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Steven D. Grierson CLERK OF THE COURT 1 **COMP** G. MARK ALBRIGHT, ESQ. 2 Nevada Bar No. 001394 DANIEL ORMSBY, ESQ. 3 Nevada Bar No. 014595 CASE NO: A-22-850949-C ALBRIGHT, STODDARD, WARNICK & ALBRIGHT 4 801 South Rancho Drive, Suite D-4 5 Las Vegas, Nevada 89106 T: (702) 384-7111 6 F: (702) 384-0605 gma@albrightstoddard.com 7 dormsby@albrightstoddard.com Attorneys for Plaintiff 8 9 DISTRICT COURT 10 **CLARK COUNTY, NEVADA** 11 FANPLACE, LLC, a Nevada Limited-CASE NO.: Liability Company; DEPT. NO.: 12 13 Plaintiff, 14 VS. 15 AMANDA RIEKERT, an individual; DOES 16 I-X; and ROE BUSINESS ENTITIES XI-XX, 17 Defendants. 18 19

COMPLAINT

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Plaintiff, FANPLACE LLC, a Nevada limited liability company, by and through its undersigned counsel of record, ALBRIGHT, STODDARD, WARNICK & ALBRIGHT, and as for its Complaint against Defendant, AMANDA RIEKERT, an individual; DOES I-X; and ROE BUSINESS ENTITIES XI-XX, and hereby alleges and avers as follows:

PARTIES

1. Plaintiff FANPLACE, LLC ("FanPlace" or "Plaintiff") is and was at all relevant times a Nevada limited liability company created and existing under the laws of the State of Nevada, doing business in Clark County, Nevada.

- 2. Upon information and belief, Defendant, AMANDA RIEKERT ("Riekert") is, and at all relevant times hereto was a resident of Alberta, Canada.
- 3. The true names and capacities, whether individual, corporate, associate or otherwise of Defendants DOES I through X, inclusive, and ROE BUSINESS ENTITIES XI through XX, inclusive, and each of them, are unknown to Plaintiff at the present time, and Plaintiff therefore sues said Defendants by such fictitious names. Plaintiff is informed and believes and thereon alleges that each of the Defendants designated as DOES I through X and ROE BUSINESS ENTITIES XI through XX are responsible for the claims and damages alleged herein. Once discovery has disclosed the true identities of such parties, Plaintiffs will ask leave of this Court to amend its Complaint to insert the true names and capacities of said Defendants DOES I through X, inclusive, and ROE BUSINESS ENTITIES XI through XX, inclusive and to join such Defendants to this action.

JURISDICTION

- 4. FanPlace brings this action seeking injunctive relief, damages, and other relief for protection of legitimate business interests, including trade secrets and/or other highly sensitive, proprietary and valuable business information, which have been harmed and threatened by Riekert's conduct as alleged herein.
- 5. Personal jurisdiction exists over Riekert because she entered into an agreement with FanPlace, a Nevada limited liability company, knowing that any subsequent breach of the agreement would harm a Nevada citizen. The Terms of Use of the FanPlace website contains a venue provision, requiring that disputes be resolved in Nevada and include a Nevada choice of law provision. Riekert also entered into a Confidentiality, Non-disclosure, Non-Disparagement, Non-Compete Agreement (hereinafter "Noncompetition Agreement") with FanPlace. The Noncompetition Agreement similarly includes a Nevada choice of law provision. All of Riekert's interactions with, including correspondence and payments exchanged were sent from or received in the State of Nevada. As a result of the contractual relationship between Riekert and FanPlace, Riekert has subjected herself to the jurisdiction of the State of Nevada.

6. Personal jurisdiction also exists because Riekert engaged in the theft and misappropriation of FanPlace's trade secrets and services, which were provided in Nevada. Each and any of these events constitute minimum contacts within the state of Nevada, and the mandatory Nevada venue selection clause contained in the agreements between the parties mandates that disputes relating to the agreements be resolved in Clark County, Nevada.

GENERAL ALLEGATIONS

- 7. FanPlace is an exclusive social network designed to ensure high quality, engaging experiences on its platform. FanPlace fosters positive and authentic interactions between fans and creators/influencers, and also helps to manage payments from subscribers and payments to creators/influencers, to help nurture meaningful relationships with its paying customers.
- 8. Unlike some other social platforms, FanPlace has a closed network of creators, including Riekert. Content creators who are on FanPlace, such as Riekert, are paid based on FanPlace users who subscribe to their specific FanPlace Content Creator profile/page.
- 9. FanPlace has spent considerable time, effort, and expense creating its private and exclusive platform and developing highly valuable and proprietary trade secrets, which are revealed to certain content creators who enter into noncompetition agreements with FanPlace.
- 10. FanPlace reserves its highly valuable and proprietary trade secrets for content creators which have entered into noncompetition agreements because the trade secrets may be used on other, competing social media platforms, and exploited for the gain of the content creator and to the detriment of FanPlace.
- 11. FanPlace and Riekert entered into an agreement wherein Riekert became a content creator on FanPlace's social media web platform wherein any monies generated from Riekert's content creation on FanPlace's website would be divided between Riekert and FanPlace in a fifty-fifty split.
 - 12. FanPlace and Riekert entered into the Noncompetition Agreement on May 26, 2021.
- 13. In the Noncompetition Agreement, FanPlace agreed to reveal its highly valuable and proprietary trade secrets and information with Riekert in exchange for Riekert's agreement to (1) keep all revealed confidential information and trade secrets of FanPlace for four (4) years; (2) to

not disclose any of the protection information; (3) to not disparage FanPlace; and (4) to not compete with, directly or indirectly, any competing business engaged in FanPlace's line of business.

- 14. In essence, in the Noncompetition Agreement, FanPlace agreed to share its proprietary and confidential trade secrets, which are extremely valuable to content creators (such as Riekert) in exchange for exclusive rights to Riekert's content creation.
- 15. Riekert received extensive training from FanPlace, through hundreds of phone calls, emails, and text messages, explaining and revealing FanPlace's proprietary and highly confidential trade secrets which would enable Riekert to attract more paid followers on the FanPlace platform.
- 16. Riekert utilized these highly valuable trade secrets and confidential information which she received from FanPlace and its agents, all of which are located in Clark County, Nevada, and immediately gained a paid following, generating over \$300,000.00 in revenue in less than a year.
 - 17. FanPlace had exclusive rights with Riekert to host content creations and posts.

SPECIFIC ALLEGATIONS

- 18. Riekert and FanPlace entered into the Noncompetition Agreement and other agreements, which govern Riekert's use of and payment from FanPlace. The agreements are referred to herein as the "Agreements".
 - 19. The Agreements provide in pertinent part as follows:
- 20. 1) Confidentiality "The creator agrees that the Information will be kept confidential for a period of four years following the Effective Date; provided, however, that (a) any of such information may be disclosed to the Creator's directors, officers, employees, agents or advisors who need to know such information for the purpose of evaluating any such possible transaction (it being understood that such affiliates, directors, officers, employees, agents or advisors shall be informed by the Creator of the confidential nature of such information and shall be directed by the Creator to treat the Information confidentially and the Creator shall be responsible for any breach of this Agreement by any of the foregoing), and (b) any disclosure of such Information may be made to which the Company consents in writing."

- 21. **2) Non-Disclosure** "For a period of four years following the Effective Date, except as required by law, or where Creator has obtained prior written consent of Company, the Creator will not, and will cause such directors, officers, employees, agents or advisors not to, disclose to any person that the Information has been made available to the Creator, or any of the terms, conditions or other facts with respect to any such Information."
- Date, the Creator will not take any action that is intended, or would reasonably be expected, to harm the Company or its reputation or that would reasonably be expected to lead to unwanted or unfavorable publicity to the Company. But nothing will prevent the Creator from making any truthful statement in connection with any legal proceeding or investigation by the Company or any government body."
- 23. **4) Non-Compete** "For a period of four years following the Effective Date, the Creator expressly agrees not to directly or indirectly, either individually or in conjunction with any other Person: establish or take any steps to establish any Competing Business, or purchase or obtain, or take any steps to purchase or obtain, any interest in, as an owner, operator, lender, security holder, Creator, member, creditor, licensor, licensee or otherwise, in a Competing Business, or become a director, officer, consultant, partner, member, employee or otherwise hold any position in or otherwise provide services to a Competing Business."
 - 24. The Noncompetition Agreement defined certain terms as follows:

"Certain Defined Terms.

- i. "Competing Business is any entity or Person that engages in a line of business that is the same as or similar to or which competes with the Company.
- ii. "Person" means an individual, a partnership, a corporation, an association, limited liability company, a joint stock company, a trust, a joint venture, an unincorporated organization, or a Governmental Authority."
- 25. **5)** No Unauthorized Contact "For Company, all inquiries and other communications are to be made directly to Stephen Zhang, Austin Frates, or to such other employee or advisor designated by such executives. For Creator, all inquiries and other communications are

to be made directly to Creator, or to such other employee or advisor designated by such executives. Accordingly, the parties agree not to directly or indirectly contact or communicate with any officer, employee, agent or advisor of the other party, without the written consent of such party."

- Agreement could cause irreparable harm to the Company and the Company may not be made whole by money damages. It is understood and agreed therefore that money damages may not be a sufficient remedy for any breach of this Agreement and that the Company may be entitled specific performance and injunctive or other equitable relief as a remedy for any such breach. The Creator further agrees to waive any requirement for the security or posting of any bond in connection with such remedy. Such remedy may not be deemed to be the exclusive remedy for breach of this Agreement but will be in addition to all other remedies available at law or in equity."
- 27. "In the event of litigation relating to this Agreement, if a court of competent jurisdiction determines in a final, no appealable order that this Agreement has been breached by a party or any of its representatives, then such breaching party shall reimburse the other party for its reasonable costs and expenses (including, without limitation, reasonable attorney fees and disbursements) incurred in connection with such litigation, including any appeal therefrom, provided, however, that in no event shall any party be liable for any indirect, punitive, special or consequential damages."
- 28. The <u>Governing Law</u> was described in the terms and conditions which provide as follows:

"This agreement shall be governed by, and construed in accordance with, the laws of the State of Nevada in the United States of America."

"You and we agree that these terms shall be governed by and construed in accordance with the laws of the state of Nevada in the United States of America (without regard to the conflict of laws provisions thereof) and that any dispute between you and us concerning FanPlace or arising out of or related to these Terms shall be resolved exclusively in the courts of the states of Nevada in the United States of America.

29. Riekert recognized and acknowledged in the Agreements that she would have access to certain confidential information, proprietary data and trade secrets, including but not limited to

customer lists; descriptions of distributors and distribution methods; recruitment methods, relationship management, financial statements; business plans, training and operations methods and manuals; personnel records, pricing structures, management systems, policies or procedures and contracts and other information constituting valuable, special and unique information (hereinafter the "Confidential Information").

- 30. Riekert agreed that the Agreements would be binding upon her and would be enforceable.
- 31. Riekert agreed that the Agreements were negotiated and executed in the State of Nevada and would be governed and construed in accordance with Nevada law, and be enforced in Nevada.
- 32. The online Creator Agreement required the following: "You must read all the way to the bottom in order to submit. By clicking the "Submit Application" button below, you hereby accept and agree to be bound by and abide by our Terms and the below Agreement. If you do not want to agree to these Terms and our Agreement, you must not click the "Submit Application" button below.
- 33. The Terms and Conditions provide as follows, regarding Venue: "Any dispute between the Parties regarding the construction, application or performance of any act under this Agreement, and any claim arising out of or relating to this Agreement or its breach shall be submitted to the District Court of Clark County, Nevada."
- 34. The Agreements provided as follows with respect to attorney's fees: "The prevailing party in any action or proceeding to enforce any provision of this Agreement will be awarded attorneys' fees and costs incurred in this action or proceeding. The sole and exclusive venue for any legal dispute shall be Clark County, Nevada, and shall be governed by the laws of Nevada, United States."
- 35. Upon information and belief, Riekert, in an unauthorized and improper fashion, and in violation of her Agreements, has and continues to use Confidential Information for her own benefit and is in breach of the Noncompete Agreement by utilizing competitors of FanPlace to provide her with the same or similar service that were previously provided by FanPlace as expressly prohibited in the noncompete provisions.

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36. Riekert, in spite of lucrative returns generated by FanPlace's social media platform during the first year, opted to breach the Agreements with FanPlace in March 2022.

FIRST CAUSE OF ACTION (Breach of Contract – Against Riekert)

- 37. Plaintiff re-alleges and incorporates all foregoing paragraphs as if fully set forth herein.
- 38. Valid agreements, including the Noncompetition Agreement, existed between Riekert and FanPlace.
- 39. Riekert breached the Agreements, including the Noncompetition Agreement, or failed to render performance when it became due.
- 40. Riekert's breach or failure of performance under the Agreements, including Noncompetition Agreement, was unexcused.
- 41. All conditions precedent to Riekert's duty to perform were fulfilled by FanPlace or were excused.
- 42. As a result of Riekert's breach of the Agreements, including the Noncompetition Agreement, FanPlace was damaged in an amount exceeding \$15,000.00.
- 43. FanPlace's damages and harm suffered were a foreseeable consequence of Riekert's breach of the agreements, including her breach of the Noncompetition Agreement.

SECOND CAUSE OF ACTION (Breach of Duty of Loyalty, Fiduciary Duty – Against Riekert)

- 44. FanPlace re-alleges and incorporates paragraphs all foregoing paragraphs as if fully set forth herein.
- 45. Riekert owed a duty of loyalty and acted as a fiduciary of FanPlace because FanPlace justifiably placed trust and confidence in Riekert, in providing her with unique and specialized training and unique access to FanPlace's trade secrets or other confidential business information.
- 46. Riekert invited, accepted or acquiesced in FanPlace's trust and confidence. In signing the Noncompetition Agreement, and in accepting promotions (and additional training, and additional access to trade secrets and other confidential information in connection with those fan

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promotions), and by sharing in the financial benefits of the subscriptions, Riekert assumed the duty to represent FanPlace's legitimate business interests in working with FanPlace's customers, vendors, and fans.

- 47. Riekert knew that using trade secrets and confidential business information for herself or for a competitor would irreparably harm FanPlace's legitimate business interests, indeed, the Noncompetition Agreement expressly states that Riekert acknowledges that a breach would result in irreparable harm.
- 48. While still subject to the Noncompetition Agreement with FanPlace and thereafter, Riekert breached her contractual duty to FanPlace, by taking steps to compete with FanPlace and using FanPlace's trade secrets or other valuable confidential business information for herself and for Plaintiff's competitors, and utilizing the services of FanPlace's competitors, knowing that such competition and use of confidential business information would irreparably harm FanPlace's legitimate business interests.
- 49. Defendant's breach has caused, and is continuing to cause, substantial and financial damage and immediate and irreparable harm to FanPlace, its advantageous business relationships, and legitimate business interests, in an amount exceeding \$15,000.00.

THIRD CAUSE OF ACTION

(Misappropriation of Trade Secrets or Confidential Business Information – Against Riekert)

- 50. FanPlace re-alleges and incorporates all of the foregoing paragraphs as though fully set forth herein.
- 51. FanPlace possesses and enjoys trade secrets, proprietary data and other confidential business information related to exclusive social media platforms, pricing structures, customer lists, contract proposals or bidding information, business plans, training and operation methods and manuals, and other materials and documents that constitute valuable, special and unique property of FanPlace for promoting fan-based interest in Riekert.
- 52. FanPlace and Riekert entered into the Noncompetition Agreement in which Riekert agreed not to use such confidential business information for herself or for competitors of Plaintiff.

- 53. Defendant agreed not to compete with Plaintiff by using competitors who provide the same or similar services as Plaintiff, and not to disclose confidential business information or use of FanPlace's Confidential Information to benefit FanPlace's competitors, and that such agreement was reasonable and necessary for the protection of the legitimate business interests of Plaintiff.
- 54. Defendant has misappropriated Plaintiff's trade secrets or other confidential business information for herself and for FanPlace competitors, knowing this would impair Plaintiff's legitimate business interests, causing damages which exceed \$15,000.00.

FOURTH CLAUSE OF ACTION (Business Disparagement – Against Riekert)

- 55. Plaintiff repeats and realleges the above paragraphs as though fully stated herein.
- 56. Upon information and belief, Riekert has disparaged the goods, services, or business of FanPlace by false or misleading representations of fact, including, but not limited to, disparaging of false statements to various persons who compete with FanPlace by providing services as an internet content creator to FanPlace's competitors in the same or similar line of business.
- 57. Defendant has made false and disparaging statements made about Plaintiff's services that have interfered with Plaintiff's business.
 - 58. The Defendants' disparaging statements made to third parties were not privileged.
- 59. The Defendants' disparaging statements made to third parties were made with malice.
- 60. Plaintiff has suffered damages as a result of this act or acts including but not limited to compensatory damages in excess of \$15,000.00, for loss of business reputation, lost revenue and profits, lost customers, and loss of employees, over-hiring staff, costs in retraining employees, etc.
- 61. Plaintiff has been required to engage the services of an attorney to prosecute this matter and Plaintiff is entitled to its reasonable attorneys' fees and costs incurred in this matter, both pursuant to any contractual provision, statute, or rule, allowing for the same, and also as special damages incurred herein.

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62. Moreover, due to the intentional and malicious nature of Defendant's actions, Plaintiff is entitled to punitive damages in an amount to be determined at trial, pursuant to NRS 42.005.

FIFTH CAUSE OF ACTION (Injunctive Relief – Against Riekert)

- 63. Plaintiff repeats and realleges the above paragraphs as though fully stated herein.
- 64. Valid agreements existed between Riekert and FanPlace, including but not limited to the Noncompetition Agreement.
 - 65. Riekert breached the Agreements, including the Noncompetition Agreement.
- 66. Without injunctive relief, FanPlace will suffer irreparable harm for which compensatory damages are inadequate.
- 67. The public has a strong interest in having valid agreements enforced and in seeing contracting parties protected from harm suffered as a result of another party's breach.
- 68. The balance of hardships favor enforcing the Agreements, including the Noncompetition Agreement against Riekert, to prevent her from utilizing FanPlace's Confidential Information and highly valuable trade secrets and to prevent her from retaining or engaging Plaintiff's competitors.
- 69. In less than one year, utilizing FanPlace's Confidential Information, trade secrets, and training, Riekert generated over \$300,000 using FanPlace's social media platform.
- 70. The Court should enjoin Riekert from taking FanPlace's Confidential Information and highly valuable trade secrets to subvert the purpose of the agreements with FanPlace, including the Noncompetition Agreement, wherein FanPlace agreed to provide said Confidential Information in exchange for exclusive use of Riekert's social media content creation, for the purpose of generating money for both FanPlace and Riekert.
- 71. The Court should enjoin Riekert from competing directly or indirectly, either individually or in conjunction with any other Person: establish or take any steps to establish any Competing Business, or purchase or obtain, or take any steps to purchase or obtain, any interest in, as an owner, operator, lender, security holder, Creator, member, creditor, licensor, licensee or

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otherwise, in a Competing Business, or become a director, officer, consultant, partner, member, employee or otherwise hold any position in or otherwise provide services or posts to a business that competes with Plaintiff.

72. In the Noncompetition Agreement, Riekert expressly waived the requirement to post a bond and consequently, no bond should be required.

SIXTH CAUSE OF ACTION (Unjust Enrichment – Against Riekert)

- 73. Plaintiff repeats and realleges each preceding paragraph in this Complaint as though fully set forth herein.
- 74. In consideration for Defendant's promises to Plaintiff under the Agreements related to confidentiality, and non-compete obligations, Defendant received additional financial benefits and bonuses and benefits from Plaintiff based on a percentage of fan subscribers enrolled.
- 75. As a result of Defendant's blatant and intentional breach of the agreements, Defendant has been unjustly enriched by retaining that additional bonuses and other benefits received.
- 76. Fundamental principles of justice or equity and good conscience require that those funds and benefits unjustly retained be returned to the Plaintiffs.
- 77. Therefore, as a direct and proximate result of Defendant's unjust enrichment, Plaintiff is entitled to damages in excess of \$15,000.
- 78. Plaintiff has been required to retain the services of attorneys to prosecute this action and Plaintiff has been damaged thereby. Plaintiff is therefore entitled to recover its reasonable attorney's fees and cost of suit.

SEVENTH CAUSE OF ACTION (Intentional Interference with Contractual Relations – Against Doe I and Roe Business Entity XI)

79. Plaintiff repeats and realleges each preceding paragraph in this Complaint as though fully set forth herein.

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- 80. Valid and existing contracts exist between FanPlace and Riekert, including the Noncompetition Agreement that prevents Defendant from retaining or engaging Plaintiff's competitors.
- 81. Doe I or Roe Business Entity XI had knowledge of or had reason to know of the valid contracts between FanPlace and Riekert, including the Noncompetition Agreement.
- 82. Doe I or Roe Business Entity XI committed intentional acts intended or designed to disrupt the contractual relationship between FanPlace and Riekert or to cause Riekert to breach her exclusive agreements with FanPlace.
- 83. As a result of Doe I or Roe Business Entity XI's intentional acts, Riekert breached her agreements with FanPlace or caused a disruption of the contractual relationship between FanPlace and Riekert.
- 84. Riekert's breach of her agreements with FanPlace was caused legally and proximately by the intentional acts of Doe I or Roe Business Entity XI.
- 85. Doe I or Roe Business Entity XI, by way of its intentional acts, actually and proximately caused damages to FanPlace in an amount exceeding \$15,000.00.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff request the following relief:

- 1. Issuance of a permanent injunction against Defendant:
 - a. Enjoining Defendant from competing with Plaintiff or soliciting Plaintiff's current or prospective customers until May 26, 2025.
 - b. Requiring Defendant to prove an accounting of, and to return, Plaintiff's confidential business information or trade secret documentation and to destroy all and any copies of such materials, and to disclose whatever she has already disclosed to Plaintiff's competitors, requiring Defendant to preserve and produce all correspondence and documents exchanged between her and Plaintiff.
 - c. Enjoining Defendant from assisting in the developing or launching or retaining any social media platform either directly or indirectly based on Plaintiff's trade

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secrets or other confidential business information, or using Plaintiff's competitor's sites for fan based marketing and similar promotions;

- d. Enjoining Defendant from using or disclosing Plaintiff's trade secrets or other confidential information, including but not limited to using or disclosing any of the confidential business documents and information Defendant took from or had copied while associated with Plaintiff for 4 years, and prevent Defendant from working with or for or retaining or entering into agreements with Plaintiff's competitors in the same or similar marketing business.
- 2. For an award of compensatory damages;
- 3. For an award of costs and reasonable attorneys' fees;
- 4. For an award of economic damages according to proof; and
- 5. For such other relief, as the Court or jury may deem appropriate.

DATED this <u>8th</u> of April, 2022.

ALBRIGHT, STODDARD, WARNICK & ALBRIGHT

/s/ G. Mark Albright, Esq.

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