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	Attorneys for Teachers Health Trust
9 10	EIGHTH JUDICIAL DISTRICT COURT
11	CLARK COUNTY, NEVADA
12	Teachers Health Trust, ) Case No.: A-17-757778-C
13	) Department 26
14	Plaintiff, ) vs. ) COMPLAINT
	) )
15	Gary Earl, an individual, Philip DiGiacomo, an) <b>Exempt from Arbitration</b> individual, Felipe Danglapin, an individual, ) (Action in Equity)
16	and Michael Ielpi, an )
17	individual, Doe Individuals 1-5, and Roe )
18	Business Entities 6-10,
19	Defendants)
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	PARTIES
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22	1. Teachers Health Trust ("THT" or the "Trust") is a private, non-profit healthcare
23	trust located in Clark County, Nevada, which was established by Nevada statute for the purpose
24	of providing healthcare benefits to eligible public school teachers employed by the Clark County
25	School District ("CCSD" or the "School District") and their eligible dependents.
26	2. Defendant Gary Earl ("Earl"), at all times relevant to this matter, was residing in
27	
28	Clark County, Nevada and is the former Chief Executive Officer ("CEO") of THT.

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3. Defendant Philip DiGiacomo ("DiGiacomo"), at all times relevant to this matter, was a resident of Clark County, Nevada and, among a variety of titles, is the former Director of Operations for THT.

4. Defendant Felipe Danglapin ("Danglapin"), at all times relevant to this matter, was a resident of Clark County, Nevada and is the former Chief Financial Officer ("CFO") of THT.

5. Defendant Michael Ielpi ("Ielpi"), at all times relevant to this matter, was a resident of Clark County, Nevada and is a former administrative employee of THT who assisted THT's Board of Trustees and served as Earl's Executive Assistant.

6. The true names and capacities, whether individual, corporate, associate, or otherwise of defendants herein designated as DOE INDIVIDUALS 1 through 5 and ROE BUSINESS ENTITIES 6 through 10 are unknown to Plaintiff at this time and therefore sues such defendants by fictitious names. Specifically, plaintiff is informed and believes that some of the defendants named as DOE INDIVIDUALS and ROE BUSINESS ENTITIES are responsible for the acts complained of and described more fully below. Plaintiff seeks leave to amend this Complaint to allege their true names and capacities as they are ascertained.

# FACTUAL BACKGROUND

7. THT brings this action against Defendants for various acts of misconduct related to their employment with THT including, without limitation, making unauthorized personal purchases on Trust credit cards, engaging in an unlawful and malicious civil conspiracy to damage the Trust, wrongfully taking and remaining in possession of Trust property, misappropriating a THT trade secret, breaching confidentiality, breaching fiduciary duties, and other wrongful acts. THT seeks equitable relief, money damages and punitive damages against Defendants.

8. THT is governed by a Board of Trustees (the "Board"), which consists of retired
 and active Clark County teachers who are appointed by the Clark County Education Association
 (the "Teachers Union"). The President of the Teachers Union is also a member of THT's Board
 of Trustees.
 9. Members of THT's Board serve on a wholly volunteer basis. They devote
 substantial personal time to THT's mission and efforts without receiving monetary compensation

or any tangible reward.

10. The Board relies heavily on the experience, advice and recommendations of the Trust's paid professional staff who carry out the Trust's day-to-day operations with the oversight and direction of the Board.

11. Funding for the Trust is negotiated and bargained for on behalf of teachers by the Teachers Union and terms of such funding are governed by the applicable Collective Bargaining Agreement ("CBA") between the Teachers Union and the School District. Funding for the Trust is provided through a combination of employee payroll withholdings and contributions from the School District.

12. At all times relevant to this matter, Defendants were the agents, servants and/or employees of THT and co-conspirators of each other for the unlawful objective of causing injury to THT while contemporaneously covering up their poor work performance, lack of diligence and other misconduct and attempting to position themselves for generous severance payments from THT or a lawsuit upon termination.

13. On March 10, 2016, THT hired Earl as its CEO pursuant to the terms of a written employment agreement (the "Employment Agreement"). Among various provisions in Earl's Employment Agreement, Earl was contractually required to maintain confidentiality regarding the Trust's business and information. The Employment Agreement provides, "Except as authorized in writing by the Trust, at no time during his employment nor at any time thereafter shall Gary Earl divulge to any person, organization, corporation, Trust, or other entity and confidential information obtained in the course and scope of, or by reason of, his employment with the Trust."

14. The Employment Agreement further required Earl to "devote his best efforts and substantially all of his working time to the performance of his duties hereunder and shall promptly advise the THT Board of any actual or possible conflict of interest with the Trust."

15. One of the "Core Accountabilities" under Earl's Employment Agreement includes, "Works closely with CCEA [Teachers Union] leadership and ensures that THT is in alignment with CCEA's members interests."

16. The Board delegated responsibility for the management of the day-to-day operations to Earl as the CEO and gave him broad authority to carry out the operations of the Trust.
17. The Board imbued Earl with the authority to carry out his management responsibilities in accordance with the policies established by the Board.

18. THT provided the Defendants with mobile phones and other equipment for use in the performance of their duties. The Trust's equipment was to be used for Trust business and not for personal use.

19. Per the Employment Agreement, Earl was to provide "direction and recommendations to the Board as it carried out its governance functions."

20. The Board relied heavily on Earl's professed management expertise and experience in the healthcare industry to lead the staff, THT's third party administrators, vendors and potential community partners in the development of, and execution of, a strategic plan that achieved THT's mission of providing high quality, affordable healthcare to Clark County teachers.

21. Earl was specifically charged with negotiating contracts on behalf of the Trust, including contracts with the Trust's third party administrators.

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22. In the Spring of 2016, the Board decided as a matter of policy to eliminate any existing at-will employment agreements with Trust employees and instructed Earl to carry out that directive according to the terms of the contracts and in compliance with applicable law.

23. Danglapin, DiGiacomo and Ielpi each had at-will employment agreements with THT. The Board did not plan to terminate the employees affected by the aforementioned policy change. Rather, it was the Board's express intention that employees subject to the at-will employment agreements would *not* be terminated and instead that they would remain employed by the Trust without a written contract.

24. However, not only did Earl fail to eliminate the written at-will employment contracts as directed, he intentionally misrepresented to co-Defendants that the Board wanted to terminate their employment. This caused the affected employees to view the Board with skepticism and mistrust while positioning Earl as their protector and defender.

25. Pursuant to Danglapin's employment agreement, the Trust could terminate his employment "for cause" if Danglapin "discloses to third parties (either verbally or in writing) during the term of the agreement, trade secrets, confidential information or any other proprietary information or material which are vital to the continued successful operation of [the] Trust's business."

26. DiGiacomo's and Ielpi's employment agreements provided that their employment could be terminated for "[d]isclosure of confidential information."

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27. THT maintained policies prohibiting disclosure of its confidential information. 28. Earl was a Svengali-like figure to the co-Defendants, who prior to Earl's hiring at the Trust were longstanding loyal employees of THT.

29. Throughout his employment with THT, Earl repeatedly and improperly disclosed confidential Board discussions and deliberations with his subordinates, the co-Defendants.

30. Earl engaged in other misconduct wholly inconsistent with and violative of his duties and role as CEO. For example, on September 30, 2016, Earl bragged about telling lies to avoid performing some of his job duties. In a text message to DiGiacomo and Ielpi, Earl said, "Just got off the phone with the Guinness Book of World Records as I just pulled off tonight the world's first double Bernie. Convinced someone else to do the new teacher hire because I had to go to a community event, which is true, and then told them that I had to present at the new teacher hire. . . I went to the gym :-)"

31. Earl actively undermined the Board by making derogatory and offensive remarks regarding Board members. For example, using the phone provided to him and paid for by the Trust, Earl in text messages exchanged with the co-Defendants referred to the Board's Chairperson, Michael Steinbrink, by the nickname "Stink-Brink" and called him a "pussy." Following a Board meeting, Earl sent a text message to DiGiacomo telling him that he wanted to "punch" a Board member in the face for allegedly disrespecting DiGiacomo.

32. Earl engaged in improper fraternization with co-Defendants including using the Trust's equipment to exchange text messages containing sexual references and innuendo, comments about "hot" women and excessive drinking, and other inappropriate remarks.

33. Earl and the co-Defendants, both during and outside of work hours, would frequent bars, restaurants and casinos together, including using Trust credit cards to pay for meals, alcohol and personal gifts. They developed an extremely close personal relationship and spoke of their

"love" for each other, "brotherhood," and "family"-like relationship. They promised to be loyal to each other and have each other's back.

34. On December 23, 2016, without authorization or approval of the Board, DiGiacomo purchased over \$700 in alcohol and cigars for Earl as a "gift." Specifically, DiGiacomo used a Trust credit card to purchase a bottle of "Jack Daniels Sinatra Select" for Earl costing \$129.77 at Lee's Discount Liquor. That same day, he purchased cigars for Earl using a Trust credit card in a transaction totaling \$475 at Cigar Mart. Earl repeatedly thanked his co-Defendants for the gifts.

35. At numerous times during his employment, the Board expressed concerns regarding Earl's performance, leadership style and other problems. In May 2016, Earl was placed on probationary status by the Board after he embarrassed the Trust at a public function where he was officially representing THT. At a dinner/gala where one of the Trust's third party administrators was an honoree and Board members and Earl were invited guests, Earl was extremely intoxicated and was removed by security when, among other drunken conduct, he was falling asleep at a table.

36. In late 2016/early 2017, THT worked with an outside healthcare expert, Tom Zumtobel, to review Trust operations due to concerns about Earl's performance. After conducting his review, Zumtobel issued a report and provided other commentary highly critical of Earl's performance and leadership style. Earl was furious regarding the criticism of his performance.

37. The Defendants, who all reported to Earl, took an "us" versus "them" mentality with respect to the Trust's Board. The Defendants pledged "loyalty" to each other above loyalty to the Trust, calling themselves "brothers" and the "Good Ole' [sic] Boys" and using the slogan with each other, "All for one and one for all."

38. In a text message to Earl on November 22, 2016, DiGiacomo said, "Full scale war is underway and I want scorched earth."

39. On April 5, 2017, Defendants Earl and DiGiacomo exchanged a text message wherein Earl stated in reference to the Board of Trustees: "F\*\*k them all . . . I'm going to bed and [when] I wake up . . . we're going to set a new course tomorrow to make sure we set these motherf\*\*\*\*s up. It feels good :-)"

40. In early April 2017, THT received a request from the School District for, among other items, Trust proprietary and confidential census data. The School District was requesting the information as part of its ongoing negotiations with the Teachers Union for a new collective bargaining agreement (CBA). Despite specific instructions not to release the census data because the School District was not entitled to it and the disclosure would be detrimental to teachers and the Trust, Defendants released the Trust's confidential and proprietary census data to the School District. The disclosure included over 17,000 lines of data on an Excel spreadsheet compiled from Trust records regarding details related to each and every THT plan participant and their dependents. This was done despite the fact that Earl and his co-Defendants knew that the School District would use the confidential and proprietary data to gain leverage in collective bargaining negotiations with the Teachers Union and that it would result in the School District advocating for dissolution of the Trust in favor of teachers being insured through the commercial insurance market.

41. While Earl professed to apologize for the release of the proprietary census data, behind the scenes, he was gloating about it with his co-Defendants. In text messages discussing the fall-out from disclosure of the census data, Earl said it was "actually turning into a good deal

of fun," he "couldn't care less," he felt "peace," had "nothing but a big smile" on his face, and that it was "a very, very GOOD day. (Tee-hee)."

42. All Defendants admitted to THT that they participated in the disclosure of the census data to the School District.

43. Defendants intentionally and maliciously disclosed a trade secret belonging to THT (namely, the census data) with, as stated in their text messages, the express purpose of harming THT.

44. On or about May 2, 2017, Ielpi tipped off Earl that the Board had requested a copy of Earl's employment contract to determine if any payouts were required upon termination.

45. On May 5, 2017, THT terminated Earl's employment for breaching confidentiality, including Earl's unauthorized disclosure of THT census data.

46. On May 8, 2017, Ielipi voluntarily resigned his employment with THT effective immediately.

47. During an investigatory interview with DiGiacomo conducted by members of the Board on May 8, 2017, DiGiacomo and his counsel were in possession of documents belonging to THT. During the May 8, 2017, investigatory meeting and at numerous other times, THT's legal counsel has objected to the Defendants' and their legal counsel's possession of THT documents and demanded that they be immediately returned to THT.

48. To date, Defendants have ignored and/or refused THT's demands that they return all of THT's documents and/or information improperly removed from THT and/or retained by Defendants.

49. Also during the May 8, 2017, meeting, DiGiacomo provided a document prepared by the Defendants which described privileged attorney-client communications belonging to THT.

Defendants without authority to do so, have shared privileged attorney-client communications belonging to THT with their own personal legal counsel.

50. Effective May 10, 2017, DiGiacomo was placed on paid administrative leave while THT's Board investigated his improper handling of THT confidential information and property. On May 22, 2017, the Board terminated DiGiacomo's employment for cause based on his participation in the improper disclosure of confidential THT census information, the mishandling of THT confidential documents and the improper disclosure of THT's privileged attorney-client communications to third parties. Because Earl had failed to terminate DiGiacomo's at-will employment contract as previously instructed by the Board, THT was forced to make certain payments to DiGiacomo upon termination, which it otherwise would not have been obligated to pay.

51. On May 15, 2017, Danglapin submitted his voluntary resignation effective May 19, 2017. Because Earl had failed to terminate Danglapin's at-will employment agreement contract as previously instructed by the Board, THT was forced to make certain payments to Danglapin upon his resignation which it otherwise would not have been obligated to pay.

52. Following the Defendants' separation from THT, the Trust discovered that, during Earl's reign as CEO, the Defendants engaged in an array of misconduct, including misappropriating THT's assets by improperly using the Trust's credits card for personal meals, alcohol and gifts.

53. On May 22, 2017, THT informed Ielpi and Danglapin, through their counsel, that THT had learned that Ielpi and Danglapin had participated in the improper disclosure of THT information including census data and attorney client privileged communications and, had they not resigned, their employment would have been terminated by the Trust.

#### FIRST CLAIM FOR RELIEF Conversion/Claim and Delivery (All Defendants)

54. Plaintiff realleges the above paragraphs as if fully set forth herein.

55. Each Defendant has improperly exerted dominion and control over THT's personal property in the form of THT's documents containing confidential and/or proprietary information and has refused to return originals and all copies to THT despite repeated demands.

56. Defendants willfully converted THT's property with the intent of causing THT financial harm.

57. Defendants remain in control and/or possession of THT's property without THT's consent and have wrongfully disclosed the contents of such documents to third parties.

58. THT seeks the remedy of Claim and Delivery to recover possession of any and all personal property belonging to it in the possession and/or control of Defendants. In particular, THT seeks the recovery of: a) the originals and any copies of the documents in the possession of DiGiacomo or his counsel at the May 8, 2017, investigatory meeting held at the offices of Hartwell Thalacker, Ltd.; b) all originals and copies of any documents taken from THT and/or belonging to THT in the possession and/or control of each defendant and/or their attorney related to THT's operations, including but not limited to, missing disciplinary records and other personnel records of Earl; and c) any and all documents in their control or possession evidencing confidential and privileged attorney-client communications.

59. The Documents have a collective physical value of approximately \$100. However, if the Documents are improperly used or the contents disclosed by Defendants, damages resulting from Defendants' conduct could far exceed the value of the property and may be incalculable.

Moreover, to the extent that the Documents constitute the confidential and proprietary information or trade secrets of THT, the property's value is in excess of millions of dollars.

60. The Documents are wrongfully in the possession and/or control of Defendants and their attorney, Andre Lagomarsino, whose office address is 3005 Horizon Ridge Parkway, Suite 241, Henderson, Nevada 89052.

61. THT is the owner of and is entitled to possession of the Documents, which are business records and proprietary and confidential information belonging to the Trust.

62. The Documents have been wrongfully taken and detained by Defendants and without the permission of THT which has repeatedly demanded return of same.

63. Defendants have taken the Documents from THT to hide or destroy evidence of their wrongdoing during the course of their employment and under the pretext of asserting a "whistleblower" claim against THT.

64. Defendants have also converted THT's resources in the form of misuse of THT's credit cards for their personal benefit.

65. As a result of Defendants' wrongful conversion of the Documents and the misuse of THT's credit cards, THT has been damaged in excess of \$10,000.

66. THT has been required to utilize the services of attorneys to prosecute this action for the return of its property and is entitled to an award of reasonable attorneys' fees and costs.

#### SECOND CLAIM FOR RELIEF Civil Conspiracy (All Defendants)

67. Plaintiff realleges the above paragraphs as if fully set forth herein.

68. Defendants, by acting in concert, intended to accomplish the unlawful objectives of improperly disclosing THT's confidential and proprietary information and/or trade secrets and the unauthorized use of THT's credit cards and other personal property to the detriment of THT.

69. Defendants knowingly and intentionally engaged in acts calculated to cause substantial injury to THT when, despite express orders to the contrary and in violation of their fiduciary obligations, they improperly disclosed THT's census data to the School District to the detriment of THT; they improperly disclosed confidential and privileged communications to third parties; and they improperly used THT's credit cards for their personal benefit.

70. Defendants knew that disclosure of THT's census data would negatively impact the Teachers Union's CBA negotiations with the School District and potentially put the very existence of THT at risk.

71. As a direct and proximate result of Defendants' wrongful scheme, THT has been damaged in an amount in excess of \$10,000 to be determined at trial.

72. Defendants' actions were intentional, willful and malicious, and THT is entitled to punitive and exemplary damages pursuant to N.R.S. 42.005.

73. THT has been required to utilize the services of attorneys to prosecute this action and is entitled to an award of reasonable attorneys' fees and costs.

## THIRD CLAIM FOR RELIEF Breach of Fiduciary Duty (Against All Defendants)

74. Plaintiff realleges the above paragraphs as if fully set forth herein.75. As the Chief Executive Officer, the Chief Financial Officer, and Director of

Wellness and Health Promotions, Earl, Danglapin and DiGiacomo, respectively, had a special relationship of trust and confidence with THT.

76. Ielpi also had a special relationship of trust and confidence with THT. He was privy to highly confidential information relating to all aspects of the Trust, including attending many Board meetings and being responsible for maintaining Trust business records.

77. As a result of their special relationship with THT, each defendant owed THT a fiduciary duty to exercise the utmost loyalty, good faith and honesty in execution of their respective duties to, and dealings on behalf of, and/or with THT.

78. Defendants breached their fiduciary duty by improperly conspiring with one another to disclose THT's confidential and proprietary census information to the detriment of THT.

79. Defendants further breached their fiduciary duty to THT by misusing THT's assets for their own benefit in the form of unauthorized use of THT credit cards for personal use.

80. Defendants further breached their fiduciary duty by engaging in acts to actively denigrate and undermine THT and its Board.

81. Defendants further breached their fiduciary duty by placing their avowed loyalty to each other before the best interests of the Trust.

82. As a direct and proximate result of Defendants' wrongful conduct, THT has suffered damages in excess of \$10,000.

83. As a further direct and proximate result of Defendants' breach, THT has suffered special and consequential damages in excess of \$10,000.

84. Defendants' actions were intentional, willful and malicious, and THT is entitled to punitive and exemplary damages pursuant to N.R.S. 42.005.

85. THT has been required to utilize the services of attorneys to prosecute this action and is entitled to an award of reasonable attorneys' fees and costs.

	<u>FOURTH CLAIM FOR RELIEF</u> Constructive Fraud (Against All Defendants)
86.	Plaintiff realleges each of the above paragraphs as if set forth herein.
87.	THT and Defendants had a special relationship of trust and confidence by virtue of
their employ	ment with THT.
88.	Defendants took advantage of that position of trust by misusing of the company
credit card fo	r their personal benefit and to the detriment of THT.
89.	Defendants made numerous unauthorized charges on the THT credit cards for food,
alcohol and o	other personal items including gifts.
90.	THT suffered damages as a result of Defendants' misuse of THT credit cards in an
amount to be	determined.
91.	Defendants' actions were intentional, willful and malicious, and THT is entitled to
punitive and	exemplary damages pursuant to N.R.S. 42.005.
92.	THT has been required to utilize the services of attorneys to prosecute this action
and is entitled	d to an award of reasonable attorneys' fees and costs.
	FIFTH CLAIM FOR RELIEF
	Breach of the Duty of Loyalty (All Defendants)
93.	Plaintiff realleges each of the above paragraphs as if fully set forth herein.
94.	All Defendants, as employees of THT, had a duty of loyalty to THT regardless of
the existence	of a fiduciary relationship, requiring each of them to act in the best interests of THT.
95.	Each Defendant breached his duty of loyalty to THT by improperly conspiring with
one another to disclose THT's confidential and proprietary census data to the School District.	
	87. their employn 88. credit card fo 89. alcohol and o 90. amount to be 91. punitive and 92. and is entitled 93. 93. 94. the existence 95.

1	96.	Defendants further breached their duties of loyalty by engaging in personal
2	endeavors du	ring working time and using Trust equipment and resources.
3	97.	Defendants further breached their duties of loyalty by placing their avowed loyalty
4	to each other	before the best interests of the Trust.
6	98.	As a direct and proximate result of Defendants' wrongful conduct, THT has
7	suffered dama	ages in excess of \$10,000.
8	99.	As a further direct and proximate result of Defendants' breach of their duties of
9	loyalty, THT	has suffered special and consequential damages in excess of \$10,000.
LO L1	100.	Defendants' actions were intentional, willful and malicious, and THT is entitled to
.2	punitive and o	exemplary damages pursuant to N.R.S. 42.005.
.3	101.	THT has been required to utilize the services of attorneys to prosecute this action
4	and is entitled	to an award of reasonable attorneys' fees and costs.
15		SIXTH CLAIM FOR RELIEF
L6 L7		Breach of Agreements (All Defendants)
18	102.	Plaintiff realleges each of the above paragraphs as if fully set forth herein.
.9		
20	103.	Plaintiff has performed all the material conditions, covenants and promises required
21	of it in accord	lance with the terms and conditions of their respective employment agreements.
2	104.	Defendants have failed and refused to honor their promises and obligations under
23	their respectiv	ve agreements and are in material breach of same.
24	105.	As a direct and proximate result of Defendants' breach of their respective
25	employment a	agreements, THT has been damaged in an amount in excess of \$10,000.
26 27	106.	THT has been required to utilize the services of attorneys to prosecute this action
- /		
28	and is entitled	to an award of reasonable attorneys' fees and costs.

## <u>SEVENTH CLAIM FOR RELIEF</u> Tortious Breach of the Implied Covenant of Good Faith and Fair Dealing (All Defendants)

107. Plaintiff realleges all above paragraphs as if fully set forth herein.

108. Implied in every contract is a covenant on the part of all parties to act in good faith with regards to their dealings with each other. In addition, a special relationship of trust existed between THT and Defendants in which THT relied on Defendants to act in good faith. However, the aforementioned actions of Defendants constituted a breach of the covenant of good faith and fair dealing with THT.

109. THT has performed all the material conditions, covenants and promises required of it.

110. THT had a reasonable and justified expectation under the employment agreements that Defendants would perform their duties in the best interest of THT.

111. In breach of the covenant of good faith and fair dealing, Defendants conspired to act, and did perform wrongful acts, contrary to the best interest of THT and in direct violation of the express orders of THT's Board with the intent to injure THT.

112. As a direct and proximate result of Defendants' breach of the implied covenant of good faith and fair dealing, as set forth herein, Plaintiff has been damaged in an amount in excess of \$10,000.

113. Defendants' actions were intentional, willful and malicious, and Plaintiff is entitled to punitive and exemplary damages pursuant to N.R.S. 42.005.

114. THT has been required to utilize the services of attorneys to prosecute this action and is entitled to an award of reasonable attorneys' fees and costs.

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## <u>EIGHTH CLAIM FOR RELIEF</u> Violation of the Uniform Trade Secrets Act (All Defendants)

115. Plaintiff realleges each of the above paragraphs as if fully set forth herein.

116. Defendants misappropriated THT's trade secret through their unauthorized and improper disclosure of THT's detailed confidential and proprietary census data relating to all of its plan participants and their dependents to the School District.

117. On April 5, 2017, Defendants Earl and DiGiacomo exchanged a text message wherein Earl states in reference to the Board of Trustees: "F\*\*k them all . . . I'm going to bed and [when] I wake up . . . we're going to set a new course tomorrow to make sure we set these mother f\*\*\*\*s up. It feels good :-)"

118. Shortly thereafter, Defendants released to the School District THT's confidential and proprietary compilation of over 17,000 lines of Trust census data related to each and every plan participant and their dependents.

119. Defendants intentionally, improperly and without authorization provided the census data to the School District.

120. As a result of Defendants' improper disclosure of the census data, the School District was able to use the census data to obtain bids from commercial insurers for health insurance coverage and now seeks the dissolution of the Trust. The improper disclosure has placed the quality of teacher health care in serious jeopardy and threatens the Trust's very existence.

121. THT further seeks recovery of damages in excess of \$10,000 as a result of Defendants' wrongful acts.

122. Defendants' actions were intentional, willful and malicious, and THT is entitled to exemplary damages and attorneys' fees pursuant to N.R.S. 600A.050 and N.R.S. 600A.060.

123. Plaintiff realleges each of the above paragraphs as if fully set forth herein.

124. Defendants engaged in unfair trade practices by misuse of THT's computer data when they improperly downloaded an Excel spreadsheet containing over 17,000 lines of Trust data and disclosed the same to the School District.

125. Defendants improperly disclosed THT's computer data to the School District with knowledge the School District would use THT's confidential and proprietary data to damage THT and to gain leverage in collective bargaining negotiations with the Teachers Union to the detriment of THT.

126. In fact, the School District has used THT's data to advocate for dissolution of the Trust in favor of teachers being insured through the commercial insurance market.

127. Defendants disclosed THT's confidential and proprietary information without THT's consent.

128. THT seeks injunctive relief in the form of the return of any data still in the control and/or possession of Defendants, their agents and/or anyone else acting in concert with them, and an order restraining the further use or disclosure of THT's computer data as the Court deems just and reasonable.

129. THT further seeks recovery of any damages suffered as a result of Defendants' wrongful acts, including all costs and attorney fees incurred in this matter pursuant to N.R.S. 603.080.

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1	WHEREFORE, THT prays for the following relief:		
2	A. Injunctive Relief requiring Defendants, their agents and/or anyone else acting in concert		
3	with them:		
4	1. To return all originals and any copies of THT's documents, intellectual		
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6	property and/or personal property in their possession and/or control; and		
7 8	2. To refrain from further use or disclosure of THT's computer data,		
9	documents, or any other THT property in their possession or control;		
10	B. For general damages in an amount in excess of \$10,000;		
11	C. For special damages in an amount in excess of \$10,000;		
12	D. For consequential damages including, without limitation, lost revenue in an amount in		
13	excess of \$10,000;		
14	E. For punitive damages in an amount in excess of \$10,000;		
15	F. For prejudgment and post judgment interest as allowed by law;		
16			
17	G. For costs of suit;		
18 19	H. For reasonable attorney's fees; and		
20	I. For such other relief, as to the Court, seems just.		
21	HARTWELL THALACKER, LTD		
22	/s/ Laura J. Thalacker		
23	Doreen Spears Hartwell, Esq. Nevada Bar No. 7525		
24	Laura J. Thalacker, Esq. Nevada State Bar No. 5522		
25	11920 Southern Highlands Parkway, Suite #201 Las Vegas, Nevada 89141		
26	Attorneys for Teachers Health Trust		
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