AMENDED VERIFIED COMPLAINT

Comes now the Plaintiff, HOME PARAMOUNT PEST CONTROL COMPANIES, INC. (hereinafter referred to as “HOME PARAMOUNT”), by and through its counsel, Alexander Francuzenko, Esquire, John C. Cook, Esquire, and the law firm of Cook Kitts & Francuzenko, PLLC, and for its Amended Verified Complaint against Defendants, JUSTIN SHAFFER (hereinafter referred to as “SHAFFER”), and CONNOR’S TERMITE AND PEST CONTROL, INC. (hereinafter referred to as “CONNOR’S”), hereby states as follows:
PARTIES

1. Plaintiff HOME PARAMOUNT is a Virginia Corporation. HOME PARAMOUNT maintains its headquarters in Forest Hill, Maryland. HOME PARAMOUNT is authorized to do business and is currently conducting business throughout the Mid-Atlantic region, including the Commonwealth of Virginia and the State of Maryland. HOME PARAMOUNT provides pest control services in various locations throughout the Mid-Atlantic region.

2. Defendant SHAFFER was a former employee of HOME PARAMOUNT, and is a resident of the Commonwealth of Virginia. SHAFFER executed an Employment Agreement (Exhibit 1) with HOME PARAMOUNT on January 13, 2009. He resigned his position on or about July 22, 2009. Based on information and belief, SHAFFER now is employed by CONNOR’S.

3. Defendant CONNOR’S is a Virginia Corporation based in Springfield, Virginia, in Fairfax County. Based on information and belief, CONNOR’S provides pest control services throughout the Washington, D.C. metropolitan area.

JURISDICTION AND VENUE

4. The Defendant SHAFFER has consented to personal jurisdiction and venue in the Circuit Court in Fairfax County, Virginia. SHAFFER’s Employment Agreement in Paragraph 14 expressly states “Each party hereby consents to the personal jurisdiction and venue of the State and/or Federal Courts in Fairfax County, Virginia.” CONNOR’S is located in and conducts business in Fairfax County, Virginia. As a result, the Circuit Court for Fairfax County, Virginia is the appropriate venue for this matter, and the Commonwealth of Virginia has jurisdiction as set forth in the terms of the contract between the parties.

BACKGROUND

5. SHAFFER executed an Employment Agreement with HOME PARAMOUNT on January 13, 2009. SHAFFER resigned from HOME PARAMOUNT by providing written notice on or about July 22, 2009.

6. SHAFFER’s Employment Agreement contained a non-compete provision which
states the following:

The Employee will not engage directly or indirectly or concern himself/herself in any manner whatsoever in the carrying on or conducting the business of exterminating, pest control, termite control and/or fumigation services as an owner, agent, servant, representative, or employee, and/or as a member of a partnership and/or as an officer, director, or stockholder of any corporation or in any manner whatsoever in any city, cities, county or counties in the state(s) in which the Employee works and/or in which the Employee was assigned during the two (2) years next preceding the termination of the Employment Agreement and for a period of two (2) years from and after the date upon which he/she shall cease for any reason whatsoever to be an employee of Employer.

(Exhibit 1, ¶5).

7. The SHAFFER Employment Agreement also contained several provisions with regard to contacting or soliciting HOME PARAMOUNT customers and disclosing HOME PARAMOUNT’s customer lists, methods and trade secrets for the benefit of others. The SHAFFER Employment Agreement set forth that:

The Employee will not directly, or indirectly, solicit business from any customer of Employer where the purpose thereof is to provide, or offering to provide, the services of exterminating, pest control, termite control and/or fumigation services either for himself, herself or for others in any city, cities, county or counties in the state(s) in which Employee works and/or in which the employee was assigned at any time during the two (2) years next preceding the termination of the Employment Agreement and for a period of two (2) years from and after the date from which he/she shall cease for any reason whatsoever to be an Employee of the Employer. Further the Employee will not directly or indirectly solicit business from any customer of Employer where the purpose thereof is to provide, or offering to provide, the services of exterminating, pest control, termite control and/or fumigation services either by himself/herself or for others with which the Employee established contact while in the employ of the employer at any time during the two (2) years next preceding the termination of the Employment Agreement and for the two (2) years from and after the date upon which he shall cease for any reason whatsoever to be an employee of the Employer.

(Exhibit 1, ¶6).

8. SHAFFER also agreed that he would be exposed to attorney fees and costs if the
Agreement was breached as follows:

   Employee agrees to reimburse Employer for any expenses incurred by it to a
breach of this AGREEMENT, including, but not limited to, attorney fees and
court costs.

(Exhibit 1, ¶13).

9. These non-solicitation and non-compete provisions of the Employment
Agreement are reasonable and necessary to protect HOME PARAMOUNT’s legitimate business
interests in the security of its customer lists and other proprietary information.

10. HOME PARAMOUNT engages in stringent efforts to protect its proprietary
information including, but not limited to, the use and enforcement of non-solicitation and non-
compete agreements in its employment agreements.

11. Sometime after July 22, 2009, SHAFFER became employed with CONNOR’S.
CONNOR’S is engaged in the business of exterminating, pest control, termite control and/or
fumigation services.

12. Based on information and belief, SHAFFER tried to sell termite and pest control
services to at least two current commercial HOME PARAMOUNT customers.

13. Based on information and belief, CONNOR’S knew, or should have known, that
SHAFFER was previously employed by HOME PARAMOUNT, entered into an Employment
Agreement with HOME PARAMOUNT, and that the Employment Agreement contained non-
solicitation and non-compete provisions.

14. HOME PARAMOUNT discovered SHAFFER’s breach of the Employment
Agreement and notified SHAFFER of his breach and the need to cease and desist. HOME
PARAMOUNT also notified CONNOR’S of SHAFFER’s continuing obligations to HOME
PARAMOUNT under the Employment Agreement and directed CONNOR’S to stop its
interference into the continuing contractual obligations between SHAFFER and HOME PARAMOUNT. However, SHAFFER and CONNOR’S have refused to cease their conduct, which is tortious and/or in breach of contract.

15. SHAFFER made false and negative statements about HOME PARAMOUNT to at least one HOME PARAMOUNT customer, The Oaks, in an effort to interfere with HOME PARAMOUNT’s continued business relationship with The Oaks and other customers.

COUNT I
BREACH OF CONTRACT
(against SHAFFER)

16. HOME PARAMOUNT re-alleges and incorporates by reference the foregoing Paragraphs 1 through 15 of this Complaint.

17. SHAFFER received good and valuable consideration for the promises made, including the non-compete and non-solicitation provisions, in the SHAFFER Employment Agreement, to wit, employment with HOME PARAMOUNT.

18. By his actions set forth above, SHAFFER has breached the terms of the non-solicitation and non-compete provisions contained in the SHAFFER Employment Agreement.

19. HOME PARAMOUNT has suffered damages as a result of SHAFFER’s breach of the Employment Agreement.

WHEREFORE, in addition to the relief sought in the other counts, including without limitation the temporary injunctive relief sought in Count VI, HOME PARAMOUNT requests that the Court enter and Order against SHAFFER: (1) enjoining SHAFFER from competing with HOME PARAMOUNT in the geographic locations designated in the SHAFFER Employment Agreement for a period of two (2) years from the date of judgment in this matter; (2) enjoining SHAFFER from using confidential HOME PARAMOUNT information; (3) enjoining SHAFFER from conducting business with customers of HOME PARAMOUNT; (4) requiring SHAFFER to pay damages in the amount of lost profits suffered by HOME PARAMOUNT related to customers lost by HOME PARAMOUNT in the amount of $500,000.00 or such
COUNT II
TORTIOUS INTERFERENCE WITH CONTRACT
(against CONNOR’S)

20. HOME PARAMOUNT re-alleges and incorporates by reference the foregoing paragraphs 1 through 19 of this Complaint.

21. HOME PARAMOUNT had a contractual relationship, including non-solicitation and non-competition provisions with SHAFFER. SHAFFER’s obligation under his non-solicitation and non-competition agreements survived the termination of his employment with HOME PARAMOUNT.

22. CONNOR’S knew, or should have known, of the existence of the non-solicitation and non-competition provisions contained in the HOME PARAMOUNT Employment Agreement of SHAFFER.

23. Notwithstanding its prior knowledge, CONNOR’S was informed by HOME PARAMOUNT of the SHAFFER Employment Agreement and SHAFFER’s actions in breach thereof as an employee of CONNOR’S, yet did not stop or deter SHAFFER’s continued breach and, in fact, encouraged, aided, and abetted it.

24. CONNOR’S tortiously and improperly interfered with SHAFFER’s HOME PARAMOUNT Employment Agreement by engaging in intentional, willful and improper acts, based on information and belief by hiring SHAFFER and pursuing HOME PARAMOUNT customers through the use of HOME PARAMOUNT’s proprietary information.

25. CONNOR’S acted with unlawful purpose of causing damage and loss to HOME PARAMOUNT.

26. CONNOR’S acted with malice and without right or justifiable cause.
27. As a direct and proximate result of CONNOR’S actions, HOME PARAMOUNT has suffered and continues to suffer damages.

WHEREFORE, in addition to the relief sought in the other counts, including without limitation the temporary injunctive relief sought in Count VI, HOME PARAMOUNT requests that this Court issue an Order: (1) enjoining SHAFFER and CONNOR’S from conducting business with customers of HOME PARAMOUNT for two years from the date of judgment; (2) awarding compensatory damages in the amount of $500,000.00 or in such amount as determined at trial; (3) awarding punitive damages in the amount to be determined at trial; and (4) granting other and further relief as may be appropriate under the circumstances.

COUNT III
STATUTORY CONSPIRACY TO INJURE HOME PARAMOUNT
(against both Defendants)

28. HOME PARAMOUNT re-alleges and incorporates by reference the foregoing paragraphs 1 through 27 of this Complaint.

29. By their actions set forth above, SHAFFER and CONNOR’S have both before and after the start of SHAFFER’s employment at CONNOR’S, mutually undertaken and acted in concert by illegal and improper means, for the purpose of willfully and maliciously injuring HOME PARAMOUNT in its trade, reputation and business in violation of Virginia Code § 18.2-499.

30. In their actions set forth above, SHAFFER and CONNOR’S acted intentionally, purposefully, with malice, and without lawful justification.

31. As a direct and proximate result of the Defendants’ conspiracy, HOME PARAMOUNT has suffered and continues to suffer damages.

32. Pursuant to Virginia Code § 18.2-500, HOME PARAMOUNT is entitled to an injunction, three-fold the damages it has sustained, and an award of attorney’s fees and costs.

WHEREFORE, in addition to the relief sought in the other counts, including without limitation the temporary injunctive relief sought in Count VI, HOME PARAMOUNT requests
that the Court issue an Order: (1) enjoining SHAFFER from disclosing or using confidential HOME PARAMOUNT information and from performing services that compete with HOME PARAMOUNT on behalf of CONNOR’S or any other entity for a two-year period from the date of judgment in this matter; (2) enjoining SHAFFER and CONNOR’S from conducting business with customers of HOME PARAMOUNT; (3) awarding compensatory damages in the amount of $500,000.00 or in such amount as to be determined at trial, which amount is to be trebled; (4) awarding punitive damages in an amount to be determined at trial; (6) awarding attorneys fees and costs to HOME PARAMOUNT; and (6) granting other and further relief as may be appropriate under the circumstances.

COUNT IV
COMMON LAW CONSPIRACY
(against both Defendants)

33. HOME PARAMOUNT re-alleges and incorporates by reference the foregoing paragraphs 1 through 32 of this Complaint.

34. By their actions set forth above, SHAFFER and CONNOR’S, both before and after the start of SHAFFER’s employment at CONNOR’S, have combined to accomplish, by concerted action and illegal and improper means, misappropriation of confidential and proprietary information, breach of contract and other tortious, illegal and improper acts.

35. In their actions set forth above, SHAFFER and CONNOR’S acted intentionally, purposefully, with malice, and without lawful justification.

36. As a direct and proximate result of the Defendants’ conspiracy, HOME PARAMOUNT has suffered and continues to suffer damages.

WHEREFORE, in addition to the relief sought in the other counts, including without limitation to the temporary injunctive relief sought in Count VI, HOME PARAMOUNT requests that the Court issue an Order: (1) enjoining SHAFFER from disclosing or using confidential HOME PARAMOUNT information and from performing services that compete with HOME PARAMOUNT on behalf of CONNOR’S or any other entity for a two-year period from the date
of judgment; (2) enjoining SHAFFER and CONNOR’S from soliciting HOME PARAMOUNT’s customers for two years from the date of judgment; (3) requiring the Defendants to pay any actual damages sustained by HOME PARAMOUNT as a result of Defendants’ conduct; (4) awarding to HOME PARAMOUNT compensatory damages in the amount of $500,000.00 or in such amount as determined at trial; (5) awarding HOME PARAMOUNT punitive damages in an amount to be determined at trial; (6) requiring the Defendants to pay any attorney’s fees or costs incurred by Plaintiff in bringing this suit; and (7) awarding such other and further relief as the Court may determine is appropriate under the circumstances.

COUNT V
VIOLATION OF VIRGINIA UNIFORM TRADE SECRETS ACT
VA. CODE §§ 59.1-336, et seq.
(against SHAFFER)

37. HOME PARAMOUNT re-alleges and incorporates by reference the foregoing paragraphs 1 through 36 of this Complaint.

38. As an employee of HOME PARAMOUNT, SHAFFER had access to and received confidential and proprietary information belonging to HOME PARAMOUNT that he was to use only for the benefit of HOME PARAMOUNT. This information includes, but is not limited to, customer lists, customer contact information, and customer contractual information.

39. SHAFFER disclosed this information to CONNOR’S, as is set forth above.

40. This information derives independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

41. This information was subject to efforts by HOME PARAMOUNT to maintain its secrecy that were reasonable under the circumstances.

42. HOME PARAMOUNT did not consent to the disclosure of this information to CONNOR’S and, in fact, objected to it in writing.

43. Transfer of this information by SHAFFER to CONNOR’S was a misappropriation
by SHAFFER under Va. Code § 59.1-336 because he knew at the time of disclosure that his knowledge of the information was acquired under circumstances giving rise to a duty to maintain its secrecy.

44. HOME PARAMOUNT has suffered and continues to suffer damages as a result of the misappropriation.

45. SHAFFER’s misappropriation was intentional, purposeful, with malice, and without lawful justification, entitling HOME PARAMOUNT to punitive damages and an award of attorneys fees.

WHEREFORE, in addition to the relief sought in the other counts, including without limitation to the temporary injunctive relief sought in Count VI, HOME PARAMOUNT requests that the Court issue an Order: (1) enjoining SHAFFER from disclosing or using confidential HOME PARAMOUNT information, to surrender all such information to HOME PARAMOUNT, and from performing services that compete with HOME PARAMOUNT on behalf of CONNOR’S or any other entity for a two-year period from the date of judgment; (2) enjoining SHAFFER from soliciting HOME PARAMOUNT’s customers for two years from the date of judgment; (3) requiring SHAFFER to pay any actual damages sustained by HOME PARAMOUNT as a result of Defendant’s conduct; (4) awarding to HOME PARAMOUNT compensatory damages in the amount of $500,000.00 or in such amount as determined at trial; (5) awarding HOME PARAMOUNT punitive damages in an amount to be determined at trial; (6) requiring the Defendant to pay any attorney’s fees or costs incurred by Plaintiff in bringing this suit; and (7) awarding such other and further relief as the Court may determine is appropriate under the circumstances.

COUNT VI
TEMPORARY INJUNCTION
(against both Defendants)

46. HOME PARAMOUNT re-alleges and incorporates by reference the foregoing paragraphs 1 through 45 of this Complaint.
47. HOME PARAMOUNT has suffered significant harm from SHAFFER’s past actions and anticipates, based upon past conduct, that SHAFFER will continue to compete with HOME PARAMOUNT by providing pest control services as an employee of CONNOR’S, continue soliciting HOME PARAMOUNT’s customer’s, and continuing to use and/or disclose HOME PARAMOUNT confidential information in breach of the SHAFFER Employment Agreement.

48. HOME PARAMOUNT has suffered significant harm from CONNOR’S past actions and anticipates, based on past conduct that CONNOR’S, through the employment of SHAFFER, will continue to participate in the breach of HOME PARAMOUNT’s Employment Agreements, and is presently engaging or will engage in future conduct to lure away HOME PARAMOUNT customers in breach of the SHAFFER Employment Agreement.

49. HOME PARAMOUNT has no adequate remedy at law to prevent SHAFFER from continuing to solicit its customers, prevent SHAFFER from competing with HOME PARAMOUNT, or from using or disclosing confidential HOME PARAMOUNT information in direct violation of the Employment Agreement, or to prevent CONNOR’S from continuing to participate in and facilitating SHAFFER’s breach of his Employment Agreement.

50. HOME PARAMOUNT will be irreparably harmed by SHAFFER’s continued actions of competing with HOME PARAMOUNT and using and disclosing confidential HOME PARAMOUNT information. The use and dissemination of confidential HOME PARAMOUNT information and damage to HOME PARAMOUNT’s relationship with its customers is devastating to HOME PARAMOUNT due to the extraordinary time, expense and effort HOME PARAMOUNT devoted in obtaining its current customers.

51. Granting the temporary injunction prohibiting SHAFFER from using or disclosing confidential HOME PARAMOUNT information or competing with HOME PARAMOUNT per the terms of his employment agreement until this matter may be fully heard at trial, will not harm SHAFFER unduly.

52. Granting the temporary injunction prohibiting CONNOR’S from employing
SHAFFER in positions regarding providing pest control services, and from soliciting HOME PARAMOUNT customers until this matter may be fully heard at trial, will not harm CONNOR’S unduly.

53. Granting the relief requested would serve the public interest because it would promote the integrity of valid contracts entered into between private parties.

WHEREFORE, HOME PARAMOUNT requests that the Court issue an Order (1) enjoining SHAFFER from providing pest control services for and on behalf of CONNOR’S as an employee of CONNOR’S; (2) enjoining SHAFFER from using or disclosing confidential HOME PARAMOUNT information; and (3) granting other and further relief as may be appropriate under the circumstances until this matter may be fully heard at trial and a permanent injunction has been issued enforcing the provisions of SHAFFER’s Employment Agreement.

COUNTER VII
TORTIOUS INTERFERENCE WITH CONTRACT
(against SHAFFER)

54. HOME PARAMOUNT re-alleges and incorporates by reference the foregoing paragraphs 1 through 53 of this Complaint.

55. SHAFFER made false and derogatory allegations about HOME PARAMOUNT to personnel at The Oaks, a customer of HOME PARAMOUNT, that were intended to interfere with HOME PARAMOUNT’s business with The Oaks.

56. SHAFFER tortuously and improperly interfered with HOME PARAMOUNT’s contract with The Oaks by engaging in intentional, willful and improper acts, based on information and belief by making false and malicious statements about HOME PARAMOUNT to officials at The Oaks.

57. SHAFFER acted with unlawful purpose of causing damage and loss to HOME PARAMOUNT.

58. SHAFFER acted with malice and without right or justifiable cause.

59. As a direct and proximate result of SHAFFER’s actions, HOME PARAMOUNT
has suffered and continues to suffer damages.

WHEREFORE, in addition to the relief sought in the other counts, including without limitation the temporary injunctive relief sought in Count VI, HOME PARAMOUNT requests that this Court issue an Order: (1) enjoining SHAFFER from making false and derogatory statements about HOME PARAMOUNT to any HOME PARAMOUNT customer; (2) awarding compensatory damages in the amount of $500,000.00 or in such amount as determined at trial; (3) awarding punitive damages in the amount to be determined at trial; and (4) granting other and further relief as may be appropriate under the circumstances.

FINAL PRAYER FOR RELIEF

60. HOME PARAMOUNT re-alleges and incorporates by reference the foregoing paragraphs 1 through 59 of this Complaint.

61. In conjunction with each and every allegation in this Complaint, HOME PARAMOUNT respectfully requests that the Court award, in addition to any other relief to which the Plaintiff may be entitled, the following relief against the Defendants jointly and severally:

   (a) that the Court order a permanent injunction to be issued enjoining SHAFFER from competing with HOME PARAMOUNT and from disclosing or using confidential HOME PARAMOUNT information for a two (2) year period from the date of judgment;

   (b) that CONNOR’S be enjoined from participating in the breach of the SHAFFER Employment Agreement which contains non-compete and non-solicitation provisions;

   (c) that both Defendants be required to pay any actual damages, including any damages related to the loss of income of HOME PARAMOUNT as a result of Defendants’ conduct in the amount of $500,000.00, or such amount as may be proven at trial;

   (d) that the Defendants be required to pay compensatory damages in the amount described in the above counts;

   (e) that the Defendants be required to pay punitive damages in the amount
described in the above counts;

(f) that the Defendants be required to pay reasonable attorney's fees and costs
incurred by HOME PARAMOUNT in bringing this suit; and

(g) any such other and further relief as the Court may determine would be
appropriate under the circumstances.

Respectfully submitted,

[Signature]

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Amended Verified Complaint was sent via U.S. Mail, postage prepaid, this 10th day of September, 2009 to:

JUSTIN SHAFFER
6416 South Street
Falls Church, VA 22042

CONNOR'S TERMITE AND PEST CONTROL, INC.
c/o Charles Sickels, Esq., Registered Agent
12120 Sunset Hills Road, Suite 150
Reston, VA 20190

[Signature]

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