT THE TIME OF CONCEPTION OR REDUCTION TO PRACTICE OF THE INVENTION TO THE EMPLOYER'S BUSINESS, OR ACTUAL OR DEMONSTRABLY ANTICIPATED RESEARCH OR DEVELOPMENT OF THE EMPLOYER; OR (2) RESULT FROM ANY WORK PERFORMED BY THE EMPLOYEE FOR THE EMPLOYER. TO THE EXTENT A PROVISION IN AN EMPLOYMENT AGREEMENT PURPORTS TO REQUIRE AN EMPLOYEE TO ASSIGN AN INVENTION OTHERWISE EXCLUDED FROM BEING REQUIRED TO BE ASSIGNED UNDER CALIFORNIA LABOR CODE SECTION 2870(a), THE PROVISION IS AGAINST THE PUBLIC POLICY OF THIS STATE AND IS UNENFORCEABLE.

2.6 Works for Hire; Assignment of Inventions. I acknowledge and agree that all original works of authorship which are made by me (solely or jointly with others) within the scope of my employment and which are protectable by copyright are "works for hire" under the U.S. Copyright Act and that the Company will be considered the author and owner of such works. I further agree to assign, and do hereby assign, to the Company all my right, title and interest in and to any and all Inventions that (i) are developed using equipment, supplies, facilities, trade secrets, or Proprietary Information of the Company, (ii) result from work performed by me for the Company, or (iii) relate at the time of conception or reduction to practice of the invention to the Company's business, or actual or demonstrably anticipated research and development of the Company (the "**Company Inventions**"). I agree to assign, and do hereby irrevocably transfer and assign, to the Company all Proprietary Rights and Moral Rights in or with respect to any Company Inventions. I forever waive and agree never to assert any and all Moral Rights I may have in or with respect to any Company Inventions, even after termination of my work on behalf of the Company.

2.7 Obligation to Keep Company Informed. During the period of my employment and for twelve (12) months after the termination of my employment with the Company, I will promptly and fully disclose in writing to the Company all Inventions authored, conceived, or reduced to practice by me, either alone or jointly with others, in connection with, derived

from, or as a result of the work performed by me during my employment with the Company, or any Proprietary Information to which I had access during or as a result of my employment with the Company. In addition, I acknowledge and agree that all patent applications for such Inventions that are filed by me or on my behalf, whether during my employment or after termination of my employment, are subject to this Agreement and belong to the Company. At the time of each such disclosure, I will advise the Company in writing of any Inventions that I believe fully qualify for protection under Section 2870 of the California Labor Code and will provide to the Company in writing all evidence necessary to substantiate that belief.

2.8 Notice to Third Parties. During and after the term of my employment, the Company may, with or without prior notice to me, notify third parties of my agreements and obligations under this Agreement.

2.9 Assistance. I agree to assist in every proper way and to execute those documents and to take such acts as are reasonably requested by the Company to obtain, sustain, and from time to time enforce patents, copyrights, and other rights and protections relating to Company Inventions in the United States or any other country. I hereby irrevocably designate and appoint the Secretary of the Company as my attorney-in-fact, which appointment is coupled with an interest, to act for and in my behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this paragraph with the same legal force and effect as if executed by me. My obligations under this paragraph will continue beyond the termination of my employment with the Company for any reason, provided that the Company will compensate me at a reasonable rate after such termination for time or expenses actually spent by me at the Company's request on such assistance.

3. RECORDS. I agree to keep and maintain adequate and current written records of all Inventions made by me during the period of my employment at the Company, which records shall be available to and remain the sole property of the Company at all times. I will promptly disclose all such Inventions in writing to the Company and will supplement any such disclosures to the extent the Company may request. If I have any doubt as to whether or not to disclose an Invention to the Company, I will disclose it.

4. RETURN OF COMPANY RECORDS. Upon the termination of my employment for any reason, or at such earlier time as the Company may request, I shall immediately return to the Company all originals and copies of all hard copy and electronic documents, files

and other property of the Company in my possession or control or to which I may have access, including all records referred to in Section 3 above, regardless of the storage medium (e.g., internal or external hard drives, solid-state drives, USB flash drives, flash memory cards, and cloud storage).

5. NO CONFLICTING OBLIGATIONS. I represent that my performance of this Agreement and as an employee of the Company does not and will not breach any agreement to keep in confidence information acquired by me in confidence or in trust prior to my employment by the Company. Without limiting the foregoing, I agree that during my employment by the Company I will not improperly use or disclose any confidential information or trade secrets of any former employer or any other person to whom I have an obligation of confidentiality; I will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom I have an obligation of confidentiality unless consented to in writing by that former employer or person; and I will use in the performance of my duties only information which is generally known and used by persons with training and experience comparable to my own, is common knowledge in the industry or otherwise in the public domain, or is otherwise provided or developed by the Company. I have not entered into and will not enter into any agreement or understanding, either written or oral, in conflict herewith.

6. LEGAL AND EQUITABLE REMEDIES. I acknowledge and agree that violation of this Agreement by me may cause the Company irreparable harm and that the Company shall therefore have the right to enforce this Agreement and any of its provisions by injunction, specific performance, or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement.

7. NOTICES. Any notices required or permitted hereunder shall be given to the appropriate party at the address specified below or at such other address as the party shall specify in writing. Such notice shall be deemed given upon personal delivery to the appropriate address or, if sent by certified or registered mail, three (3) days after the date of mailing.

8. EMPLOYMENT. I understand and agree that nothing in this Agreement shall confer any right with respect to continuation of employment, nor shall it interfere in any way with my right or the Company's right to terminate my employment at any time, with or without cause.

9. NON-SOLICITATION.

9.1 During and after the termination of my employment with the Company, I will not directly or indirectly solicit or otherwise take away customers or suppliers of the Company if, in so doing, I use or disclose any of the Company's trade secrets, including without limitation the non-public names and addresses of the Company's customers and suppliers and/or other confidential information related to them, including their buying and selling habits and special needs.

9.2 I acknowledge that the Company has invested, and will continue to invest, significant time and money to recruit and retain its employees. I recognize that in the course of my employment I have obtained or will obtain valuable information about the Company's employees and contractors, and their respective talents and areas of expertise.

9.2.1 I agree that during the term of my employment and for twelve (12) months thereafter, I will not directly or indirectly, for my own account or for others, solicit (or assist another in soliciting) for employment or for the performance of services any Company employee or contractor with whom I had contact or of whom I became aware during the period of my employment. Nor will I, for my account or for others, in any way induce or attempt to induce any such individual to terminate his or her employment by or performance of services for the Company.

9.2.2 During and after the termination of my employment with the Company, I will not directly or indirectly hire or otherwise take away any of the Company's employees (as an employee or an independent contractor) if, in so doing, I use or disclose any of the Company's trade secrets, including without limitation the non-public names and addresses of the Company's employees and/or other confidential information related to them, including their skills, experience, current projects or assignments for the Company and specialized experience in Company technology and Inventions.

10. 18 U.S.C. § 1833 NOTICE. I have been given notice of the immunity provided by 18 U.S.C. § 1833(b)(1), which provides:

IMMUNITY. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made- (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely

for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

11. GENERAL PROVISIONS.

11.1 This Agreement will be governed by and construed according to the laws of the State of California, as such laws are applied to agreements entered into and to be performed entirely within California between California residents. I agree to submit to the jurisdiction of, and that exclusive jurisdiction over and venue for any action or proceeding arising out of or relating to this Agreement shall lie, in the state and federal courts located in Santa Clara or San Francisco Counties, California.

11.2 If any provision of this Agreement is found to be excessively broad as to duration, geographical scope, activity or subject, such provision shall be construed or reformed by limiting and reducing it to the extent required to render it enforceable under applicable law. If any provision of this Agreement is found to be invalid, illegal or unenforceable and cannot be construed so as to render it enforceable, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. Nothing in this Agreement is intended to restrict, or shall be interpreted as restricting, my right to engage in activity protected by Section 7 of the National Labor Relations Act or any other applicable state or federal law.

11.3 The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by the Company to any successor in interest or other assignee. This Agreement will be binding upon my heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. The Company may assign any of its rights or obligations under this Agreement

11.4 No waiver by the Company of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by the Company of any right under this Agreement shall be construed as a waiver of any other right.

11.5 This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior

or contemporaneous discussions or agreements between us regarding such subject matter. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the party to be charged.

11.6 Any subsequent change or changes in my duties, salary or compensation will not affect the validity or scope of this Agreement. This Agreement shall be effective as of the first day of my employment with the Company.

Dated: _____

(Signature)

(Printed Name)

(Address)

Exhibit A

TO: Tesla, Inc.
FROM: _____
DATE: _____
SUBJECT: Prior Invention

1. **Except as listed in Section 2 below**, the following is a complete list of all inventions or improvements that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my engagement by the Company:

Additional sheets attached.

2. Due to a prior confidentiality agreement, I cannot complete the disclosure under Section 1 above with respect to inventions or improvements generally listed below, the proprietary rights and duty of confidentiality with respect to which I owe to the following party(ies):

	Invention or Improvement	Party(ies)	Relationship
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

Additional sheets attached.

***** WARNING** - If you sign (or eSign) this document and do **not** fill in anything in sections 1 or 2 on Exhibit A, we assume that you do not have any inventions.