

JURISDICTION AND VENUE

4. The Court has diversity jurisdiction under 28 U.S.C. § 1332(a) because this action and controversy is between citizens of different states and exceeds the sum or value of \$75,000.00, exclusive of interest and costs. This Court also has jurisdiction over Allstate's claims brought under the Defend Trade Secrets Act, under 28 U.S.C. § 1331, and this Court has supplemental jurisdiction over Allstate's remaining claims under 28 U.S.C. § 1367.

5. Defendant is subject to this Court's personal jurisdiction consistent with due process and the New York Long Arm Statute, due to his presence in the State, the substantial business he conducts in this forum, and his solicitation of business from residents of the state of New York in this forum, which directly relates to the causes of action in this Complaint.

6. Venue is proper in this District under 28 U.S.C. § 1391, because Defendant is subject to personal jurisdiction in this District, and has regularly conducted business in this District, and the events giving rise to this action, or a substantial part of the events giving rise to this action occurred in this District.

FACTUAL BACKGROUND

Allstate's Business

7. Allstate is one the nation's leading providers of insurance and financial products and services to individuals and businesses.

8. In addition to providing these products and services directly, Allstate and its subsidiaries and affiliates hire Financial Specialists to sell Allstate products.

9. Allstate rigorously screens its Financial Specialists in order to ensure that they are qualified to represent and sell Allstate products, have the proper tools and facilities to analyze and meet customer needs, and can furnish customers with appropriate solutions.

10. Financial Specialists, including Defendant, are provided training by Allstate once they become Financial Specialists. In that process, they are provided confidential information regarding the products offered by Allstate and business strategies to assist with developing business. Financial Specialists are also provided highly proprietary and confidential information about Allstate's business models and customers in order to assist them in their role as Financial Specialists. This includes confidential information shared with Defendant that he would not have had access to prior to becoming a Financial Specialist with Allstate.

11. Allstate expends substantial resources advertising, marketing, and promoting its products. The Financial Specialists benefit directly and indirectly from Allstate's advertising, marketing, and promotional efforts, as well as Allstate's goodwill, reputation, and name recognition. These efforts and expenditures allow the Financial Specialists to develop and cultivate accounts and relationships on behalf of Allstate.

12. Accordingly, Allstate relies heavily upon repeat business and renewals to maintain its competitive advantage. Maintaining goodwill and a solid business reputation with its customers is a critical component of Allstate's success. Indeed, because Allstate's business is a service business, the relationship that each Financial Specialist has with Allstate customers is highly dependent on the attention and excellent service given to the customer on an ongoing basis, and the continued trust the customers place in Allstate as a leading provider of such services.

Protection of Allstate Confidential Information

13. Allstate and its customers entrust Allstate's Financial Specialists to safeguard and protect their private information, which includes information relating to, among other things, their personal data, date of birth, social security numbers, types of policies, amount of insurance, premium amounts, renewal dates of policies, description and location of assets and property, claims histories, insurance needs, pricing information, and other insurance coverage information, from unauthorized disclosure. Access to this confidential information regarding Allstate customers was provided to or gained by Defendant because of the promises he made in his "Financial Specialist Employment Agreement" ("Employment Agreement") (An accurate copy is attached as **Exhibit A**). Defendant did not have access to this confidential information about Allstate customers prior to entering into his relationship with Allstate.

14. Allstate protects the information described in paragraph 13 by, among other things: limiting the disclosure and use of this information to only Financial Specialists and the Financial Specialists' employees who need this information to sell Allstate products; educating the Financial Specialists and the Financial Specialists' employees about the requirement and necessity of keeping this information confidential; restricting access to this information by restricting access to computer networks and requiring use of passwords to access the information; and, as discussed above, requiring both Financial Specialists and Financial Specialists' employees to execute written agreements that protect against the misuse and improper disclosure of Allstate confidential information.

15. Consequently, all Financial Specialists operate under an employment agreement, and while performing services under their employment agreements, acknowledge that they will have access to Allstate confidential information; promise to not disclose confidential information

to anyone not authorized to receive it; and confirm that they will not use confidential information for their own benefit or any improper purpose.

16. Financial Specialists like Defendant agree, upon termination of their employment, to continue treating Allstate confidential information as confidential, to not disclose, either directly or indirectly, Allstate confidential information to any third party, and to immediately return all Allstate confidential information to Allstate.

17. Hence, the information described in paragraph 13 is not available to the general public and is closely guard by Allstate. Allstate keeps such information strictly confidential in order to protect its customers' privacy and to maintain a competitive advantage in the highly competitive insurance business. The time, expense, and effort that have gone into the development of Allstate confidential proprietary information are such that the independent development of identical or comparable materials by competitors of Allstate would be extraordinarily difficult and expensive.

Defendant's Employment Agreement with Allstate

18. On May 6, 2013, Defendant entered into his Financial Specialist Employment Agreement with Allstate. (Ex. A).

19. Upon execution of the Employment Agreement, Defendant became an Allstate Financial Specialist and, in that capacity, solicited, sold, and serviced products and services, and other business authorized by Allstate.

20. Defendant operated as a Financial Specialist with Allstate until his resignation on January 10, 2020.

21. As a Financial Specialist, Defendant partnered with multiple Allstate Exclusive Agents (“EA”) over time to solicit Allstate customers to purchase Allstate financial products.

22. The EAs and Allstate provided Defendant with access to Allstate confidential information, including customer information that would only be available to Defendant through his partnership with EAs.

23. As such, a large number of the Allstate customers that Defendant serviced as a Financial Specialist were given to him by Allstate and EAs (as opposed to Defendant finding the customers on his own).

Confidentiality and Non-Competition Terms of Defendant’s Employment Agreement

24. Consistent with the terms of his Employment Agreement, Defendant was authorized to sell and service a variety of Allstate products including “variable, mutual fund, life insurance, and annuities and such other business as [Allstate] may specify” and Defendant agreed that Allstate “will own all interests in the business produced by [Defendant] under the terms of [the] Agreement.” (Ex. A, ¶¶ 1, 3).

25. Under the Employment Agreement, Defendant acknowledged that materials furnished to him by Allstate, “including manuals, computer programs, microfiche and similar lists and records and any derivative reports are the property of [Allstate] and may contain trade secrets.” (Ex. A, ¶ 9).

26. By signing the Employment Agreement, Defendant promised “not to use, or permit to be used, [Allstate] property or any information obtained or derived [from Allstate] in any manner, directly or indirectly, other than in performance of [the] Agreement” and to return to

Allstate all of Allstate's property, including its trade secrets, at the termination of his employment with Allstate. (Ex. A, ¶ 9).

27. Furthermore, Defendant agreed that he would "not at any time or in any manner, directly or indirectly, divulge, disclose, communicate or permit access to any person, firm, or corporation any privileged or confidential information containing proprietary information or trade secrets" and that at the conclusion of his employment with Allstate, he would "treat as privileged and confidential any information concerning any matters affecting or relating to the pursuits of [Allstate] which is not otherwise lawfully available to the public and which has been obtained by [Defendant] during the course of [his] employment." (Ex. A, ¶ 10).

28. In addition to acknowledging the Allstate Property and Trade Secrets clauses of his Employment Agreement, Defendant also acknowledged his "Covenant Not to Compete" with Allstate. (Ex. A, ¶ 13).

29. By signing the "Covenant Not to Compete," Defendant promised that "for a period of one year following the termination [of his employment, he] cannot be hired as an Allstate Agent and . . . [he] will not directly or indirectly, by or through any partners, agent, employer or firm, advise, induce or attempt to induce any policyholder, insured, or annuitant, of [Allstate] or its affiliates to lapse, cancel or replace any annuity, insurance policy, variable policy or mutual fund." (Ex. A, ¶ 13).

30. Defendant recognized that in the event of a breach of his covenant not to compete, Allstate could compel his compliance "by injunction, or by any other remedy at law or equity, or any other remedy under [the] Agreement." (Ex. A, ¶ 13).

**Defendant Breached his Employment Agreement by Misusing Confidential Information
And Soliciting Allstate Customers**

31. On January 10, 2020, Defendant resigned his employment with Allstate, effective immediately.

32. After resigning from Allstate, Defendant began working for Prudential Life Insurance Company of America and/or its affiliate Prudential Advisors (collectively “Prudential”), an Allstate competitor.

33. Defendant planned to join Prudential months before resigning from Allstate.

34. Only two weeks prior to his resignation, Defendant accessed confidential customer information in Allstate’s computer system. Specifically, around 4:00 p.m. on December 24, 2019, and again on December 25, 2019, between 10:00 p.m. and midnight, Defendant accessed confidential Allstate customer information reports.

35. Defendant used and/or retained Allstate confidential information regarding Allstate customers to prepare for his departure to Prudential and his future contact with Allstate customers.

36. Indeed, after he accessed confidential client information and resigned from Allstate, Defendant began soliciting Allstate customers and selling Prudential products and services that compete with Allstate.

37. Upon information and belief, Defendant’s solicitations consisted of calls and emails to Allstate customers.

38. Allstate EAs that previously partnered with Defendant spoke with several Allstate customers after Defendant’s resignation and learned that they had received communications from Defendant requesting that they transact business with Prudential.

39. On October 18, 2020, after learning that Defendant had contacted and solicited Allstate customers with whom he had previously worked, Allstate sent correspondence to Defendant reminding him of his confidentiality and restrictive covenant obligations, and demanding that Defendant immediately cease using or disclosing Allstate's trade secrets and confidential information, return all trade secrets and confidential information belonging to Allstate, and cease all activities that violate his covenant not to compete with Allstate. (An accurate copy of Allstate's October 18, 2020 correspondence to Defendant is attached as **Exhibit B**).

40. Unfortunately, Defendant continued to breach his Employment Agreement.

41. Consequently, Allstate has experienced, and continues to experience, customer losses to Defendant and his new employer, Prudential, based on Defendant's solicitation of Allstate customers.

42. Upon information and belief, Allstate has experienced and continues to experience, actual and potential customer losses to Defendant and his new employer, Prudential, based on the improper use and retention of Allstate confidential information.

Irreparable Harm to Allstate

43. By violating his Employment Agreement, Defendant is harming Allstate's legitimate business interests by illegally diverting customers and potential customers away from Allstate.

44. Defendant is also harming Allstate's legitimate business interests by soliciting his former Allstate customers with competitive products.

45. Moreover, Allstate's trade secrets, confidential information, and goodwill are at risk because Defendant is illegally retaining, using, and refusing to return Allstate confidential information and property.

46. Allstate relies on its confidential information and property to service its clients' needs, make sure its clients are satisfied with their respective Allstate services and products, and sell additional products and services.

47. If a competitor like Prudential obtained Allstate's confidential information, the competitor would be able to unfairly compete with Allstate by using this information to contact Allstate's customers and offer competing products and services on terms and conditions designed to undercut Allstate.

48. Injury to Allstate is therefore probable and imminent because Defendant intends to continue violating his Employment Agreement by soliciting Allstate customers and using and/or retaining Allstate confidential information without Allstate's authorization or permission.

49. Accordingly, Allstate is suffering irreparable harm and injunctive relief is necessary and appropriate to prevent further damage to Allstate.

COUNT I

Breach of Contract

50. Allstate repeats and realleges each and every allegation contained in paragraphs 1 through 49 of this Complaint.

51. On May 6, 2013, Defendant entered into his Employment Agreement with Allstate.
(Ex. A.)

52. The Employment Agreement is a valid and enforceable contract.

53. Allstate has performed all duties and obligations it owes Defendant under the Employment Agreement.

54. Under the Employment Agreement, Defendant promised, upon termination of his employment with Allstate, to treat as confidential and not disclose, either directly or indirectly, Allstate confidential information and trade secrets to any third party, and to not use Allstate confidential information and trade secrets for his own benefit or for any improper purpose.

55. Defendant further promised to return all Allstate confidential information and property to Allstate when his employment ended with Allstate.

56. Also under the Employment Agreement, Defendant agreed, for a period of one year following the termination of his employment, he would not directly or indirectly, by or through any partners, agent, employer or firm, advise, induce, or attempt to induce any policyholder, insured, or annuitant, of Allstate or its affiliates to lapse, cancel or replace any annuity, insurance policy, variable policy or mutual fund.

57. The post-termination covenants found in the Employment Agreement are reasonable in scope and duration, and are necessary to protect Allstate's legitimate business interests in its confidential information, goodwill, and longstanding customer relationships.

58. Defendant breached the Employment Agreement, and continues to breach the Employment Agreement by, among other things, soliciting Allstate customers and by refusing to return all property belonging to Allstate.

59. Specifically, following his termination of employment with Allstate, upon information and belief, Defendant used Allstate confidential information to call and email Allstate customers in order to solicit their business for the benefit of himself and Prudential.

60. As a direct and proximate result of Defendant's breach of the Employment Agreement, Allstate has incurred significant damage.

61. Defendant's illegal solicitations and actions have caused Allstate to lose customers and potential customers.

62. Defendant's illegal solicitations and actions have also damaged Allstate's goodwill, reputation, and legitimate business interests.

63. Moreover, Defendant's breaches of the Employment Agreement are continuing. Allstate is therefore subject to continuing irreparable harm, economic injury, and damage to its goodwill and business reputation.

64. Allstate has no adequate remedy at law and, unless injunctive relief is granted, Allstate will continue to be irreparably harmed by Defendant's breach of the Employment Agreement in a manner that is not fully compensable by money damages.

65. Therefore, Allstate requests that this Court grant injunctive relief against Defendant that prohibits Defendant from: (a) using Allstate confidential information, and (b) soliciting Allstate customers that Defendant sold Allstate products to or whose identity he discovered as a result of his status as a Financial Specialist or his access to Allstate confidential information.

66. Allstate further requests that this Court order Defendant to immediately return all Allstate confidential information and property in his custody, possession, or control to Allstate.

COUNT II

Violation of the Defend Trade Secrets Act

67. Allstate repeats and realleges paragraphs 1 through 66 of this Complaint.

68. During the course of his relationship with Allstate, Defendant was provided access to substantial amounts of Allstate confidential information and trade secrets.

69. For instance, Defendant had access to Allstate business plans; names, addresses, and ages of policyholders and potential policyholders; types of policies; amounts of insurance; premium accounts; the description and location of insured property; the expiration or renewable dates of policies; policyholder listings; policyholder information that is subject to privacy law; claim information; customer contact information; customer account numbers; and customer account values.

70. This information is not available to the general public and is closely guarded by Allstate. Allstate keeps such information strictly confidential in order to protect its customers' privacy and to maintain a competitive advantage in the highly competitive insurance business.

71. Allstate confidential information, including confidential customer information, is considered a trade secret under the Defend Trade Secrets Act, 18 U.S.C. § 1836, *et seq.* ("DTSA") because the information is not generally known outside of Allstate's business, the information is not generally known by employees and others involved in Allstate's business, Allstate has taken reasonable measures to guard the secrecy of the information, the information is of great value to Allstate and its competitors, Allstate expended significant amounts of time and money in developing the information, the information cannot easily be acquired or duplicated by others, and because Allstate continues to use the information in its business.

72. Defendant was legally and contractually obligated to return Allstate confidential information to Allstate immediately upon the termination of his employment with Allstate.

73. Defendant, however, upon information and belief, ignored (and continues to ignore) his contractual obligations by retaining Allstate confidential information and using that confidential information to solicit Allstate customer.

74. In violation of Allstate's rights, upon information and belief, Defendant has threatened to misappropriate and/or has misappropriated Allstate's trade secrets and confidential information and, due to the nature of the trade secrets, will inevitably disclose and/or use Allstate's trade secrets and confidential information to injure Allstate.

75. If Defendant's conduct is not remedied and enjoined, upon information and belief, Defendant will disclose and/or use Allstate's confidential and trade secret information for his own benefit and to Allstate's detriment.

76. As a direct and proximate result of Defendant's conduct, Allstate has suffered and, if not stopped, will continue to suffer, irreparable injury and significant damages, in an amount to be proven at trial.

77. Because Allstate's remedy at law is inadequate, Allstate seeks, in addition to damages, injunctive relief to recover and protect its confidential, proprietary, and trade secret information and other legitimate business interests.

78. Allstate's business is reliant on its business reputation and its ability to maintain and grow its client base in a competitive market and will suffer irreparable harm absent injunctive relief.

79. Allstate has been damaged by Defendant's conduct, and is entitled to its damages, in an amount to be determined at trial, as well as an award of exemplary damages and attorneys' fees.

COUNT III

Misappropriation of Trade Secrets under New York Law

80. Allstate repeats and realleges paragraphs 1 through 79 of this Complaint.

81. As detailed above, Allstate owns and possess certain confidential, proprietary, and trade secret information.

82. This confidential, proprietary, and trade secret information relates to products and services sold, products and services intended to be sold, including information regarding the names, addresses, and ages of policyholders or prospective policyholders of Allstate; types of policies; amounts of insurance; premium amounts; the description and location of insured property; the expiration or renewal dates of policies; policyholder listings; policyholder information that is subject to privacy law; claim information; customer contact information; customer account numbers; and customer account values.

83. This information is not available to the general public and Allstate has taken reasonable measures to keep such information secret and confidential.

84. This confidential, proprietary, and trade secret information derives independent economic value from not being generally known to, and not readily ascertainable through proper means by another person who could obtain economic value from the disclosure or use of the information.

85. In violation of Allstate's rights, upon information and belief, Defendant has threatened to misappropriate and/or has misappropriated Allstate's trade secrets and confidential information and, due to the nature of the trade secrets, will inevitably disclose and/or use Allstate's trade secrets and confidential information to injure Allstate.

86. Defendant has failed to return Allstate's confidential and trade secret information.

87. If Defendant's conduct is not remedied and enjoined, upon information and belief, Defendant will disclose and/or use Allstate's confidential and trade secret information for his own benefit and to Allstate's detriment.

88. As a direct and proximate result of Defendant's conduct, Allstate has suffered and, if not stopped, will continue to suffer, irreparable injury and significant damages, in an amount to be proven at trial.

89. Because Allstate's remedy at law is inadequate, Allstate seeks, in addition to damages, injunctive relief to recover and protect its confidential, proprietary, and trade secret information and other legitimate business interests.

90. Allstate's business is reliant on its business reputation and its ability to maintain and grow its client base in a competitive market and will suffer irreparable harm absent injunctive relief.

91. Allstate has been damaged by Defendant's conduct, and is entitled to its damages, in an amount to be determined at trial, as well as an award of exemplary damages and attorneys' fees.

WHEREFORE, Allstate respectfully requests that this Court:

1. Enter an injunction enjoining and restraining Defendant from directly or indirectly advising, inducing or attempting to induce any Allstate policyholder, insured, or annuitant with whom Defendant sold Allstate products to, or whose identity he discovered as a result of his status

as a Financial Specialist or his access to Allstate confidential information, to lapse, cancel or replace any annuity, insurance policy, variable policy or mutual fund;

2. Enter an injunction enjoining and restraining Defendant from using any Allstate confidential information for his own benefit and from disclosing Allstate confidential information to anyone not authorized to receive the information;

3. Enter an order requiring Defendant to return all Allstate confidential information in his possession, custody, or control to Allstate;

4. Enter judgment against Defendant for compensatory damages in an amount to be determined at trial;

5. Enter judgment against Defendant for punitive damages in an amount to be determined at trial;

6. Award Allstate the costs and expenses, including the reasonable attorneys' fees, Allstate incurs as a result of Defendant's breach of his Employment Agreement, violations of the Defend Trade Secrets Act, and misappropriation of trade secrets under New York common law; and

7. Award Allstate such other relief as the Court may deem just and proper.

DEMAND FOR JURY TRIAL

Consistent with Rule 38 of the Federal Rules of Civil Procedure, Allstate demands trial by jury in this action.

DATED this 2nd day of February, 2021.

DINSMORE & SHOHL LLP

By /s/ Edward J. George

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CERTIFICATE OF SERVICE

I certify that on the 2nd day of February, 2021, I electronically transmitted the attached document to the Clerk's Office using the CM/ECF system for filing and transmittal of Notice of Electronic Filing.

/s/ Edward J. George
Counsel for Allstate Life Insurance Company

VERIFICATION

Pursuant to 28 U.S.C. § 1746, I, Scott Delaney, on behalf of Allstate Life Insurance Company, declare under penalty of perjury that the statements set out in this Complaint for Injunctive and Other Relief are true and correct, except where such statements are made upon information and belief.

DATED: this 2nd day of February, 2021.

A handwritten signature in black ink that reads "Scott A. Delaney". The signature is written in a cursive style with a large, prominent "D" in the last name.

Scott Delaney, Financial Sales Director
Allstate Life & Retirement (ALR)

Exhibit A

FINANCIAL SPECIALIST EMPLOYMENT AGREEMENT (NY)

This Agreement is between Allstate Life Insurance Company of New York and such affiliates and subsidiaries (herein referred to as "Company") as are named in the *Financial Specialist Procedure Manual* as may be amended from time to time (herein referred to as "*Financial Specialist Procedure Manual*") and the Employee (herein referred to as "you").

1. Employment  Initials

The Company agrees to employ you and appoints you as a Financial Specialist for Allstate Life Insurance Company of New York for the purpose of soliciting, selling and servicing variable, mutual fund, life insurance and annuities and such other business as the Company may specify. The Company agrees to employ you to sell and service variable, mutual fund, annuity and life insurance but you must satisfy the licensing requirements to do so and you must affiliate with Allstate Life Insurance Company of New York's broker dealer, Allstate Financial Services, LLC. All terms and conditions of your employment will be governed by this Agreement and Company rules, regulations and procedures. The Company reserves the right to make whatever changes in the terms and conditions of your employment as it may deem necessary and appropriate in the furtherance of its business objectives, subject to terms and conditions of this Agreement.

2. Compensation  Initials

During your employment pursuant to this Agreement, the Company agrees to pay you compensation in accordance with the Agreement and the compensation amounts and rules set forth in the then current *Financial Specialist Procedure Manual*, a may be amended from time to time. However, due to the inherent uncertainty of business conditions, the Company reserves the right to increase or decrease any compensation amounts and change the compensation rules at any time, subject to such state and federal wage regulations as may then be applicable to you.

The Company reserves the right to make deductions in accordance with the terms stated in the *Financial Specialist Procedure Manual* against the compensation payable to you for any business written by you for which the customer did not pay, which the Company did not accept, or for which the compensation was not earned, but for which you received compensation. In no event, however, will your compensation be less than that required by state or federal wage regulation. If, at the time of termination of this Agreement, you have received unearned compensation, which the Company has not been able to recover, you agree to remain liable for the payment of such unearned compensation.


In addition, as a full-time employee, you are entitled to such employment benefits as may from time to time be afforded by the Company, as referenced in the *Financial Specialist Procedure Manual* and in accordance with the then applicable Company rules, regulations and procedures.

3. Duties and Responsibilities  Initials

You agree to perform all of the duties that may be required of you, pursuant to the terms of this Agreement and the *Financial Specialist Procedure Manual*, to the best of your ability, experience and talents and to the satisfaction of the Company. You will meet certain production requirements as established for you by the Company.

As a full-time employee of the Company, you agree that you will devote your entire business time and use of Company facilities and equipment to the performance of this Agreement. All activities in their performance of this Agreement will be conducted in accordance with the then applicable Company rules, regulations and procedures. The Company will own all interests in the business produced by you under the terms of this Agreement. You agree that you have no interest, compensation or otherwise, in such business other than as specifically set forth in this Agreement or in the *Financial Specialist Procedure Manual*.

You will not contract with, represent or solicit any kind of insurance business or products whatsoever for any insurance company, insurance solicitor, representative, agent or broker other than as specifically permitted in the *Financial Specialist Procedure Manual*.

4. Sales Location  initials

The Company will designate your sales location. The Company reserves the right at its sole discretion to change your sales location at any time. You agree that you will reside within reasonable proximity to your sales office. Your home or other residence may be used as your primary business location with the express written agreement of the Company. You understand and agree that you are authorized to work only in the state of New York in which you are properly licensed and appointed as a Financial Specialist.

5. Operation of Business  initials

The Company shall determine at its sole discretion all matters relating to its business and the operation of the Company, including, but not limited to, the following:

- A. The determination of contract forms and provisions, premiums, fees and charges for insurance; and
- B. The acceptance or rejection of any application or termination, modification or refusal to renew any contract, subject to its terms; and
- C. The limitation, restriction or discontinuance of the writing or selling of any policies, coverages, or kinds of insurance or other products or services; and
- D. The obtaining of any Company licenses to do business or the withdrawal from doing business in any state, jurisdiction or territory.

6. Limited Authority  initials

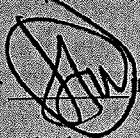
You agree that you will not represent yourself as having any authority other than that specifically granted to you by the Company. You agree that you will not alter any contract or incur any expense or obligation for the Company without prior written approval from the Company.

7. Money Collected by the Employee  initials


Payments collected or received by you in the performance of this Agreement are the property of the Company and shall be treated as trust funds and shall be held separately and promptly transmitted to the Company without deduction for any purpose.

8. Advertising  initials

You agree you will only use printed or written materials furnished to you by the Company. All advertising by you relating either directly or indirectly to the Company or its products shall be approved by the Company prior to release. The term "advertising" includes, but is not limited to, all public announcements, public disclosures, media releases, promotional and marketing materials.

9. Property - Company and Other  initials

You agree that all materials furnished to you by the Company including manuals, computer programs, microfiche and similar lists and records and any derivative reports are the property of the Company and may contain trade secrets. You agree not to use, copy, duplicate, disseminate or divulge the contents of these materials without written authorization by the Company. You agree that you will purchase or lease such computer hardware or software as the Company is then using and as required by the Company. All Company property including, but not limited to, that listed above must be surrendered to the Company upon demand or termination of this Agreement. You agree that you will not use, or permit to be used, Company property or any information obtained or derived therefrom in any manner, directly or indirectly, other than in the performance of this Agreement.

10. Trade Secrets  initials

You agree that you will not at any time or in any manner, directly or indirectly, divulge, disclose, communicate or permit access to any person, firm, or corporation any privileged or confidential information or any information containing proprietary information or trade secrets. Furthermore, upon termination of this Agreement, you agree to continue to treat as privileged and confidential any information concerning any matters affecting or relating to the pursuits of the Company which is not otherwise lawfully available to the public and which has been obtained by you during the course of Company employment; and you agree that you will not use, release, divulge, or communicate such information to any person, firm or corporation in any manner whatsoever, except upon written direction by an authorized representative of the Company.

11. Termination  initials

Your employment and this Agreement will automatically terminate upon your death, retirement, loss or relinquishment of your insurance agent license, termination of your agreement with Allstate Financial Services, LLC for any reason, or failure to return to work upon expiration of a leave of absence. In addition, your employment and this Agreement may be terminated at will by either party, subject only to such limitations and restrictions as may be imposed by law, and in accordance with then applicable Company rules and procedures. Termination shall be effective upon giving notice of termination orally or in writing, delivered personally or mailed to the last known address of the other party. Upon termination, you agree not to act or represent yourself in any way as an employee, agent or representative of the Company, except as otherwise agreed in writing by you and the Company.

12. Compensation Upon Termination  initials

Compensation shall be payable only during the continuance of this Agreement. Upon termination of this Agreement, your compensation for the month in which such termination occurs and your entitlement to other employment benefits, awards or incentives, if any, shall be determined in accordance with the then applicable Company rules, regulations and procedures.

13. Covenant Not to Compete  initials

Following the termination of this Agreement, whether by you or the Company, you agree that for a period of one year following termination you cannot be hired as an Allstate Agent and you agree that you will not directly or indirectly, by or through any partner, agent, employer or firm, advise, induce or attempt to induce any policyholder, insured or annuitant of the Company or its affiliates to lapse, cancel or replace any annuity, insurance policy, variable policy or mutual fund.

In the event you breach this provision, you agree that the Company may compel your compliance with this provision by injunction, or by any other remedy at law or equity, or by any other remedy under this Agreement.

14. General  initials

You acknowledge that you have had the opportunity to review the *Financial Specialist Procedure Manual* and agree that you have an ongoing responsibility to review and comply with all changes to the *Financial Specialist Procedure Manual* issued by the Company. You acknowledge that you have had an opportunity to review the Code of Ethics and Statement of Policy and agree that you will abide by them.

15. Assignment  initials


No assignment of this Agreement or any interest therein or any compensation earned or to be accrued hereunder shall be valid unless authorized in writing by the Company.

16. Entire Agreement  initials

This Agreement constitutes the sole and entire Employment Agreement between the Company and you and it supersedes and replaces any employment, agency or other agreement between the Company and you. All compensation which may otherwise have been payable to you under the terms of such contracts is hereby waived. This Agreement also supersedes any oral representations and statements by the Company to you as well as any prior written representations and statements the Company to you in letters, manuals, booklets, memoranda or any other format.

The *Financial Specialist Procedure Manual* is expressly incorporated in its entirety as part of this Agreement. The Company reserves the right to amend the *Financial Specialist Procedure Manual* at any time without prior notice to you. In the event of any inconsistency between the *Financial Specialist Procedure Manual* and any other provision of this Agreement, the *Financial Specialist Procedure Manual* shall control.

Except as otherwise stated herein, no amendment to this Agreement, or waiver of any of its provisions, shall be valid unless in writing and signed by an authorized representative of the Company.

17. Invalid Provisions  initials

If any provision of this Agreement should be determined to be invalid or otherwise unenforceable under law, the remainder of this Agreement shall not be affected thereby.

18. Construction of Agreement  initials

In the event of any controversy or dispute with respect to the terms of this Agreement, the provisions of this Agreement shall be construed or interpreted in accordance with the laws of the State of New York.

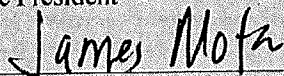
19. Effective Date

This Agreement shall become effective on 5/26, 2013, and shall remain in force until it is terminated.

In Witness Whereof, you and the Company have agreed to the terms and conditions contained herein, as evidenced by their signatures below.

Allstate Life Insurance Company of New York

Field Vice President



Employee Name (Print or Type)

5/6/13

Date

Employee Signature


5/6/13

Date

Financial Services Manager

Allstate Life Insurance Company of New York

Exhibit B



Legal Counsel.

DINSMORE & SHOHL LLP
1100 Peachtree Street N.E., Suite 950
Atlanta, GA 30309
www.dinsmore.com

Kelly E. Eisenlohr-Moul
(470) 300-5337 (direct)
Kelly.Eisenlohr-Moul@DINSMORE.COM

October 19, 2020

**VIA CERTIFIED MAIL
VIA FEDERAL EXPRESS**

Mr. James Mota
165 Pascack Road
Hillsdale, NJ 07642-1324

RE: Cease and Desist Violations of Employment Agreement

Dear Mr. Mota:

Allstate is aware you are now employed by Prudential Life Insurance Company of America and/or its affiliate Prudential Advisors (collectively "Prudential") as a Financial Planner. Our firm serves as legal counsel to Allstate Life Insurance Company of New York ("Allstate"). I am writing because since your contractual relationship with Allstate ceased on January 10, 2020, Allstate has identified violations of the Financial Specialist Employment Agreement ("Employment Agreement") you executed on May 6, 2013. The Employment Agreement is attached as Exhibit 1. Allstate is currently investigating the situation and evaluating its legal options, including commencing any necessary legal action to enjoin your improper activities and/or recover damages caused by your unlawful conduct.

The attached Employment Agreement prohibits you from engaging in certain conduct both during and after the termination of your employment with Allstate.

Specifically, the Employment Agreement prohibits you from disclosing trade secrets or competing with Allstate. Paragraph 10 of the Employment Agreement, titled "Trade Secrets" states:

You agree that you will not at any time or in any manner, directly or indirectly, divulge, disclose, communicate or permit access to any person, firm, or corporation any privileged or confidential information containing proprietary information or trade secrets. Furthermore, upon termination of this Agreement, you agree to continue to treat as privileged and confidential any information concerning any matters affecting or relating to the pursuits of the Company which is not otherwise lawfully available to the public and which has been obtained by you during the course of Company employment; and you agree that you will not

Mr. James Mota
October 19, 2020
Page 2

use, release, divulge, or communicate such information to any person, firm or corporation in any manner whatsoever, except upon written direction by an authorized representative of the Company.

Additionally, Paragraph 13, titled "Covenant Not to Compete" states:

Following the Termination of this Agreement, whether by you or the Company, you agree that for a period of one year following the termination you cannot be hired as an Allstate Agent and you agree that you will not directly or indirectly, by or through any partners, agent, employer or firm, advise, induce or attempt to induce any policyholder, insured, or annuitant, of the Company or its affiliates to lapse, cancel or replace any annuity, insurance policy, variable policy or mutual fund.

In the event you breach this provision, you agree that the Company may compel your compliance with this provision by injunction, or by any other remedy at law or equity, or by any other remedy under this Agreement.

This agreement survives the termination of your employment with Allstate, and remains in effect indefinitely. New York law, which governs your Employment Agreement, also imposes on you certain fiduciary duties and continuing duties of loyalty, which prohibits you from disclosing Allstate's confidential or trade secret information at any time during or after your employment with Allstate and acting against Allstate's interests during your employment with your new employer, Prudential.

Allstate has evidence that you are soliciting Allstate's customers via email in violation of your non-solicitation obligations and that you are using and disclosing Allstate's confidential, proprietary, and trade secret information in your current employment with Prudential. Specifically, the records we have reviewed show that you are soliciting multiple former Allstate customers via e-mail, and have done so on April 7 and May 21, 2020. Our records also reflect that you accessed confidential customer information reports in Allstate's system at around 4 p.m. on December 4, 2019, and between 10 p.m. and midnight on December 25, 2019. Retaining this information or using it at Prudential violates the trade secret restrictions in your Employment Agreement.

Based on the foregoing, we demand that you **immediately cease and desist** your unlawful activities and confirm in writing by the close of business on October 23, 2020 that you have complied and will continue to comply with the following:

1. Cease and desist from using or disclosing Allstate's trade secrets and confidential and proprietary information.
2. Immediately return all trade secrets and confidential or proprietary information belonging to Allstate, including, but not limited to customer lists, customer

Mr. James Mota
October 19, 2020
Page 3

contact information, pricing information, and other data.

3. Cease and desist from all activities that violate your contractual non-compete obligations.
4. Cease and desist from tortiously interfering with Allstate's business relations with its customers and clients.

Allstate takes its business, confidential, proprietary, and trade secret information very seriously, and will take all necessary and appropriate steps to prevent any misappropriation or disclosure of its trade secrets or confidential information, or any breach of its contracts, tortious interference with its business relations, or usurpation of its corporate opportunities.

You are now on notice of potential litigation. You are required to take all necessary steps to preserve, and not destroy, conceal, or alter, any and all communications and documents relevant to this matter, including by way of example, and without limitation, emails, text messages, social media posts, voicemails, records, files, and other data, wherever located and regardless of the format or media.

This letter is not intended as a full recitation of the facts or a complete review of applicable law. Nothing contained in or omitted from this letter is or shall be deemed to be a limitation, restriction, or waiver of any of Allstate's rights or remedies, either at law or in equity, in connection with any of the matters raised herein, all of which are expressly reserved.

If you have any questions about this letter or the Employment Agreement referenced herein, please contact me at (470) 300-5337 or Kelly.eisenlohr-moul@dinsmore.com.

Very truly yours,

Kelly Eisenlohr-Moul

Enclosure
KEM/dc