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18 Attorneys for Plaintiff AMERICAN
INSTITUTE OF CERTIFIED PUBLIC
19 ACCOUNTANTS

20 UNITED STATES DISTRICT COURT

21 CENTRAL DISTRICT OF CALIFORNIA, EASTERN DIVISION

22 AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
23 ACCOUNTANTS,

24 Plaintiff,

25 v.

26 STEPHEN LAU,

27 Defendant.
28

Case No. 24-cv-1940

COMPLAINT FOR:

(1) Copyright Infringement

**(2) Misappropriation of Trade
Secrets (DTSA)**

(3) Breach of Contract

JURY TRIAL DEMANDED

1 Plaintiff American Institute of Certified Public Accountants (the “AICPA” or
2 “Plaintiff”) complains of Defendant Stephen Lau (“Defendant”) as follows:

3 **NATURE OF THE ACTION**

4 1. This is a civil action seeking injunctive relief and damages for: (i)
5 copyright infringement in violation of the Copyright Act, 17 U.S.C. §§ 106 and 501,
6 *et seq.*; (ii) misappropriation of trade secrets in violation of the Defend Trade Secrets
7 Act of 2016, 18 U.S.C. §§ 1836, *et seq.* (the “DTSA”); and (iii) breach of contract in
8 violation of California state law.

9 **INTRODUCTION**

10 2. Certified Public Accountants (“CPAs”) instill trust in organizations and
11 economies of all sizes with quality audits, assurance and tax services, and strategic
12 advice. The confidence placed in the work of CPAs strengthens capital markets and
13 expands opportunities for sustainable and inclusive growth around the world. This
14 confidence and the trust it engenders are at the heart of the work CPAs do and why
15 their work is valued so highly.

16 3. The accounting profession powers trust, opportunity and prosperity for
17 individuals, communities, businesses, and governments. People around the world rely
18 on CPAs for their unique expertise, commitment to a code of ethics and long history
19 of innovation.

20 4. CPAs’ commitment to the public interest — to transparency and integrity
21 — in a complex and ever-evolving regulatory environment fosters greater prosperity.

22 5. The AICPA and its predecessors have a history dating back to 1887.

23 6. The AICPA was founded to establish, maintain, and advance public and
24 client trust in the accountancy profession. Its mission is to drive a dynamic accounting
25 profession ready to meet the demands of a constantly changing, disruptive world.

26 7. Public trust is not given freely, it is earned. The AICPA works to
27 establish, maintain and advance public trust in CPAs.

1 8. One of the ways the AICPA plays a significant role in instilling public
2 confidence in the accountancy profession is through the Uniform CPA Examination
3 (the “CPA Exam”). The AICPA develops, designs and scores the CPA Exam, which
4 a CPA candidate must pass as part of the process of becoming a licensed CPA in the
5 United States.

6 9. The AICPA is the author of the questions, problems and suggested
7 answers (“Exam Content”), which include the prefatory material, narrative passages,
8 diagrams and answer choices that make up the test items used in the Uniform CPA
9 Exam.

10 10. As the author of the Exam Content, the AICPA registers its copyrights
11 in Exam Content by using special accommodations for registering copyrightable
12 authorship in secure tests or groups of secure test items. This ensures, among other
13 things, that unredacted Exam Content will not be jeopardized by making them
14 available to the public.

15 11. In order to maintain the validity, security and integrity of the CPA Exam
16 and ensure that only qualified candidates are licensed as CPAs, the AICPA goes to
17 great lengths to keep the Exam Content secret and secure.

18 12. All AICPA employees, contractors, vendors and partners who are
19 involved in creating, administering and grading the CPA Exam are subject to strict
20 confidentiality agreements which restrict the disclosure and use of Exam Content.

21 13. All candidates who take the CPA Exam must first electronically enter
22 into a non-disclosure agreement preventing them from disclosing Exam Content
23 without the AICPA’s consent.

24 14. The AICPA’s efforts to maintain the secrecy of Exam Content serve two
25 very important functions.

26 a. First, they help ensure an even playing field and fairness between and
27 among CPA candidates. No candidate should have an advantage over
28

1 any other, especially one based on having access to secret information
2 about the CPA Exam or its contents.

3 b. Second, they promote public trust. The public must be confident that
4 a licensed CPA passed the examination not because they knew the
5 questions or answers beforehand but because they were able to
6 exercise the skills and required of a newly licensed CPA in order to
7 correctly answer the questions.

8 15. Before and as a prerequisite to being permitted to sit for and access the
9 CPA Exam, Defendant acknowledged that he understood and agreed that:

10 a. the purpose of the CPA Exam is to protect the public by regulating
11 the admission of those deemed qualified as CPAs and assuring that
12 each applicant is tested for minimum professional competence;

13 b. keeping the Exam Content confidential helps safeguard the validity,
14 security, and integrity of the CPA Exam and ensures that only
15 qualified candidates are licensed as CPAs;

16 c. Exam Content is the exclusive, confidential, and proprietary property
17 of the AICPA, and is protected from unauthorized disclosure and use
18 by federal, state, and international intellectual property laws,
19 including but not limited to copyright and trade secret laws.

20 16. Before and as a prerequisite to being permitted to sit for and access the
21 CPA Exam, Defendant certified that he would not in the future:

22 a. share, post, display, publish, distribute, transmit, or otherwise
23 disclose Exam Content in any way, including but not limited to
24 dissemination via the Internet or social media; or

25 b. communicate about Exam Content online at any time before, during,
26 or after taking the Uniform CPA Exam.

27 17. Defendant signed up and sat for the CPA Exam in part of an effort to
28 become a CPA.

1 18. In unlawfully copying, publicly displaying and disclosing Exam
2 Content, all in violation of the clear language of the agreement he entered into in order
3 to be given access to the CPA Exam, Defendant infringed the AICPA's copyright
4 rights in the Exam Content, misappropriated the AICPA's trade secrets, and breached
5 his contracts with the AICPA.

6 19. He also acted inconsistently with the professional and ethical standards
7 that the public expects from a licensed CPA.

8 20. In addition to violating the AICPA's intellectual property and contract
9 rights, Defendant's unlawful copying of Exam Content and disclosure of it to a
10 Discord group of other CPA candidates compromised the integrity of the CPA Exam
11 by giving those who saw it an unfair advantage that other candidates did not have.

12 21. Defendant also publicly disclosed other Exam Content and CPA Exam-
13 related information on other CPA Exam-related social media channels and/or groups,
14 including Reddit.

15 22. He did so in blatant disregard of his personal legal obligations, promises
16 and duty to keep secret the Exam Content.

17 23. He did so in violation of the public's trust in the accounting profession
18 and its members.

19 24. In response, the AICPA brings this action to protect its intellectual
20 property rights, safeguard the integrity of the CPA Exam, and maintain the public
21 trust.

22 **JURISDICTION AND VENUE**

23 25. This Court has jurisdiction over the subject matter of Plaintiff's federal
24 claims under 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the
25 Copyright Act, 17 U.S.C. §§ 106 and 501, *et seq.*, and under the DTSA, 18 U.S.C. §
26 1836, *et seq.* This Court has supplemental jurisdiction over Plaintiff's related state
27 law claims under 28 U.S.C. § 1367(a).

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1 choosing. The Core exam sections assess the knowledge and skills that all newly
2 licensed CPAs need in their role to protect the public interest. The Discipline exam
3 sections assess the knowledge and skills in the respective Discipline domain
4 applicable to newly licensed CPAs in their role to protect the public interest. Each
5 section is four hours long.

6 35. The three Core exam sections of the CPA Exam are: Auditing and
7 Attestation (“AUD”), Financial Accounting and Reporting (“FAR”), and Taxation
8 and Regulation (“REG”). The three Discipline exam sections of the CPA Exam are:
9 Business Analysis and Reporting (“BAR”), Information Systems and Control
10 (“ISC”), and Tax Compliance and Planning (“TCP”).

11 **The AICPA’s Copyrights in the Uniform CPA Exam**

12 36. The AICPA is the author and owner of all rights, title, and interest in the
13 copyrights in the CPA Exam, including without limitation the Exam Content.

14 37. The AICPA maintains many copyright registrations which cover various
15 versions of the CPA Exam. The Exam Content infringed by Defendant is the subject
16 of U.S. Copyright Reg. No. TXu002287113 (dated July 6, 2020). A true and correct
17 copy of this registration certificate is attached hereto as **Exhibit A**.

18 **The AICPA’s Trade Secrets in the Uniform CPA Exam**

19 38. The AICPA has spent substantial time, funds, and other resources
20 designing, creating, developing, improving and maintaining the secrecy of the Exam
21 Content and keeping such material secret.

22 39. The Exam Content contains and is comprised in large part of trade secrets
23 (the “Trade Secrets”).

24 40. The AICPA is the owner of all rights, title and interest in and to the Exam
25 Content and the Trade Secrets therein.

26 41. The AICPA develops Exam Content, including the Trade Secrets,
27 through significant time, effort and expense.

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1 42. The development of each test item involves rigorous review by a team
2 of experts.

3 43. The Trade Secrets are the subject of efforts that are reasonable under the
4 circumstances to maintain secrecy, which are part of the expense associated with the
5 Trade Secrets.

6 44. As noted above, the copyrights in the Exam Content are registered using
7 special accommodations for copyrightable authorship in secure tests to prevent public
8 disclosure of unredacted copies of Exam Content. As Congress has recognized, this
9 “secure test” regulation represents a judgment by the Copyright Office that “retention
10 of [secure tests and secure test items] by the Office and availability for public
11 inspection could severely prejudice the future utility, quality, and integrity of the
12 materials.” 42 Fed. Reg. 59302, 59304 (Nov. 16, 1977).

13 45. For this reason, among others, at all relevant times, the AICPA has taken
14 reasonable measures to keep the Trade Secrets secret by, among other things: (i)
15 maintaining the Trade Secrets on secured internet platforms; (ii) requiring
16 confidentiality agreements and/or non-disclosure agreements from every person who
17 might have access to or view the Trade Secrets, including without limitation, all
18 persons who take the CPA Exam; (iii) limiting access to the Trade Secrets on a “need-
19 to-know” basis and only to those who are developing or taking the CPA Exam; (iv)
20 conditioning access to the Trade Secrets to accounts attributable to unique users,
21 which are password-protected and require multi-factor authentication; (v) storing
22 Exam Content in its final state in the AICPA’s core content management system
23 which can only be accessed using a secure connection on the AICPA virtual private
24 network (VPN); (vi) limiting the ability of those who access the AICPA’s Trade
25 Secrets to print or export Exam Content; (vii) securely transmitting the CPA Exam to
26 the exam administrator and ensuring that the exam administrator securely transmits
27 the CPA Exam to its test centers and that it conducts security screening and
28 monitoring of its testing facilities and testing candidates in its operations related to

1 the CPA Exam; and (viii) using a private security firm to monitor internet traffic to
2 identify any parties that have acquired, disclosed, or used its Trade Secrets without
3 authorization.

4 46. As demonstrated by, and in part as a result of, the foregoing, the
5 AICPA's Trade Secrets derive independent actual and potential economic value from
6 not being generally known to, and not being readily ascertainable through proper
7 means by, another person who could obtain economic value from the disclosure or
8 use of the Trade Secrets.

9 47. The independent economic value derived from the Exam Content not
10 being generally known is also demonstrated when the secrecy of Exam Content is
11 compromised due to the costs that arise in association with addressing such
12 misappropriation and any issues related to the security, validity and future utility of
13 the Exam Content that has been misappropriated.

14 48. This is because the unauthorized disclosure of Exam Content causes
15 significant harm to the AICPA including, but not limited to, creating the need to
16 develop additional Exam Content to replace the disclosed Exam Content. The
17 development of such "replacement Exam Content" involves significant effort and
18 expense.

19 49. In addition, advance knowledge of Exam Content affects the validity and
20 reliability of the CPA Exam for those to whom it might be administered in the future
21 because a candidate who knows a question and suggested answers ahead of time is in
22 a position to determine the correct suggested answer, giving that person an advantage
23 over others who do not have the same information.

24 50. The actual and potential independent economic value the Exam Content
25 derives from not being generally known to, and not being readily ascertainable
26 through proper means by, another person who can obtain economic value from the
27 disclosure or use of the Exam Content, is further demonstrated by the fact that the
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1 AICPA licenses some of the retired Exam Content to CPA Exam review course
2 providers, for which it is paid royalties.

3 **Defendant's Contract with the AICPA**

4 51. In order to schedule himself to sit for the ISC section of the CPA Exam,
5 Defendant entered into The Uniform CPA Examination Conduct and Non-Disclosure
6 Agreement (the "NDA") with the AICPA. (A true and correct copy of the NDA is
7 attached hereto as **Exhibit B.**)

8 52. Defendant would not have been permitted to schedule, sit for, take or
9 otherwise view the CPA Exam and the Exam Content if he had refused or failed to
10 execute and enter into the NDA.

11 53. Defendant would not have been permitted to access Exam Content if he
12 had not reaffirmed his agreement to the terms of the NDA immediately before taking
13 the CPA Exam.

14 54. By entering into the NDA, Defendant acknowledged and agreed that he:
15 "read and shall comply at all times with all testing policies and procedures[.]" (Exhibit
16 B at 2.)

17 55. By entering into the NDA, Defendant acknowledged and agreed that:
18 "[t]he purpose of the Uniform CPA Exam is to protect the public by regulating the
19 admission of those deemed qualified as CPAs and assuring that each applicant is
20 tested for minimum professional competence." (Exhibit B at 1.)

21 56. By entering into the NDA, Defendant acknowledged and agreed that:
22 "[k]eeping the questions, problems, and suggested answers of the Uniform CPA
23 Exam confidential helps maintain the validity, security, and integrity of the Uniform
24 CPA Exam and ensure that only qualified candidates are licensed as CPAs." (*Id.*)

25 57. By entering into the NDA, Defendant acknowledged and agreed that:
26 "Exam Content is the exclusive, confidential, and proprietary property of the AICPA,
27 and is protected from unauthorized disclosure and use by the terms of this [NDA] and
28

1 by federal, state, and international intellectual property laws, including but not limited
2 to copyright and trade secret laws.” (*Id.*)

3 58. By entering into the NDA, **Defendant acknowledged and agreed that:**
4 “[a]ccess to and use of such trade secrets and confidential information is strictly
5 limited and controlled by the AICPA. . . [and that] **Exam Content may not be**
6 **captured digitally, copied, including by memorization, distributed, or otherwise**
7 **disclosed, and may not be used in any way not expressly authorized by the**
8 **AICPA.”** (*Id.*) (emphasis added).

9 59. By entering into the NDA, **Defendant acknowledged and agreed that**
10 **he would: “at all times maintain the secrecy and confidentiality of the Exam**
11 **Content and . . . not engage in any misconduct that could compromise the**
12 **secrecy, confidentiality, integrity, or security of the Uniform CPA Exam or the**
13 **Exam Content[.]”** (*Id.*) (emphasis added).

14 60. In entering into the NDA, **Defendant acknowledged, agreed and**
15 **certified that he had not in the past and would not in the future engage in any of**
16 **the following conduct**, defined under the NDA as “irregular behavior”:

- 17 • Cheating by any means on any part of the Uniform CPA Exam;
- 18 • **Copying**, photographing, recording, or reproducing **Exam**
19 **Content by any means, including but not limited to**
20 **reconstruction through memorization;**
- 21 • **Sharing, posting, displaying, publishing, distributing,**
22 **transmitting, or otherwise disclosing Exam Content in any**
23 **way, including but not limited to dissemination via the**
24 **Internet or social media; . . . or**
- 25 • **Communicating about Exam Content**, including but not limited
26 to in-person, **online**, or via text, chat, instant or direct messaging,
27 or email **with anyone, at any time** before, during, or **after taking**
28 **the Uniform CPA Exam . . .**

(Exhibit B at 2.) (emphasis added).

61. By entering into the NDA, Defendant acknowledged and agreed that his
failure to comply with these provisions not only “may result in civil or criminal

1 penalties” but that “the AICPA may recommend that the State Board invalidate or
2 cancel [his] Exam scores or revoke [his] license, if it has been issued.” (Exhibit B at
3 2-3.)

4 62. Defendant sat for the ICS section of the CPA Exam on February 3, 2024.

5 63. In order to sit for the ISC section of the CPA Exam, Defendant affirmed
6 and agreed to the terms and conditions of the NDA.

7 64. Defendant also reiterated and affirmed his acknowledgment and
8 agreement that:

9 the questions, problems, and suggested answers of the Uniform
10 CPA Examination (together, the “Exam Content”) is protected by
11 United States federal, state, and international copyright and trade
12 secret laws, and contains trade secret and other confidential
13 information that is the exclusive property of the AICPA, and that
[he would] maintain the confidentiality of the Exam Content.

14 65. In addition, Defendant agreed that he would not and would not attempt
15 to, by any means divulge or disclose the nature or content of any Exam Content under
16 any circumstances.

17 66. Defendant also agreed to promptly report to the AICPA any disclosure
18 of Exam Content that he knew of or of which he later became aware.

19 **Defendant’s Unlawful Acts**

20 67. Defendant violated the NDA, infringed Plaintiff’s copyrights,
21 misappropriated the Trade Secrets, and risked undermining the public trust in the
22 accountancy profession by repeatedly disclosing Exam Content where it was likely to
23 be seen by others taking the CPA Exam.

24 68. Defendant, having agreed to keep the Exam Content confidential and
25 secret, and to maintain the integrity of the Exam, nevertheless disclosed Exam
26 Content in violation of the NDA and state and federal law.

27 *Defendant Leaks Exam Content on Discord*

28 69. Defendant is a user of a messaging service called Discord.

1 70. Discord is a communication platform divided into individual chat rooms,
2 which are called “servers.” Servers are maintained for a variety of interests and
3 subjects. Each server is accessible by an invite link.

4 71. Defendant operated an account on Discord named “wesleysakamoto.”

5 72. Defendant was a member of a Discord server called “CPA Study Group.”

6 73. On February 3, 2024, the same day he took the ISC section of the CPA
7 Exam and reaffirmed his acknowledgement and agreement to the terms of the NDA,
8 including those set forth above, Defendant posted a message in the “CPA Study
9 Group” Discord server containing a virtually exact reproduction of both the content
10 of an ISC multiple choice question along with the related answer choices.

11 74. That same day, Defendant also disclosed descriptions of the subject
12 matter of three task-based simulations on the same Discord server -- a server dedicated
13 to people studying for the CPA Exam.

14 75. In so doing, Defendant infringed the AICPA’s copyrights,
15 misappropriated the Trade Secrets, and breached the NDA.

16 76. His posts also provided an unfair advantage to other test takers in the
17 CPA Study Group Discord server.

18 *Defendant Makes Unauthorized Disclosures of Exam Content on Reddit*

19 77. Defendant’s conduct on February 3, 2024, was not an isolated act.

20 78. The AICPA’s investigation revealed that Defendant has engaged in
21 other, similar conduct to that described above.

22 79. Defendant operates an account on Reddit.

23 80. Reddit is a public news aggregation, content rating, and forum website.
24 The website is divided into “subreddits” where users submit and discuss content
25 related to a particular topic or interest.

26 81. Defendant operates a Reddit account under the name
27 “omgitsalobster82.”

28 82. Defendant sat for the REG section of the Exam on November 25, 2023.

1 83. A day later, Defendant posted on the CPA subreddit. In that post,
2 Defendant again provided details about the subject matters of four different multiple
3 choice questions from the REG Exam administered the day before.

4 84. Defendant's Exam Content-related posts provided future test takers who
5 saw them valuable insight into the disclosed CPA Exam Content and an unfair
6 advantage over other test takers.

7 85. Defendant's acts described above and other, similar conduct jeopardize
8 the integrity and fairness of the CPA Exam and threaten to undermine the foundations
9 of public trust upon which the accounting profession is built, necessitating the AICPA
10 to take action to prevent further disclosure of Exam Content.

11 86. Defendant's blatant disregard for the law and his legal obligations shows
12 that his acts were willful and malicious.

13 **FIRST CLAIM FOR RELIEF**
14 **(Copyright Infringement in violation of**
15 **the Copyright Act, 17 U.S.C. §§ 106 and 501, *et seq.*)**

16 87. The AICPA re-alleges and incorporates fully by reference the allegations
17 contained in the foregoing paragraphs of this complaint as if set forth fully herein.

18 88. This is a claim for copyright infringement under the Copyright Act, 17
19 U.S.C. §§ 106 and 501, *et seq.*

20 89. The AICPA is the author, creator, and owner of all rights, title, and
21 interest in a number of valid, registered, and enforceable copyrights in the CPA Exam.

22 90. On February 3, 2024, Defendant unlawfully reproduced and publicly
23 displayed on the CPA Study Group server in Discord, Exam Content that is the subject
24 of U.S. Copyright Reg. No. TXu002287113 (dated July 6, 2020) (the "Registered
25 Work").

26 91. The Registered Work was part of the ISC section of the CPA Exam,
27 which Defendant sat for on February 3, 2024.

28 92. While sitting for the ISC section of the CPA Exam, Defendant had access
to the Registered Work.

1 93. Defendant infringed the AICPA’s copyright in the Registered Work by
2 unlawfully publicly displaying an unauthorized reproduction of and/or derivative
3 work based upon the Registered Work.

4 94. The AICPA never authorized Defendant to reproduce, publicly display
5 or create derivative works of the Registered Work.

6 95. On the contrary, Defendant’s public display of an unauthorized
7 reproduction of and/or derivative work based upon the Registered Work was strictly
8 prohibited under contracts Defendant had entered into with the AICPA, making his
9 infringements of the AICPA’s Registered work willful.

10 96. In creating and publicly displaying such unauthorized reproduction and
11 derivative work, Defendant infringed the AICPA’s registered copyright and is liable
12 to the AICPA for direct and willful infringement under 17 U.S.C. § 501, et seq.

13 97. The AICPA has suffered actual damages as a result of Defendant’s
14 infringement.

15 98. In addition to the AICPA’s actual damages, the AICPA is entitled to
16 receive any additional profits made by Defendant from his wrongful acts pursuant to
17 17 U.S.C. § 504.

18 99. In the alternative, the AICPA is entitled to statutory damages pursuant to
19 17 U.S.C. § 504(c). These statutory damages should be enhanced in accordance with
20 17 U.S.C. § 504(c)(2) due to Defendant’s willful infringement.

21 100. Defendant’s conduct is causing, and unless enjoined and restrained by
22 this Court, will continue to cause, Plaintiff great and irreparable injury that cannot
23 fully be measured in money. The AICPA has no adequate remedy at law for
24 Defendant’s wrongful conduct because (i) the AICPA’s copyrights are unique and
25 valuable property that have no readily determinable market value; (ii) Defendant’s
26 infringement constitutes an interference with the AICPA’s goodwill and public
27 image; and (iii) Defendant’s wrongful conduct and the damages resulting therefrom
28 are continuing.

1 101. The AICPA is also entitled to recover its attorneys’ fees and costs
2 pursuant to 17 U.S.C. § 505.

3 **SECOND CLAIM FOR RELIEF**
4 **(Misappropriation of Trade Secrets under 18 U.S.C. § 1836, *et seq.*)**

5 102. The AICPA re-alleges and incorporates fully by reference the allegations
6 contained in the foregoing paragraphs of this complaint as if set forth fully herein.

7 103. This is a claim for misappropriation of trade secrets under the Defend
8 Trade Secrets Act of 2016, 18 U.S.C. § 1836, *et seq.*

9 104. The AICPA is the owner of the Trade Secrets (as defined above), which
10 are “trade secrets” under 18 U.S.C. § 1839(3) because they are business and technical
11 information that:

- 12 a. at all relevant times have been the subject of reasonable measures to
13 keep them secret; and
- 14 b. derive independent economic value, actual or potential, from not
15 being generally known or readily ascertainable through proper means
16 by another person who can obtain economic value from the disclosure
17 or use of the information.

18 105. The AICPA’s Trade Secrets are intended to be used in and have been
19 used in interstate and foreign commerce as part of the Uniform CPA Examination.

20 106. The AICPA has spent considerable time, effort, and financial resources
21 to develop and protect the Trade Secrets. The AICPA has treated the Trade Secrets
22 as secret and has protected them from unauthorized access by third parties.

23 107. As described in detail above, at all relevant times, the AICPA has taken
24 reasonable measures to keep the Trade Secrets secret.

25 108. Defendant had access to and acquired the AICPA’s Trade Secrets and
26 other Confidential Information under the terms and restrictions of the NDA.

27 109. Defendant acquired the AICPA’s Trade Secrets with the knowledge that
28 they are secrets he was contractually obligated not to disclose.

1 110. Defendant misappropriated the AICPA’s Trade Secrets by disclosing
2 them on the Internet without the express or implied consent of the AICPA.

3 111. Defendant misappropriated the AICPA’s Trade Secrets, including
4 without limitation, by disclosing the content of an ISC multiple choice question, its
5 related answer choices and the subject matter of three task-based simulations on the
6 “CPA Study Group” Discord server -- a server dedicated to people studying for the
7 CPA Exam -- and by disclosing them on other social media platforms, such as Reddit,
8 all without the express or implied consent of the AICPA.

9 112. Defendant’s misappropriation was willful and malicious because he
10 disclosed the AICPA’s Trade Secrets repeatedly despite his clear notice in the NDA
11 that such disclosure was a violation of the AICPA’s rights.

12 113. As a result of the misappropriation, Defendant has proximately caused
13 harm to the AICPA and is in a position to continue to injure the AICPA.

14 114. The AICPA has incurred actual losses, and/or Defendant has been
15 unjustly enriched as a result of Defendant’s misappropriation of the AICPA’s Trade
16 Secrets.

17 115. The AICPA is entitled to: (a) an award of its damages for actual loss
18 caused by Defendant’s misappropriation of the Trade Secrets; (b) recovery for any
19 unjust enrichment caused by Defendant’s misappropriation of the Trade Secrets that
20 is not addressed in computing damages for actual loss; and (b) an award of exemplary
21 damages and attorneys’ fees for willful and malicious misappropriation.

22 116. As a result of Defendant’s wrongful acts alleged herein, the AICPA has
23 suffered and is continuing to suffer irreparable injury. The AICPA cannot be
24 adequately compensated for these injuries by monetary awards alone, and the AICPA
25 has no adequate remedy at law for Defendant’s misappropriation of the Trade Secrets.

26 117. The AICPA is entitled to injunctive relief against Defendant, who should
27 be preliminary and permanently enjoined pursuant to 18 U.S.C. § 1836(b)(3)(A) from
28

1 having access to any AICPA Exam Content, and from the further actual and
2 threatened disclosure of the AICPA’s Trade Secrets.

3 **THIRD CLAIM FOR RELIEF**
4 **(Breach of Contract)**

5 118. The AICPA re-alleges and incorporates fully by reference the allegations
6 contained in the foregoing paragraphs of this complaint as if set forth fully herein.

7 119. Access to the CPA Exam is conditioned upon execution of the NDA and
8 reaffirmation of that agreement the day the Exam is taken.

9 120. In order to take the CPA Exam, all test takers must assent to the terms of
10 the NDA.

11 121. Defendant took the CPA Exam.

12 122. Defendant acknowledged and agreed to the terms of the NDA in order to
13 sit for the Exam and acknowledged and reaffirmed his agreement to those terms on
14 February 3, 2024.

15 123. Specifically, Defendant acknowledged and reaffirmed that the NDA:

16 [Set] forth the terms and conditions of [his] use and disclosure of
17 Uniform CPA Examination (“Uniform CPA Exam” or “Exam”)
18 materials and content, including but not limited to its questions,
19 problems, and suggested answers [and that] . . .

20 **Keeping the questions, problems, and suggested answers of the**
21 **Uniform CPA Exam (collectively referred to below as “Exam**
22 **Content”) confidential helps maintain the validity, security,**
23 **and integrity of the Uniform CPA Exam and ensure that only**
24 **qualified candidates are licensed as CPAs.**

25 (emphasis added).

26 124. Defendant further acknowledged and reaffirmed that the NDA:

27 **Exam Content is the exclusive, confidential, and proprietary**
28 **property of the AICPA, and is protected from unauthorized**
disclosure and use by the terms of this Agreement and by
federal, state, and international intellectual property laws,

1 **including but not limited to copyright and trade secret laws**
2 [and that]

3 Exam Content contains trade secrets and confidential information
4 owned by the AICPA. Access to and use of such trade secrets and
5 confidential information is strictly limited and controlled by the
6 AICPA. **Exam Content may not be captured digitally, copied,**
7 **including by memorization, distributed, or otherwise**
8 **disclosed,** and may not be used in any way not expressly
9 authorized by the AICPA.

10 (emphasis added).

11 125. Defendant also certified that he would not in the future engage in any of
12 the following misconduct:

- 13 • **Copying, photographing, recording, or reproducing Exam Content**
14 **by any means, including but not limited to reconstruction through**
15 **memorization**
- 16 • **Sharing, posting, displaying, publishing, distributing, transmitting,**
17 **or otherwise disclosing Exam Content in any way, including but not**
18 **limited to dissemination via the Internet or social media; [or]**
- 19 • **Communicating about Exam Content, including but not limited to**
20 **in-person, online,** or via text, chat, instant or direct messaging, or email
21 with anyone, at any time before, during, or after taking the Uniform CPA
22 Exam.

23 (emphasis added).

24 126. Yet Defendant, did just these things the same day he re-affirmed his
25 agreement not to.

26 127. In so doing, Defendant breached the NDA.

27 128. Defendant has and will likely continue to knowingly, intentionally, and
28 materially breach the NDA by, among other things:

- 29 a. Copying and reproducing Exam Content;

1 6. Declare that Defendant’s infringement and other wrongdoings were
2 willful in nature or the result of reckless, willful and malicious disregard for Plaintiff’s
3 rights;

4 7. Enter an order pursuant to 17 U.S.C. § 502 that preliminarily and
5 permanently enjoins Defendant from infringing any of the AICPA’s copyrighted
6 works;

7 8. Enter an order pursuant to 18 U.S.C. § 1836(b)(3)(A)(ii) that
8 preliminarily and permanently enjoins Defendant from any further access to any
9 Exam Content and any further actual or threatened misappropriation (including,
10 without limitation, by disclosure) of AICPA Trade Secrets;

11 9. Enter an order that preliminarily and permanently enjoins Defendant
12 from further violating the NDA and any other agreements with AICPA related to
13 Exam Content;

14 10. Enter an order pursuant to 17 U.S.C. § 504 requiring that Defendant pay:
15 (a) the AICPA the maximum amount of statutory damages permitted under 17 U.S.C.
16 § 504; or, (b) in the event that the AICPA elects to instead to recover actual damages
17 and Defendant’s additional profits from Defendant before final judgment is rendered,
18 the AICPA’s actual damages and Defendant’s additional profits, together with
19 interest, including pre-judgment interest, as fixed by the Court;

20 11. Enter an order pursuant to 18 U.S.C. § 1836(b)(3)(B), *et seq.*, requiring
21 Defendant to pay the AICPA: (a)(i) damages for actual loss caused by the
22 misappropriation of the trade secret; and (a)(ii) damages for any unjust enrichment
23 caused by the misappropriation of the trade secret that is not addressed in computing
24 damages for actual loss; or (b) the damages caused by the misappropriation measured
25 by imposition of liability for a reasonable royalty for Defendant’s unauthorized
26 disclosure or use of the Trade Secrets; and (c) pursuant to 18 U.S.C. § 1836(b)(3)(C),
27 because Defendant willfully and maliciously misappropriated the Trade Secrets, pay
28

