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NYSCEF DOC. NO. 11

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EXHIBIT F

AMERICAN ARBITRATION ASSOCIATION	
DONALD J. TRUMP FOR PRESIDENT, INC. f/k/a THE DONALD J. TRUMP EXPLORATORY COMMITTEE,	x : : No. <u>01-16-0002-0329</u>
Claimant,	
	: STATEMENT OF CLAIM
- against -	XI
	•
SAMUEL NUNBERG,	;
	8 1
Respondent.	
	01
	X.

Claimant Donald J. Trump for President, Inc. f/k/a The Donald J. Trump Exploratory

Committee (the "Campaign"), as and for its Statement of Claim against respondent Samuel

Numberg ("Mr. Numberg") alleges, as follows:

NATURE OF THE CASE

- 1. At issue in this action are claims for breach of contract, misappropriation of confidential information and trade secrets, punitive damages and attorneys' fees arising from Mr. Nunberg's willful, malicious and continuous disclosure to various international media outlets of certain proprietary and confidential information learned as a result of his association with the Campaign in flagrant breach of his legal obligations under the terms of his consulting and confidentiality agreements.
- As demonstrated below, Mr. Nunberg knowingly distributed false and defamatory information with both intent and malice to the detriment of the Campaign and for his own personal benefit.

THE PARTIES

3. The Campaign is a corporation duly organized under the laws of Virginia

licensed to do business in the State of New York with a principal place of business at 725 Fifth Avenue, New York, New York 10022. The primary purpose of the Campaign is to support the candidacy of Donald J. Trump for the presidency of the United States.

- 4. Mr. Nunberg, upon information and belief, resides at 535 East 86th Street, New York, New York who worked as a paid consultant to the Campaign between January 2015 and August 2015.
- 5. As set forth below, the American Arbitration Association has jurisdiction over this dispute pursuant to an arbitration provision contained in Section 8(b) of the Confidentiality Agreement.

FACTS COMMON TO ALL CLAIMS FOR RELIEF

The Consulting and Confidentiality Agreements

- 6. On or about April 14, 2015, the Campaign and Mr. Nunberg (the "Parties") entered into a consulting agreement pursuant to which Mr. Nunberg agreed, among other things, to provide various political consulting services to the Campaign (as amended, the "Consulting Agreement"). A copy of the Consulting Agreement is annexed hereto as Exhibit A.
- 7. Pursuant to Section 8 of the Consulting Agreement, the Parties acknowledged that a prior confidentiality agreement entered into between Mr. Numberg and a predecessor of the Campaign (the "Confidentiality Agreement") "continues in full force and effect, binds [the Parties] (as if [the Campaign] were originally made a party to it), and will survive the termination of the [Consulting] Agreement". A copy of the Confidentiality Agreement is annexed hereto as Exhibit B.

¹ The Confidentiality Agreement and the Consulting Agreement are collectively referred to herein as the "Agreements".

- 8. Pursuant to <u>Section 1</u> of the Confidentiality Agreement, entitled "<u>No Disclosure</u> of Confidential Information", Mr. Nunberg agreed, in no uncertain terms:
 - "not to disclose, disseminate or publish or cause to be disclosed, dismissed or published, any Confidential Information";
 - "not to assist others in obtaining, disclosing, disseminating or publishing Confidential Information;" and
 - "not to use any Confidential Information in any way detrimental to [The Campaign], Mr. Trump, any Family Member, any Trump Company or any Family Member Company."
- 9. Indeed, the prohibition on Mr. Nunberg disclosing or assisting others in disclosing "Confidential Information" could not be any clearer.
- 10. Furthermore, Section 6(a) of the Confidentiality Agreement broadly defines "Confidential Information" as:

all information (whether or not embodied in any media) of a private, proprietary or confidential nature or that Mr. Trump insists remain private or confidential, including, but not limited to, any information with respect to the personal life, political affairs, and/or business affairs of Mr. Trump or any Family Member, including but not limited to, the assets, investments, revenue, expenses, taxes, financial statements, actual or prospective business ventures, contracts, alliances, affiliations, relationships, affiliated entities, bids, letters of intent, term sheets, decisions, strategies, techniques, methods, projections, forecasts, customers, clients, contacts, customer lists, contact lists, schedules, appointments, meetings, conversations, notes, and other communications of Mr. Trump, any Family Member, any Trump Company or any Family Member Company.

- 11. In addition to confidentiality, <u>Section 2</u> of the Confidentiality Agreement contains a provision entitled "<u>No Disparagement</u>", pursuant to which Mr. Nunberg promised and agreed "not to demean or disparage publicly" either Mr. Trump or the Campaign.
- 12. Finally, <u>Section 8(b)</u> of the Confidentiality Agreement, entitled "<u>Arbitration</u>", provides that "any dispute arising under or relating to this agreement may, at the sole discretion

of [the Campaign or Mr. Trump], be submitted to binding arbitration of the American Arbitration Association, and you hereby agree to and will not content any submissions."

The Campaign's Termination of the Consulting Agreement

- 13. By letter dated August 3, 2015 (the "Termination Notice"), the Campaign terminated Mr. Nunberg's Consulting Agreement after it was discovered that Mr. Nunberg had posted certain racially insensitive comments on his personal Facebook page.
- 14. Not only did the Termination Notice terminate Mr. Nunberg's Consulting Agreement, it also reminded Mr. Nunberg of his continuing obligation not to disclose, disseminate, publish or assist others in disclosing, disseminating or publishing Confidential Information survived the termination of the Consulting Agreement.

Mr. Nunberg's Flagrant Breaches of the Agreements

- 15. Notwithstanding his continuing confidentiality obligation, Mr. Nunberg has engaged in a calculated, willful and malicious scheme to disclose certain confidential information concerning the Campaign to various international media outlets in a blatant attempt to harm the Campaign and its candidate, Donald J. Trump.
- 16. Upon information and belief, Mr. Nunberg's disclosure of Confidential Information began even before the Campaign's termination of Mr. Nunberg's Consulting Agreement.
- 17. When the Campaign first learned of these unauthorized disclosures in 2015, Mr. Nunberg was formally notified that his disclosure of Confidential Information violated the express terms of the Agreements and Mr. Nunberg was ordered to cease and desist from disclosing any additional Confidential Information.
 - 18, Despite such warning, Mr. Nunberg, apparently still resentful from being

terminated by the Campaign, has, upon information and belief, continued to flagrantly breach his confidentiality obligations in a desperate attempt to harm the Campaign.

- Then, in or about March 2016, Mr. Numberg announced that he was backing Mr. Trump's primary rival, Senator Ted Cruz, for the Republican nomination for the presidency of the United States. In announcing his endorsement, Mr. Numberg went out of his way to make a series of derogatory remarks concerning Mr. Trump.
- 20. On May 25, 2016, however, Mr. Nunberg was caught "red handed" after it was reported that Mr. Nunberg had leaked information concerning an alleged confrontation between two campaign staffers to the *New York Post. See* Kenneth P. Vogel and Ben Schreckinger, *Trump Campaign Rift Gets Personal*, *Politico*, http://www.politico.com/story/2016/05/trump-campaign-manafort-lewandowski-22353.
- 21. Even worse, the Campaign was recently informed that Mr. Numberg was providing Confidential Information to *Politico* in connection with yet another upcoming article about senior campaign staffers.
- 22. When Mr. Numberg was confronted with these allegations by a representative of Mr. Trump, he actually admitted that he had disseminated certain Confidential Information concerning the Campaign to the New York Times, the Daily Caller and other news outlets.
- 23. As a result of Mr. Nunberg's, brazen and unjustifiable acts and conduct, including, without limitation, breach of the terms and obligations pursuant to both the Consulting Agreement and the Confidentiality Agreement, the Campaign has already suffered and will continue to suffer damages in an amount to be determined, but believed to be in excess of \$10 million.

AS AND FOR A FIRST CLAIM FOR RELIEF (Misappropriation of Confidential Information and Trade Secrets)

- 24. The Campaign repeats and realleges each and every allegation as if fully set forth at length herein.
- 25. Confidential Information, as defined in the Agreements, constitutes protected information and trade secrets not known by persons outside of the Campaign which gives the Campaign advantage and cannot be easily replicated by others without improper means or by investing substantial efforts and expense.
- 26. Mr. Nunberg, by virtue of the Agreements, was provided access to the Confidential Information on the condition that he not disclose such Confidential Information to others.
- 27. Notwithstanding the foregoing, Mr. Nunberg has disclosed Confidential Information and trade secrets to others in violation of his duties and obligations under the Agreements for his own self-interest and/or economic benefit.
- 28. By reason of the foregoing, the Campaign has suffered and will continue to suffer damages in an amount to be determined, but believed to be in excess of \$10 million.

AS AND FOR A SECOND CLAIM FOR RELIEF (Breach of Contract)

- 29. The Campaign repeats each and every allegation as if fully set forth at length herein.
- 30. Pursuant to the terms of the Agreements, Mr. Nunberg was expressly prohibited from disclosing Confidential Information.
- 31. In breach of the Agreements, Mr. Nunberg has made countless disclosures of Confidential Information, including information which led to the publication of the Politico

Article.

32. By reason of Mr. Nunberg's actions, the Campaign has suffered and will continue to suffer damages in an amount to be determined, but believed to be in excess of \$10 million.

AS AND FOR A THIRD CLAIM FOR RELIEF (Attorneys' Fees)

- 33. The Campaign repeats each and every allegation as if fully set forth at length herein.
- 34. <u>Section 8(c)</u> of the Confidentiality Agreement expressly provides that "any court judgment or arbitration award shall include an award of reasonable legal fees and costs to the prevailing party."
- 35. Accordingly, in the event that the Campaign is found to be the "prevailing party," it is entitled to recover its reasonable legal fees and costs.
- 36. The Campaign has incurred and will continue to incur, costs and expenses, including attorneys' fees and disbursements, in connection with this action.
- 37. Accordingly, should it be the "prevailing party," the Campaign seeks a monetary judgment for its reasonable attorneys' fees and costs in this proceeding in an amount to be determined.

WHEREFORE, the Campaign respectfully requests an award in arbitration against Mr. Nunberg, as follows:

(i) with respect to the first claim for relief, an award of damages against Mr.

Numberg resulting from HIS misappropriation of The Campaign's Confidential Information and trade secrets, in an amount to be determined, but believed to be in excess of \$10 million, together with interest;

- (ii) with respect to the second claim for relief, an award of damages against Mr.

 Numberg for breach of the Agreements in an amount to be determined, but believed to be in excess of \$10 million, together with interest;
- (iii) with respect to the third claim for relief, an award of the Campaign's reasonable attorneys' fees and costs in this proceeding in an amount to be determined;
 - (iv) an award of punitive damages in an amount to be determined; and
- (v) granting the Campaign such other and further relief as the panel deems just and proper.

Dated: New York, New York May 28, 2016

Alan Garten

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Attorney for Claimant