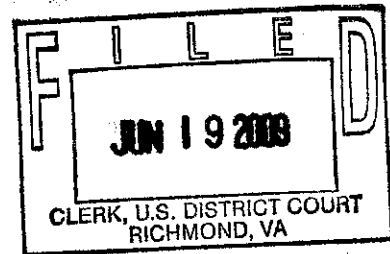


UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION



JAMES RIVER MANAGEMENT COMPANY,
INC.,
6641 West Broad Street, Suite 300
Richmond, VA 23230

JAMES RIVER GROUP, INC.,
300 Meadowmont Village Circle
Suite 333
Chapel Hill, NC 27517

JAMES RIVER INSURANCE COMPANY,
6641 West Broad Street, Suite 300
Richmond, VA 23230

Plaintiffs,

v.

MICHAEL P. KEHOE,
519 Sleepy Hollow Road
Richmond, VA 23229

KINSALE MANAGEMENT, INC.,
501 E. Franklin Street
Suite 609
Richmond, VA 23219

KINSALE CAPITAL GROUP, INC.,
501 E. Franklin Street
Suite 609
Richmond, VA 23219

KINSALE CAPITAL GROUP, INC.,
501 E. Franklin Street
Suite 609
Richmond, VA 23219

WILLIAM KENNEY,
9411 Avalon Drive
Richmond, VA 23229

Civil Action No.: 3:09CV387

JURY TRIAL DEMANDED

BRIAN HANEY,)
 15345 Abner Church Road)
 Glen Allen, VA 23059)
)
 ANN MARIE MARSON,)
 4021 Riverplace Terrace)
 Glen Allen, VA 23059)
)
 EDWARD DESCH,)
 1615 Harborough Road)
 Richmond, VA 23238)
)
 GREG SHARE,)
 Serve at: Moelis Capital Partners LLC)
 245 Park Avenue)
 New York, NY 10167)
)
 Defendants.)
 _____)

COMPLAINT

Plaintiffs James River Group, Inc., James River Insurance Company, and James River Management Company, Inc. (collectively, “James River” or “Plaintiffs”), by and through their attorneys, Steptoe & Johnson LLP, allege and aver the following as and for their Complaint against defendants Michael P. Kehoe (“Kehoe”); Kinsale Capital Group, Inc., a Virginia Corporation; Kinsale Capital Group, Inc., a Delaware Corporation; Kinsale Management, Inc.; William Kenney; Brian Haney; Ann Marie Marson; Edward Desch; and Greg Share (collectively, “Defendants”):

NATURE OF THE ACTION

1. Through a deceitful scheme and conspiracy, Defendants, acting in concert, have harmed and continue to harm James River’s business through unlawful acts, including, but not limited to, computer hacking; misappropriation of trade secrets and proprietary and business information; and breaches of contractual and fiduciary duties, all committed by once trusted (and now former) high-level senior executives of the company in order to form a competitive venture.

2. Kehoe was the President and CEO of James River from November 2002 through March 2008. Beginning in the middle of 2007, James River began to search for a strategic partner to acquire the company through a merger. During discussions with the consortium of investors that would ultimately purchase James River, Kehoe represented that he intended to continue his employment with James River after the transaction closed. That representation turned out to be false. All the while, Kehoe began a plan to launch a competitive business through unlawful means.

3. Shortly after the sale of James River closed, in December 2007, Kehoe received millions of dollars from the purchase of his stock and his exercise of options. Kehoe received approximately \$6.4 million from his exercise of stock options alone. Several months thereafter in March 2008 -- and the day after Kehoe received an additional bonus of approximately \$814,000 -- Kehoe resigned his position from James River.

4. Notwithstanding non-compete and non-solicitation contractual provisions, fiduciary duties of loyalty, as well as earning millions of dollars from James River, immediately prior to his departure, Kehoe used a thumb drive, presumably to access trade secrets, and proprietary and confidential business information from James River's computer. Moreover, the day after he resigned (but while still employed and being paid by James River) he sent an email to every James River contact -- lifted from James River's database -- that he intended to pursue other opportunities in the same industry.

5. Beginning immediately after his departure, while subject to both a non-compete and non-solicitation agreement, and continuing through the present day, Kehoe spearheaded an effort to form a new company, Kinsale, to unlawfully compete with James River.

6. To obtain funding for his new venture, he joined forces with Greg Share, who is now with Moelis & Company LLC and/or Moelis Capital Partners LLC (collectively, "Moelis").

Share was formerly a Managing Director of Fortress Investment Group LLC (“Fortress”), an investment banking firm that reviewed -- pursuant to a Non-Disclosure Agreement between James River and Fortress which agreement is also binding upon Share -- James River’s highly confidential and proprietary information, as part of the effort to find a strategic partner for a merger. The Non-Disclosure Agreement between Fortress and James River was addressed to Share, and Share led the due diligence and analysis of James River for Fortress. It was through this protected due diligence process that Share met Kehoe. Share had intimate knowledge of all of James River’s most sensitive information and he was bound by confidentiality agreements not to use that information. Nonetheless, Share and Kehoe have combined to arrange for the funding of Kinsale.

7. In addition to misusing knowledge of James River in order to obtain financing, Kehoe has hired away (and continues to hire away) senior executive officers and other employees of James River and induced them to access without authorization and misappropriate James River’s trade secrets, and proprietary and confidential information, and breach their respective duties of loyalty to James River. Kinsale is being built with stolen or misappropriated property.

8. On June 8, 2009, the Chief Information Officer (Kenney), Chief Actuary Officer (Haney), and Chief Claims Officer (Marson) simultaneously resigned to join Kehoe at Kinsale. Shortly thereafter, on June 15, 2009, the Chief Financial Officer (Desch) of James River resigned to join Kehoe, Kenney, and Haney at Kinsale.

9. Within the last ten days and without the benefit of discovery, James River’s internal investigation has revealed that each of these Defendants has been meeting or attempting to meet since at least as early as March 2009 if not earlier, presumably to discuss and coordinate their departures from the company.

10. Moreover, based on James River's investigation to date, each took steps immediately before or on the day of their resignation to access, without authorization, James River's computers and computer files for the purpose of misappropriating trade secrets, proprietary and confidential information. Indeed, each of these defendants participated in a conspiracy to solicit other employees to their new venture and to take confidential information with them to that new venture. Moreover, they engaged in a conspiracy to cover up or to conceal their efforts by instituting or participating in a purported company policy in March 2009 to "swap out" hard drives of certain computers. Defendant Kenney, Chief Information Officer, presented the "swap out" plan as an effort to "upgrade" the computer systems of senior executives. In actuality, the "swap out" occurred only for certain executives, including these defendants, but not others, like the current CEO. The effect of this so-called program was to make the discovery of their espionage more difficult, if not in some cases impossible, to uncover. Finally, each was in contact with or had contacted Kehoe while employed with, and an officer of, James River in an effort to join this unlawful conspiracy.

11. In short, the facts uncovered so far reveal a far different circumstance than where a former employer is unhappy that employees have departed to join a competing venture. Rather, the facts here show a deliberate, coordinated, unlawful effort to attempt to cripple James River's business by stealing, converting, and misappropriating its own trade secrets and confidential and proprietary information to compete against it in an unlawful manner. James River seeks injunctive relief to protect its business secrets, and compensatory damages to recover for the substantial harm that it has suffered or will suffer as a result of this conspiracy.

THE PARTIES

12. Plaintiff James River Group, Inc. ("James River Group") is a Delaware corporation, with its principal place of business in Chapel Hill, North Carolina. James River

Group is an insurance holding company that engages in the management of specialty property and casualty insurance companies.

13. Plaintiff James River Management Company, Inc. (“James River Management”) is a Delaware corporation with its principal place of business in Richmond, Virginia. James River Management is a management company that provides management services to James River Insurance Company. James River Group is the parent company and sole shareholder of James River Management.

14. Plaintiff James River Insurance Company (“James River Insurance”) is an Ohio corporation with its principal place of business in Richmond, Virginia. James River Insurance is a specialty insurance company that engages primarily in the business of excess and surplus (“E&S”) insurance. James River Group is the parent company and sole shareholder of James River Management.

15. The plaintiffs described in paragraphs 12 through 14 above are collectively referred to herein as “James River” or “Plaintiffs.”

16. Upon information and belief, Defendant Michael P. Kehoe (“Kehoe”) is a resident of Virginia. Beginning on or about November 2, 2002, through his resignation from James River in March 2008, Kehoe was President and CEO of James River Management and James River Group. In violation of the non-compete, non-solicitation and confidentiality obligations owed by him to James River, both before and after his resignation from James River, Kehoe started his own E&S insurance company, comprised of the following entities: Kinsale Management, Inc. (“Kinsale Management”), Kinsale Capital Group, Inc., a Virginia corporation (“Kinsale Capital Virginia”) and Kinsale Capital Group, Inc., a Delaware corporation (“Kinsale Capital Delaware”) (collectively, “Kinsale”).

17. Defendant Kinsale Capital Virginia is a Virginia corporation, upon information and belief, with its principal place of business in Richmond, Virginia. Kinsale has identified itself as a specialty insurance company and has stated its intention to be a specialty insurance company. Kinsale Capital Virginia was incorporated on March 27, 2008, three weeks after Kehoe's resignation from James River and during the time period in which Kehoe was still receiving his full salary from James River. The President and sole Director of Kinsale Capital Virginia is Michael P. Kehoe.

18. Defendant Kinsale Management is a Delaware corporation, with, upon information and belief, its principal place of business in Richmond, Virginia. Kinsale Management has identified itself as a specialty insurance company and stated its intention to be an insurance company engaged in property casualty insurance operations focused in the excess and surplus line area. Kinsale Management was incorporated on or about June 4, 2009.

19. Defendant Kinsale Capital Delaware is a Delaware corporation, which, upon information and belief, has offices in Richmond, Virginia. Kinsale Capital Delaware was incorporated on or about June 4, 2009.

20. Defendant William Kenney ("Kenney") was a Senior Vice President and Chief Information Officer of James River beginning in or about the fall of 2002 through his resignation from James River on June 8, 2009. Kenney was solicited to leave James River by Kehoe and/or Kinsale and is currently employed by Kehoe and Kinsale as Chief Information Officer in Richmond, Virginia. Upon information and belief, Kenney is a resident of Virginia.

21. Defendant Brian Haney ("Haney") was a Senior Vice President and Chief Actuary of James River beginning in or about the fall of 2002 through his resignation on June 8, 2009. Haney was solicited to leave James River by Kehoe and/or Kinsale and is currently

employed by Kehoe and Kinsale as Chief Actuary in Richmond, Virginia. Upon information and belief, Haney is a resident of Virginia.

22. Defendant Ann Marie Marson (“Marson”) was a Senior Vice President and Chief Claims Officer of James River beginning on or about February 3, 2003, through her resignation from James River on June 8, 2009. Marson is an attorney. Marson was solicited to leave James River by Kehoe and plans to be employed by Kehoe and Kinsale as Chief Claims Officer in Richmond, Virginia. Upon information and belief, Marson is a resident of Virginia.

23. Defendant Edward Desch (“Desch”) was a Senior Vice President and Chief Financial Officer of James River beginning in or about the fall of 2002 through his resignation from James River on June 15, 2009. Desch was solicited to leave James River by Kehoe and is currently employed by Kehoe and Kinsale as Chief Financial Officer in Richmond, Virginia. Desch is a certified public accountant. Upon information and belief, Desch is a resident of Virginia.

24. The Defendants described in paragraphs 20 through 23 above are collectively referred to herein as the “James River Individual Defendants.”

25. The James River Individual Defendants, as officers of James River, have stood in a fiduciary position with respect to James River and owed James River the highest duties of good faith, fair dealing, due care and loyalty.

26. Upon information and belief, Moelis is funding and/or is engaged in negotiations to provide funding to Kinsale.

27. Defendant Greg Share (“Share”) is employed by Moelis as a managing director. Prior to his employment with Moelis, Share was a managing director at Fortress Investment Group LLC (“Fortress”). While at Fortress, Share gained access to confidential and propriety information concerning James River, pursuant to certain Non-Disclosure Agreements, in

connection with Fortress's extensive due diligence examination, including meeting Kehoe, of James River in or about June 2007. Upon information and belief, Share was responsible for initiating Moelis's negotiations with Kehoe to provide funding to Kinsale and/or Moelis's investment in Kinsale. Upon information and belief, Share is a resident of New York.

JURISDICTION AND VENUE

28. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331, in that this action arises under the Computer Fraud and Abuse Act, 18 U.S.C. § 1030. This Court has supplemental jurisdiction over Plaintiffs' state law claims pursuant to 28 U.S.C. § 1367.

29. All of the Defendants are subject to personal jurisdiction as of the time this action was commenced, on the following bases: Defendants Michael P. Kehoe, William Kenney, Brian Haney, Ann Marie Marson and Edward Desch are residents of Virginia; Kinsale Capital Virginia, Kinsale Management, and Kinsale Capital Delaware each has its principal place of business in Richmond, Virginia. Additionally, Kinsale Capital Virginia is incorporated in Virginia, and Greg Share conducts significant business in Virginia, including but not limited to negotiating with and providing funding to Virginia businesses.

30. Venue is proper in the Eastern District of Virginia pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claims occurred in this District.

ALLEGATIONS OF FACT

James River's Business

31. James River was founded in or about September 2002. James River is a specialty insurance business that primarily underwrites property and casualty insurance on excess and surplus ("E&S") lines based in 49 states and the District of Columbia.

32. James River competes for its business from wholesale brokers who aggregate business from the retail market.

The Kehoe Employment Agreement

33. Pursuant to an Employment and Arbitration Agreement entered into by James River Management and Kehoe (the "Kehoe Employment Agreement"), Kehoe became President and CEO of James River Management, effective on or about November 2, 2002. A copy of the Kehoe Employment Agreement is attached hereto as Exhibit A.

34. In addition to his title of President and CEO of James River Management, during the five and a half years in which Kehoe was employed by James River Management, Kehoe also assumed a number of other titles at James River, including: (i) President and CEO of James River Insurance Company; (ii) Director of James River Insurance; (iii) Director of James River Group; (iv) President and CEO of Potomac Risk Services, Inc.; (v) Director of James River Management; and (vi) Director of Potomac Risk Services, Inc.

35. The Kehoe Employment Agreement provided for an initial base salary of \$200,000 to Kehoe. In addition, each year Kehoe was eligible for substantial bonuses in an amount exceeding his salary.

36. For instance, Kehoe received a bonus of approximately \$514,000 in 2007 and approximately \$814,000 in 2008.

37. Section 4 of the Kehoe Employment Agreement prevents Kehoe from divulging or using for his own benefit, either during or subsequent to his employment with James River, any confidential information learned or developed by him during his employment, as follows:

4. CONFIDENTIAL INFORMATION. Executive will not at any time during the term of this Agreement or thereafter reveal, divulge or make known to any person, firm or corporation or use for his personal benefit or the benefit of others (except the Company), directly or indirectly, any Confidential Information

received or developed by him during the course of his employment.

38. Section 4 of the Kehoe Employment Agreement defines “Confidential Information” as follows:

For the purposes of this Agreement, "Confidential Information" shall be defined to mean all confidential and proprietary information and trade secrets of the Company and any of its parent, holding, sister, subsidiary or other affiliated companies for which Executive had managerial responsibility (hereinafter referred to collectively as “Affiliates”), which is not known or generally available to the general public or within the industry. Such Confidential Information includes, but is not limited to, (1) all historical and pro forma projections of loss ratios incurred by the Company or its Affiliates, (2) all historical and pro forma actuarial data relating to the Company or its Affiliates, (3) historical and pro forma financial results, revenue statements, and projections for the Company or its Affiliates, (4) all information relating to the Company's or its Affiliates' systems and software (other than the portion thereof provided by the vendor to all purchasers of such systems and software), (5) all information relating to the Company's or its Affiliates unique underwriting approaches, (6) all information relating to plans for acquisitions of any business entities or blocks of business, (7) non-public business plans, (8) non-public information and lists relating to the Company's or its Affiliates' business relationships with customers, insurance agents, insurance agencies, wholesale brokers, wholesale agents, managing general agents, or other individuals or entities necessary to the sale or marketing of the Company's or Affiliates' policies, products, or services; and (9) all other information relating to the financial, business or other affairs of the Company or its Affiliates.

39. Section 5 of the Kehoe Employment Agreement contains detailed and extensive covenants of non-competition and non-solicitation made by Kehoe as a condition of his employment by James River. Pursuant to Section 5 of the Kehoe Employment Agreement, Kehoe covenanted and agreed, among other things, that during his employment with James River and for one year after his employment ended (and within certain geographic areas, including those in which James River is licensed to do business, is attempting to be licensed to do business, has an office, or where Kehoe conducted business for James River): (i) he would not engage in

any business that competes with James River (nor would he assist any other person or entity to engage in or have an ownership interest in be employed by any competitor); (ii) he would not provide services for any competitor of James River that were similar in character to those he provided for James River in the two years prior to the termination of his employment; (iii) he would not solicit “customers, insurance agents, insurance agencies, wholesale brokers, wholesale agents, managing general agents, or other individuals or entities necessary to” James River’s business; and (iv) he would not solicit, either directly or indirectly, any key employees of James River to leave James River or join a competitor of James River.

40. Section 15 of the Kehoe Employment Agreement provides for arbitration of “disputes between the parties arising from or related to [Kehoe’s] employment and/or the terms and conditions of [the Kehoe Employment Agreement].”

41. However, Section 15 also provides that “either party may seek temporary, preliminary or permanent injunctive relief with respect to appropriate matters (including without limitation Sections 4 and 5 of this Agreement) in a court of competent jurisdiction without resort to arbitration.”

The James River Management Company, Inc. Employee Handbook

42. The James River Management Company, Inc. Employee Handbook (the “Employee Handbook”) sets forth, among other things, certain, but not all, responsibilities of James River’s employees.

43. The Employee Handbook was distributed to Kehoe and the James River Individual Defendants, and they were aware of its contents. James River’s policy is to distribute the Employee Handbook to each new employee, who must sign and acknowledge that he or she has received it. Kehoe and each of the James River Individual Defendants signed statements

acknowledging receipt of the Employee Handbook. Moreover, the Employee Handbook is available to all employees via James River's intranet.

44. In addition, there are other policies and procedures (agreed to in writing by Kehoe and the James River Individual Defendants) that prohibit employees from participating in the acts set forth herein; in particular the James River employees are prohibited from taking an interest contrary to the company.

45. The "Confidentiality" provision of the Standards of Conduct section of the Employee Handbook proscribes James River employees from divulging confidential information as follows:

Most employees will be dealing with confidential information concerning our business, employees, as well as our customers. We expect this information to remain confidential at all times. Under no circumstances should you use or share information that is not otherwise available to the general public. This prohibition continues in effect after you leave the company.

46. The "Conflict of Interest" provision of the Employee Handbook proscribes James River employees from engaging in activities outside James River that conflict or compete with James River's interests as follows:

You should avoid situations in which your personal interests could conflict, or reasonably appear to conflict, with the interests of the Company. This includes any outside financial interest that might influence, or appear to influence, any corporate decisions or actions. Interests of this type include a personal or family interest in an enterprise that has substantial business relations with, or competes against, the Company. . . . [E]xamples of conflicts of interest include:

Outside Activities – Any outside employment or activity that would have a negative impact on the performance of your job with the Company, conflict with your obligations to the Company, or negatively impact the Company's reputation in the community, should be avoided.

Share and Moelis Gain Access to Confidential Information Concerning James River During the James River “Go Shop” Period

47. In or about the middle of 2007, James River Group began to explore the possibility of a merger of James River with another company or companies.

48. As part of the “go shop” period during which James River was soliciting offers for such a transaction, Fortress Investment Group (“Fortress”) expressed interest in engaging in such a transaction with the James River Group.

49. In order to engage in negotiations regarding a potential transaction with James River Group, Fortress signed a non-disclosure agreement with James River, dated June 12, 2007 (the “Fortress NDA”). The Fortress NDA allowed Fortress to gain access to confidential information concerning James River and its business practices in connection with Fortress’s consideration of a possible transaction with James River. A copy of the Fortress NDA is attached hereto as Exhibit B.

50. Pursuant to the Fortress NDA, Fortress and its representatives, including Share, agreed not to use and to keep confidential any confidential information Fortress and its representatives received in connection with their consideration of the purchase of James River. Fortress and its representatives, including Share, further agreed not to solicit, directly or indirectly, to employ any James River employees for a period of two years from the date of the Fortress NDA.

51. Pursuant to the Fortress NDA, Fortress and its representatives, including Share, agreed that in the event of a breach or threatened breach of the Fortress NDA by Fortress or its representatives, James River would have the right to seek “equitable relief, including injunction, without proof of actual damages.”

52. At the time Fortress signed the Fortress NDA with James River and gained access to confidential information in connection with a possible transaction with James River, Greg Share was a Managing Director at Fortress. In fact, the Fortress NDA was addressed to Share.

53. In connection with Fortress's consideration of a possible transaction with James River under the Fortress NDA, Share gained access to and reviewed confidential business information concerning James River and its business practices.

54. Fortress did not ultimately acquire James River.

55. Subsequent to the summer of 2007, Share left Fortress and joined Moelis. Upon information and belief, Share disclosed some or all of the confidential information he learned from James River pursuant to the Fortress NDA to Moelis in order to interest Moelis in backing a new venture by Kehoe that would directly compete with James River.

56. Upon information and belief, Share, using the confidential information he gained pursuant to the Fortress NDA, and prior to the expiration of both Kehoe's non-compete and non-solicitation agreement and the Fortress NDA, which had been addressed to Share, Kehoe and Share (who was now working for Moelis) began exploring with Kehoe and Moelis the possibility of starting an E&S insurance company that would compete with James River.

57. Upon information and belief, after joining Moelis and in violation of the confidentiality and non-solicitation terms of the Fortress NDA by which he was still bound, Share, with and on behalf of his new employer Moelis, helped Kehoe start Kinsale by, *inter alia*, assisting Kehoe and Kinsale with obtaining financing from, or through, Moelis using the confidential information learned from James River pursuant to the NDA.

58. Upon information and belief, as part of his effort with Kehoe, Share met with senior executives of James River who were still employed by the company prior to the expiration of Fortress's NDA, which specifically prohibited soliciting employees of the company.

Kehoe Misrepresents His Intention to Continue His Employment at James River

59. In December 2007, James River ultimately was sold to a consortium of investors that included members of The D. E. Shaw group and Goldman Sachs.

60. Throughout the negotiations and up to the closing of the sale of James River Group (that is, between June 2007 and December 2007), Kehoe repeatedly assured Bryan Martin of The D. E. Shaw Group and Adam Abram, President and CEO of James River Group that he intended to continue his employment with James River after the sale of James River closed.

61. However, the day after receiving a performance bonus in excess of \$800,000 in March 2008, Kehoe tendered his resignation from James River.

Kehoe and the Individual Defendants Make Millions from the Sale of James River

62. Kehoe and the James River Individual Defendants were compensated millions of dollars in stock option proceeds resulting from the sale of James River in December 2007.

63. Kehoe was compensated with stock option proceeds in the gross amount of \$6,298,935.00 resulting from the sale of James River.

64. Haney was compensated with stock option proceeds in the gross amount of \$1,574,550.00 resulting from the sale of James River.

65. Desch was compensated with stock option proceeds in the gross amount of \$2,072,145.00 resulting from the sale of James River.

66. Marson was compensated with stock option proceeds in the gross amount of \$1,027,475.00 resulting from the sale of James River.

67. Kenney was compensated with stock option proceeds in the gross amount of \$1,307,500.00 resulting from the sale of James River.

Kehoe Resigns from James River

68. On March 5, 2008, the day after he received his bonus, Kehoe resigned from James River. According to the resignation letter he submitted, Kehoe intended his resignation to be effective May 15, 2008. But Kehoe actually received his last salary payment from James River on May 31, 2008 and was informed that his non-compete and non-solicitation period ran for one year after May 31, 2008.

69. Kehoe's resignation was accepted on March 6, 2008, and Kehoe was relieved of his employment duties and escorted from the James River offices that same day.

70. Prior to leaving the offices of James River on March 5, 2008, Kehoe attached an external "thumb drive" to his James River computer. Upon information and belief, Kehoe used this thumb drive to take valuable trade secrets and confidential and proprietary information belonging to James River.

71. Although relieved of his duties on March 6, 2008, Kehoe continued to be employed by James River pursuant to the Kehoe Employment Agreement, and James River continued to pay Kehoe his salary of \$500,000 per annum through May 31, 2008. For the previous year, Kehoe's salary was approximately \$315,000, but was increased to \$500,000, starting in January 2008, after the merger closed.

72. Under the Kehoe Employment Agreement, Kehoe's non-compete and non-solicitation period ran for one year after May 31, 2008, the date of his last salary payment by James River.

73. Accordingly, pursuant to the Kehoe Employment Agreement, Kehoe's non-compete and non-solicitation period ended on June 1, 2009.

Kehoe's Activities During the Non-Compete and Non-Solicitation Period

74. On March 6, 2008, the day after he submitted his resignation letter, Kehoe sent an email to each email contact contained in the James River computer that had been provided to him during his employment with James River, indicating that he intended to pursue other opportunities in the E&S insurance industry upon the expiration of the non-competes and non-solicitation provisions of the Kehoe Employment Agreement. Although his resignation letter stated that his resignation would be effective May 15, 2008, Kehoe indicated in that email -- incorrectly -- that his non-competes and non-solicitation obligations would expire in early 2009:

Earlier this week I resigned my position as President & CEO of James River Insurance Company to consider new opportunities in the E&S industry once a 12 month non-competes and non-solicitation period runs its course in early 2009. I wish all my former colleagues continued success as they begin a new chapter as part of a Bermuda reinsurance company.

(emphasis added.)

75. Despite his non-competes and non-solicitation obligations under the Kehoe Employment Agreement, shortly after his resignation on March 5, 2008, Kehoe posted a website at www.kinsaleinsurance.com, which was registered on March 14, 2008 to Kehoe. The website advertised and solicited executives for Kinsale. In substance, the Kinsale website stated that Kehoe intended to start Kinsale, a new E&S insurance company, and touted that Kinsale presented early employees a significant wealth-building opportunity. The website was taken down at some point thereafter.

76. Upon information and belief, prior to the June 1, 2009 expiration of Kehoe's non-competes and non-solicitation period under the Kehoe Employment Agreement, Kehoe engaged in discussions with Share and Moelis regarding, *inter alia*, Moelis's funding of Kehoe and Kinsale.

77. On March 27, 2008, three weeks after his resignation from James River and while he was still receiving his full salary from James River, Kehoe incorporated Kinsale Capital Virginia. Kinsale Capital Virginia is a Virginia corporation with, upon information and belief, its principal place of business in Richmond, Virginia. The President and sole director of Kinsale Capital Virginia is Michael P. Kehoe.

78. An undated Internet job posting seeking a Human Resource Generalist for Kinsale Capital describes Kinsale Capital as “a specialty ins[urance] company headquartered in Richmond.”

79. On May 10, 2009, three weeks before the expiration of his non-compete and non-solicitation period, Kehoe posted a job opening for Kinsale Capital on iHireHR.com, an internet website. The May 10, 2009 job listing seeks a “Human Resource Generalist” and describes Kinsale Capital as a “specialty ins[urance] company headquartered in Richmond.”

80. Prior to the expiration of his non-compete and non-solicitation agreement, Kehoe began soliciting key employees of James River to resign their employment and join Kinsale, Kehoe’s new E&S insurance line business. In conjunction with these former employees, he attempted to mask his violation of his non-solicitation agreement by posting advertisements for specific positions to be filled by his co-conspirators so that they could make a claim that they were simply responding to an advertisement and that there had not been a prohibited solicitation.

81. On or about November 12, 2008, at 1:57 p.m., Marson, then-Chief Claim Officer of James River, ran a search on the yahoo search engine for “Kinsale.”

82. On May 31, 2009, the day before the expiration of Kehoe’s non-compete and non-solicitation period, Kehoe posted job listings on a Craigslist website for seven open positions with Kinsale Management, all based in Richmond, Virginia: (i) Chief Information

Officer; (ii) Chief Actuary; (iii) Chief Claims Officer; (iv) Chief Financial Officer; (v) Vice President -- Marketing; (vi) Director of IT Development; and (vii) Underwriting Executives. Upon information and belief, these job openings were posted five days before the June 4, 2009 incorporation of Kinsale Management in Delaware.

83. Eight days after posting these positions on Craigslist, Kehoe filled three of the open positions at Kinsale Management with current key James River employees. By June 14, Kehoe had filled four of the eight open positions with key James River employees.

84. The May 31, 2009 Craigslist job postings each describe Kinsale Management as a “startup insurance operation headquartered in Richmond VA.”

85. In addition, each of the May 31, 2009 Craigslist job postings also specifically seek individuals “with extensive experience in property casualty insurance operations focused in the excess & surplus lines area.”

86. The May 31, 2009 Craigslist posting by Kinsale Management for “Chief Information Officer (Richmond, VA)” seeks a “CIO with extensive experience working in an insurance company, especially within the specialty or excess & surplus lines area. Position is responsible for building the IT function within this new company including development, network and support fu[n]ctions.”

87. The May 31, 2009 Craigslist posting by Kinsale Management for “Director of IT Development (Richmond VA)” seeks “someone with extensive experience in software development in a property or casualty insurance company preferably within the specialty or excess & surplus lines area. Position is responsible for leading the installation & customization of a policy and claims processing system, managing projects and development teams, etc.”

88. The May 31, 2009 Craigslist posting by Kinsale Management for “Chief Claims Officer (Richmond, VA)” seeks “a Chief Claims Officer with extensive experience in Property

Casualty insurance company preferably in the specialty or excess & surplus lines area” to “build[] out the claims operation including establishing policies, procedures, recruiting staff, etc.”

89. The May 31, 2009 Craigslist posting by Kinsale Management for “Underwriting Executives (Richmond VA)” seeks a “Chief Underwriting Officer and various other Underwriting Executives with extensive experience in property casualty insurance operations focused in the excess & surplus lines area. These positions involve responsibility for building and executing parts or all of the company underwriting strategy.”

90. The May 31, 2009 Craigslist posting by Kinsale Management for a “Vice President – Marketing (Richmond VA)” seeks “someone with extensive experience working in a property casualty insurance company preferably in the specialty or excess & surplus lines area” who would be “responsible for building and managing the wholesale broker network through which the company will distribute its products as well as general corporate communications.”

91. The May 31, 2009 Craigslist posting by Kinsale Management for a “Chief Actuary (Richmond VA)” seeks “an actuary with extensive experience working in a property casualty insurance company preferably in the specialty or excess & surplus lines area” who would be “responsible for building and managing the company’s capability in multiple areas including reserve analysis, reinsurance, risk management, data analysis, property catastrophe management, etc.”

Kehoe Targets James River Employees for New Venture

92. Subsequent to Kehoe’s resignation from James River but prior to the June 1, 2009 expiration of the non-solicitation provision of the Kehoe Employment Agreement, Kehoe, upon information and belief, with the assistance and support of Kinsale, Share and/or Moelis, have engaged in regular discussions with a group of key James River employees in an effort to

solicit those key James River employees to resign their positions at James River and assume identical positions at Kinsale. Upon information and belief, in addition to the group of key employees, Kehoe has also solicited, or directed the solicitation of, other James River employees to resign their employment at James River to join Kinsale.

93. Of this group of key James River employees, four left James River shortly after the June 1, 2009 expiration of the non-solicitation provision of the Kehoe Employment Agreement. Upon information and belief, Kehoe, with the assistance and support of Kinsale, Share and/or Moelis, continues to solicit the remaining key James River employees who have not yet resigned from James River for Kinsale.

94. In or about the spring of 2009, Haney held a barbeque at his house that was attended by Kehoe, the James River Individual Defendants and three underwriters then employed by James River. Upon information and belief, Kehoe used this barbeque as an opportunity to solicit the Individual Defendants, then still employed by James River, and the three underwriters to resign their employment with James River and join Kinsale, Kehoe's new E&S insurance line business.

95. Prior to the June 1, 2009, expiration of the non-solicitation provision of the Kehoe Employment Agreement, Kehoe, upon information and belief, with the assistance and support of Kinsale, Share and/or Moelis, approached and solicited Defendant Kenney, Senior Vice President and Chief Information Officer of James River, to resign his employment at James River and join Kinsale. On or about June 8, 2009, Kenney resigned from James River to join Kinsale as Chief Information Officer.

96. Adam Abram, President and CEO of James River Group, spoke with Kenney on June 8, 2009, the day Kenney resigned. Kenney told Abram that he was leaving James River for Kinsale. Kenney also told Abram that he had met with Share and Moelis before deciding to

leave James River for Kinsale. Kenney told Abram that he understood that Moelis was funding Kinsale. Kenney mentioned to Abram that Share had been the Managing Director of Fortress, who conducted due diligence on the company in 2007. Given that Kenney was speaking to Abram on the day of his resignation prior to his leaving the building, the meeting with Share must have occurred before Kenney's resignation from James River. The two-year non-solicitation period contained in the Fortress NDA, by which Share was still bound, did not expire until June 12, 2009.

97. Prior to the June 1, 2009 expiration of the non-solicitation provision of the Kehoe Employment Agreement, Kehoe, upon information and belief, with the assistance and support of Kinsale, Share and/or Moelis, approached and solicited Defendant Haney, Senior Vice President and Chief Actuary of James River, to resign his employment at James River and join Kinsale. On or about June 8, 2009, Haney resigned from James River to join Kinsale as Chief Actuary.

98. Prior to the June 1, 2009 expiration of the non-solicitation provision of the Kehoe Employment Agreement, Kehoe, upon information and belief, with the assistance and support of Kinsale, Share and/or Moelis, approached and solicited Defendant Marson, Senior Vice President and Chief Claims Officer of James River, to resign her employment at James River and join Kinsale. On or about June 8, 2009, Marson resigned from James River to join Kinsale as Chief Claims Officer. On the day Marson resigned, she sent an email from her James River email account to a number of email addresses outside of James River stating that she resigned her position with James River and that "[i]n August, [she] will be joining a new E&S company here in Richmond."

99. Prior to the June 1, 2009 expiration of the non-solicitation provision of the Kehoe Employment Agreement, Kehoe, upon information and belief, with the assistance and

support of Kinsale, Share and/or Moelis, approached and solicited Defendant Desch, Senior Vice President and Chief Financial Officer of James River, to resign his employment at James River and join Kinsale. On or about June 15, 2009, Desch resigned from James River to join Kinsale as Chief Financial Officer.

100. Prior to the June 1 expiration of the non-solicitation provision of the Kehoe Employment Agreement, Kehoe, upon information and belief, with the assistance and support of Kinsale, Share and/or Moelis, approached and solicited Brendan McMorrow (“McMorrow”), a James River underwriter, to resign his employment at James River to join Kinsale as underwriter. On or about June 17, 2009, McMorrow resigned his employment at James River.

The James River Individual Defendants Defect to Kehoe, Taking James River Trade Secrets and Other Valuable, Confidential and Proprietary Information Belonging to James River with Them

101. Each of the James River Individual Defendants had access to valuable trade secrets and confidential and proprietary information belonging to James River during the course of their employment at James River.

102. Upon information and belief, each James River Individual Defendant took valuable trade secrets and confidential and proprietary information belonging to James River prior to or upon their resignation from James River, at the behest of Kehoe, Kinsale, Share and/or Moelis.

103. Upon information and belief, each James River Individual Defendant has used or plans to use these trade secrets and confidential and proprietary information belonging to James River for the benefit of his or her new employer, Kinsale.

104. James River’s trade secrets and confidential and proprietary information include but are not limited to its: unique data management and reporting system; unique data warehousing system; broker lists and relationships; broker contact database; policy form

database; underwriting guidelines; rates used to price business; MIS reporting system; integrated policy and management claim system; employee lists; outlook contacts; architecture and design of IT networks and infrastructure; mission statements, business plans, and business initiatives; best claim practices and claims procedures manuals; network of approved outside investigators and attorney lists; any library that contains judicial or legal precedents; analyses of statutes; all business analytics; and any other proprietary databases, schedules, systems, analyses, reports and salary information.

105. Additional key James River employees who, upon information and belief, are being targeted by Kehoe, but who have not yet resigned from James River, currently have access to valuable trade secrets and confidential and proprietary information belonging to James River in connection with their continuing employment at James River. Kehoe, upon information and belief, with the assistance and support of Kinsale, Share and/or Moelis, have solicited and continue to solicit key employees to take valuable trade secrets and confidential and proprietary information belonging to James River for use by Kinsale.

106. In or about April 2009, a small group of employees that included the James River Individual Defendants and other key employees were having meetings that continued through the day of the resignations of Kenney, Haney and Marson on June 8, 2009.

Hard Drive Upgrades at James River

107. In addition, beginning in or about March 2009, approximately three months prior to resigning as Chief Information Officer at James River and assuming the same responsibilities at Kinsale, Kenney requested that the hard drives of James River executives be swapped out and upgraded with the latest hardware.

108. Kenney requested that the swap-out project begin with defendants Haney, Marson and Desch, along with those of other key employees that Kehoe and Kinsale, upon information and belief, are currently targeting for solicitation to join Kinsale.

109. Other executives' hardware, however, was not upgraded or swapped.

110. At Kenney's direction, Haney's computer and hard drive was replaced in or about the first week of March 2009. As part of this replacement, Kenney stated that he needed to hold on to Haney's old hard drive and computer because it might contain sensitive or confidential information. Kenney later re-imaged Haney's computer and put it into the "loaner pool," where it would have been assigned to another employee.

111. Also at Kenney's direction, Edward Desch's laptop computer was replaced with a desktop computer in or about March 25, 2009. As with Haney's computer replacement, Kenney stated that he needed to hold on to Desch's old hard drive and computer because it might contain sensitive or confidential information. Kenney later re-imaged Desch's computer and put it into the "loaner pool," where it would have been assigned to another employee.

112. Kenney directed that the computers of two additional key James River employees who, upon information and belief, are being targeted by Kehoe but who have not yet resigned from James River, also be swapped. Again, the old computers were reimaged and put into the "loaner pool," where they would have been assigned to other employees.

113. In 2009, Kenney had a James River desktop computer that used the Windows 2000 operating system. In or about May 2009, Kenney received a second James River desktop computer that used the Windows XP operating system. The first time Kenney logged on to this new Windows XP computer was on or about May 27, 2009, at 10:14 a.m.

114. In or about early June 2009, Kenney returned his original James River Windows 2000 desktop computer to James River IT personnel. However, he never returned the hard drive

from that computer. In fact, Kenney informed his James River IT team that he had destroyed the hard drive.

115. As a result of the destruction of his old Windows 2000 hard drive, no profile for Kenney exists on Kenney's desktop computer, which was a James River computer, systems prior to 10:14 a.m. on May 27, 2009, and James River has no record of Kenney's use of Kenney's desktop computer systems prior to that date.

116. Upon information and belief, Kenney intentionally destroyed his Windows 2000 hard drive to destroy the record of Kenney's use of James River's computer systems.

James River Individual Defendants Engage in Additional Suspicious James River Computer Activity Just Prior to Their Resignations

117. On or about May 28, 2009, at 8:50 a.m., approximately two weeks prior to his resignation from James River, Desch -- or someone logged into his computer as Desch -- attached an external hard drive to his James River computer and exported his email files to a PST file purportedly in order to clear email server space. However, when the external hard drive was returned to the IT department, it was no longer functional.

118. On or about June 1, 2009, Kenney used his James River computer to perform a Google search for "Kinsale Insurance" and accessed the Craigslist job advertisements posted by Kinsale Management described in paragraphs 82-91.

119. On or about Saturday, June 6, 2009, at 4:02 p.m., a day and a half before he resigned from James River and at a time when the James River offices were closed and when Kenney was not typically in the office, Kenney attached an external USB hard drive to his James River computer. Two minutes later, at 4:04 p.m., Kenney accessed James River folders that contain, *inter alia*, James River's entire broker contact database.

120. Upon information and belief, Kenney used the USB hard drive he attached to his James River computer on Saturday, June 6, 2009, to take valuable trade secrets and confidential and proprietary information belonging to James River, including among other things, James River's entire broker contact database.

121. On or about Friday, June 5, 2009, at 2:14 p.m., three days before she resigned, Marson ran a program called "Robocopy" on her James River computer. Robocopy is a sophisticated program used by IT personnel that allows quick and efficient copying of files from a computer.

122. James River does not typically use in its IT practices Robocopy on any James River computers, neither on June 5, 2009, nor at any other time. Upon information and belief, Marson used the Robocopy program to take valuable trade secrets and confidential and proprietary information belonging to James River.

COUNT I

VIOLATION OF THE CONSUMER FRAUD AND ABUSE ACT (CFFA), 18 U.S.C. § 1030(a)(2)(C) (against Kehoe and the James River Individual Defendants)

123. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 122 as if fully stated herein.

124. As set out in greater detail above at paragraphs 1 through 122, on multiple occasions Kehoe and the James River Individual Defendants intentionally accessed James River's protected computers, without authorization or exceeding authorized access to obtain information, in violation of 18 U.S.C. § 1030(a)(2)(C).

125. By means of this conduct, Defendant Kehoe and the James River Individual Defendants improperly obtained James River's valuable and confidential proprietary information and trade secrets.

126. The computers improperly accessed by Kehoe and the James River Individual Defendants are used in, or affect, interstate or foreign commerce or communication and are, therefore, protected computers under 18 U.S.C. § 1030(e)(2)(B).

127. Defendant Kehoe's and the James River Individual Defendants' unauthorized accessing of these protected computers has caused James River to suffer losses on each such occasion, including but not limited to the cost of responding to each offense, conducting a damage assessment, revenue lost and costs incurred.

128. Defendant Kehoe's and the James River Individual Defendants' unauthorized accessing of these protected computers has caused James River to suffer damages on each such occasion, including but not limited to impairment to the integrity or availability of data, a system, or information.

129. Defendant Kehoe and the James River Individual Defendants have caused and will continue to cause James River irreparable harm, and James River has no adequate remedy at law to redress any continued unauthorized access of its confidential and proprietary information maintained on its computer, which is used in interstate commerce. Unless restrained by this Court, Defendants will continue to violate 18 U.S.C. § 1030(a)(4).

130. Pursuant to 18 U.S.C. § 1030(g), James River is entitled to compensatory damages, injunctive relief and other equitable relief.

COUNT II

VIOLATION OF THE CONSUMER FRAUD AND ABUSE ACT (CFFA), 18 U.S.C. § 1030(a)(5)(B) and 1030(a)(5)(C) (against Defendants William Kenney, Brian Haney, and Edward Desch)

131. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 130 as if fully stated herein.

132. As set forth in Paragraphs 1 through 122, in or about March 2009, Defendant Kenney instituted a “swap-out” of hard drives from the computers of certain James River employees, including but not necessarily limited to, Defendants Kenney, Haney, and Desch.

133. Defendant Kenney intentionally accessed his own protected computer without authorization, and as a result of such conduct recklessly caused damage by removing his own hard drive from the computer submitted for the swap-out program, which resulted in the impairment of the integrity or availability of the data, programs, systems, or information on such hard drive.

134. Upon information and belief, Haney and Desch knew about and assisted Kenney in accessing their hard drives without authorization, and thereby accessed or attempted to access a protected computer without authorization and as a result of such conduct caused damage or loss to James River.

135. Upon information and belief, Defendants Haney and Desch conspired with Defendant Kenney to intentionally access a protected computer without authorization and as a result of such conduct caused damage or loss to James River.

136. As a result of this swap out, the hard drives of Defendants Haney and Desch were re-imaged with a new operating system and then distributed to other employees in the organization; thereby, causing damage by impairing the integrity or availability of the data, programs, systems, or information.

137. As a result of this swap out and Defendant Kenney’s conduct, Plaintiffs suffered loss in that, among other things, Plaintiffs incurred reasonable costs, including, but not limited to, the cost of responding to the offense, conducting a damage assessment, in an amount to be proved at trial but that exceeds \$5,000.

138. Defendants Kenney, Haney, and Desch were not authorized to access the protected computers by re-imaging their hard drives or to remove them from the company computers, because at the time of this conduct, they were appropriating proprietary, confidential, sensitive business information and trade secrets for the benefit of a competitor.

139. By means of this conduct Defendants Kenney, Haney, and Desch intentionally accessed a protected computer without authorization.

140. The computers improperly accessed by Kehoe and the Individual Defendants are used in, or affect, interstate or foreign commerce or communication and are, therefore, protected computers under 18 U.S.C. § 1030(e)(2)(B).

141. Defendants Kenney's, Haney's, and Desch's unauthorized accessing of these protected computers violated 18 U.S.C. § 1030(a)(5)(B) and 18 U.S.C § 1330 (a)(5)(C) of the Computer Fraud and Abuse Act.

142. Pursuant to 18 U.S.C. § 1030(g), James River is entitled to compensatory damages and/or injunctive relief for Defendants Kenney's and Haney's violations of the CFFA.

COUNT III

STATUTORY BUSINESS CONSPIRACY UNDER VA. CODE §§ 18.2-499 *et. seq.* (Against Defendants Kehoe, Kinsale, James River Individual Defendants and Share)

143. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 142 as if fully stated herein.

144. As set forth in detail herein, through multiple meetings and communications, Kehoe, Kinsale, the James River Individual Defendants and Share (the "Conspirators") acted in concert, agreed, associated, mutually undertook or combined together for the purpose of injuring James River's business through unlawful acts including, but not limited to:

- (a) misappropriating Plaintiffs' trade secrets;

- (b) misusing Plaintiffs' confidential information;
- (c) contributing to formation of Kinsale in violation of the Kehoe Employment Agreement;
- (d) negotiating employment with Kehoe and Kinsale in violation of the Kehoe Employment Agreement;
- (e) intentionally accessing protected computers, without authorization or exceeding authorized access to obtain information, in violation of 18 U.S.C. § 1030; and
- (f) tortiously interfering with Plaintiffs' prospective business relations.

145. As set forth above, even without the benefit of discovery, the Conspirator's met and had numerous contacts in furtherance of these unlawful acts, including but not limited to: Haney's Spring 2009 barbeque, various meetings between Kehoe and Share and/or Moelis during Kehoe's employment at James River and during the non-solicitation period set forth in the Kehoe Employment Agreement, Kenney's meeting with Share and Moelis before deciding to leave James River for Kinsale, meetings between Kehoe, Moelis and Share with each of the James River Individual Defendants, while the James River Individual Defendants were still employed at James River, to solicit them away from James River.

146. The Conspirators' unlawful acts injured James River's business willfully, intentionally, purposefully, and without lawful justification.

147. The Conspirators' wrongful conduct was aimed directly at damaging James River's business.

148. The Conspirators' wrongful conduct constitutes a violation of the Virginia Business Conspiracy Act (Va. Code §§ 18.2-499 *et. seq.*).

149. As a direct and proximate result of the foregoing wrongful acts, James River has suffered, and will continue to suffer, irreparable harm to its competitive position in the insurance

business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

150. Plaintiffs are entitled to recover three-fold the damages they sustained as a result of the conspiracy, as well as reasonable attorneys' fees and expenses, pursuant to the Virginia Business Conspiracy Act (Va. Code §§ 18.2-499 *et. seq.*).

151. The Conspirators have caused and will continue to cause James River irreparable harm, and James River has no adequate remedy at law to redress any continued conspiracy. Unless restrained by this Court, Defendants will continue to conspire against James River.

COUNT IV

COMMON LAW CONSPIRACY (Against Kehoe, Kinsale, James River Individual Defendants and Share)

152. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 151 as if fully stated herein.

153. As set forth in detail herein, through multiple meetings and communications, Kehoe, Kinsale, the James River Individual Defendants and Share (the "Conspirators") acted in concert, agreed, associated, mutually undertook or combined together to accomplish by concerted action unlawful and oppressive acts including, but not limited to:

- (a) misappropriating James River's trade secrets;
- (b) misusing James River's confidential information;
- (c) contributing to formation of Kinsale in violation of the Kehoe Employment Agreement;
- (d) negotiating employment with Kehoe and Kinsale in violation of the Kehoe Employment Agreement; and
- (e) intentionally accessing information from protected computers without authorization or exceeding authorized access, in violation of 18 U.S.C. § 1030.

154. As set forth above, even without the benefit of discovery, the Conspirator's met and had numerous contacts in furtherance of these unlawful acts, including but not limited to: Haney's Spring 2009 barbeque, various meetings between Kehoe and Share and/or Moelis during Kehoe's employment at James River and during the non-solicitation period set forth in the Kehoe Employment Agreement, Kenney's meeting with Share and Moelis before deciding to leave James River for Kinsale, meetings between Kehoe, Moelis and Share with each of the James River Individual Defendants, while the James River Individual Defendants were still employed at James River, to solicit them away from James River.

155. The Conspirators intentionally combined to accomplish these acts by unlawful or oppressive means.

156. Numerous overt illegal actions of the Conspirators -- in which all of the Conspirators conspired and agreed to participate -- are described with particularity in the preceding paragraphs.

157. As a direct and proximate result of the conspiracy and agreement among the Conspirators, James River has suffered, and will continue to suffer, irreparable harm to its competitive position in the insurance business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

158. As a result of the conspiracy, Plaintiffs have been damaged in an amount to be determined at trial.

159. The Conspirators acted with actual malice toward James River or under a willful and wanton disregard for James River's rights, warranting punitive damages.

160. The Conspirators have caused and will continue to cause James River irreparable harm, and James River has no adequate remedy at law to redress any continued conspiracy. Unless restrained by this Court, Defendants will continue to conspire against James River.

COUNT V

**BREACH OF CONTRACT – INJUNCTIVE RELIEF
(against Defendant Kehoe)**

161. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 160 as if fully stated herein.

162. The Kehoe Employment Agreement was a valid and legally enforceable contract.

163. Section 4 of the Kehoe Employment Agreement creates a legally enforceable obligation of Kehoe that he will not at any time, either during the term of the Agreement or thereafter, “divulge or make known to any person, firm or corporation or use for his personal benefit or the benefit of others (except the Company), directly or indirectly, any Confidential Information received or developed by him during the course of his employment,” as Confidential Information is defined in Section 4 of the Agreement.

164. Section 5 of the Kehoe Employment Agreement creates a legally enforceable obligation of Kehoe that during his employment with James River, and for one year after March 31, 2009, he would not, among other things: (i) engage in any business, or assist anyone else to engage in, have an ownership interest in or be employed by any business that competes with James River; (ii) to perform or provide services for a competitor similar to the services he performed for James River; (iii) induce, advise or request “customers, insurance agents, insurance agencies, wholesale brokers, wholesale agents, managing general agents, or other individuals or entities necessary to” James River’s business to take any action detrimental to James River; and (iv) solicit, either directly or indirectly, any key employees of James River to leave James River or join a competitor of James River.

165. Kehoe materially breached these obligations under the Kehoe Employment

Agreement by committing one or more violative acts, including but not limited to:

- (a) misappropriating trade secrets;
- (b) misusing confidential information;
- (c) soliciting James River's clients, while still employed by James River and/or during the non-compete and non-solicitation period;
- (d) soliciting James River's employees, while still employed by James River and/or during the non-compete and non-solicitation period;
- (e) soliciting investors for Kinsale, a competitor of James River, while still employed by James River and/or during the non-compete and non-solicitation period;
- (f) engaging in discussions with Share and Moelis regarding Moelis's funding of Kehoe and Kinsale, both prior to Kehoe's resignation from James River and during the non-compete and non-solicitation period.

166. As a direct and proximate result of the foregoing wrongful acts, James River has suffered, and will continue to suffer, irreparable harm to its competitive position in the insurance business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

167. Under Section 15 of the Kehoe Employment Agreement, Kehoe is entitled to preliminary or permanent injunctive relief with respect to breach of the contract "in a court of competent jurisdiction without resort to arbitration."

COUNT VI

TORTIOUS INTERFERENCE WITH CONTRACT (against James River Individual Defendants and Greg Share)

168. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 167 as if fully stated herein.

169. As detailed in Count V, the Kehoe Employment Agreement was a valid contract that existed between James River and Kehoe.

170. Upon information and belief, the James River Individual Defendants and Share knew about the Kehoe Employment Agreement and its relevant terms.

171. The James River Individual Defendants and Share intentionally interfered with the contractual relationship between Kehoe and James River by improper means, including but not limited to:

- (a) seeking to back, and financing, a new venture by Kehoe that would directly compete with James River, during Kehoe's employment and/or during the non-compete and non-solicitation period;
- (b) assisting Kehoe and Kinsale with obtaining financing during Kehoe's employment and/or during the non-compete and non-solicitation period;
- (c) negotiating employment with Kehoe and Kinsale during Kehoe's employment and/or during the non-compete and non-solicitation period;
- (d) soliciting, receiving and misusing confidential materials from Kehoe;
- (e) soliciting, receiving and misusing misappropriated trade secrets from Kehoe; and
- (f) providing misappropriated trade secrets and confidential materials to Kehoe and Kinsale.

172. The intentional interference of the James River Individual Defendants and Share directly and proximately caused the material breach of the Kehoe Employment Agreement.

173. As a direct and proximate result of the foregoing wrongful acts, James River has suffered, and will continue to suffer, irreparable harm to its competitive position in the insurance business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

174. As a result of the James River Individual Defendants' and Share's tortious interference with contract, Plaintiffs have been damaged in an amount to be determined at trial.

175. The tortious interference with contract by the James River Individual Defendants and Share was willful and malicious, warranting punitive damages.

COUNT VII

MISAPPROPRIATION OF TRADE SECRETS UNDER THE VIRGINIA UNIFORM TRADE SECRETS ACT, Va. Code §§ 59.1-336 *et. seq.* (against Kehoe and the James River Individual Defendants)

176. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 175 as if fully stated herein.

177. Kehoe and each of the James River Individual Defendants had access to valuable trade secrets belonging to James River during the course of their employment at James River, as the term "Trade Secrets" is defined under the the Virginia Uniform Trade Secrets Act ("VUTSA"), Va. Code §§ 59.1-336 *et. seq.* These trade secrets include, but are not limited to: unique data management and reporting system; unique data warehousing system; broker lists and relationships; broker contact database; policy form database; underwriting guidelines; rates used to price business; MIS reporting system; integrated policy and management claim system; employee lists; outlook contacts; architecture and design of IT networks and infrastructure; mission statements, business plans, and business initiatives; best claim practices and claims procedures manuals; network of approved outside investigators and attorney lists; any library that contains judicial or legal precedents; analyses of statutes; all business analytics; and any other proprietary schedules, databases, systems, analyses, reports and salary information.

178. James River's trade secrets are information from which James River derives actual or potential independent economic value, from their not being generally known to, and not being readily ascertainable by proper means, by other persons who can obtain economic value

from their disclosure or use. These trade secrets are the subject of efforts that are reasonable under the circumstances to maintain their secrecy.

179. Upon information and belief, Kehoe and the James River Individual Defendants caused James River's trade secrets to be disclosed, and otherwise misappropriated, for Kehoe's and the James River Individuals Defendants' economic advantage, without James River's express or implied consent, in violation of the Va. Code §§ 59.1-336 *et. seq.*

180. Kehoe and the James River Individual Defendants knew or had reason to know that James River's trade secrets had been acquired by improper means. Kehoe and the James River Individual Defendants knew or had reason to know that their knowledge of James River's trade secrets was either acquired under circumstances giving rise to a duty to maintain their secrecy and/or derived from or through a person who owed such a duty to James River.

181. Among other things, Kehoe and the James River Individual Defendants knew or should have known that James River's trade secrets were acquired under circumstances giving rise to a duty to maintain their secrecy based upon the James River Employee Handbook, which provides that the company expects confidential information concerning its business, employees and customers to remain confidential at all times. Kehoe and the James River Individual Defendants each had access to the Employee Handbook and, upon information and belief, were aware of its terms.

182. Upon information and belief, Kehoe and the James River Individual Defendants have used and will continue to use James River's trade secrets to unfairly compete with and otherwise harm James River unless restrained by this Court.

183. James River's trade secrets have tremendous value to James River and tremendous value to its competitors. To allow Kehoe and the James River Individual Defendants access to this information would put James River at a tremendous competitive disadvantage.

184. James River has no adequate remedy at law to redress the continued misappropriation, disclosure, and use of James River's trade secrets and confidential information and records by Kehoe and the James River Individual Defendants, which threatens to and will cause great and irreparable injury to James River. Such conduct will result in the diversion of substantial amounts of business and clients from James River unless restrained by this Court.

185. As a result of Kehoe's and the James River Individual Defendants' misappropriation, Plaintiffs have been damaged in an amount to be determined at trial.

186. Upon information and belief, Kehoe's and the James River Individual Defendants' misappropriation has been willful and malicious, warranting punitive damages under Va. Code §§ 59.1-338, and entitling James River to attorneys' fees under Va. Code §§ 59.1-338.1.

COUNT VIII

MISAPPROPRIATION OF TRADE SECRETS (against Defendant Greg Share)

187. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 186 as if fully stated herein.

188. Greg Share had access to valuable trade secrets belonging to James River from at least in or around June 2007. Share's access arose from his position at Fortress, and pursuant to the Fortress NDA in connection with Fortress's consideration of the possible purchase of James River. The confidential information Share learned from James River includes trade secrets, as that term is defined under VUTSA, Va. Code §§ 59.1-336 *et. seq.*

189. James River's trade secrets include, but are not limited to, its: unique data management and reporting system; unique data warehousing system; broker lists and relationships; broker contact database; policy form databases; underwriting guidelines; rates used

to price business; MIS reporting system; integrated policy and management claim systems; employee lists; outlook contacts; architecture and design of IT networks and infrastructure; mission statements, business plans, and business initiatives; best claim practices and claims procedures manuals; network of approved outside investigators and attorney lists; any library that contains judicial or legal precedents; analysis of statutes; all business analytics; and any other proprietary schedules, databases, systems, analyses, reports and salary information.

190. James River's trade secrets are information from which James River derives actual or potential independent economic value, from its not being generally known to, and not being readily ascertainable by proper means, by other persons who can obtain economic value from their disclosure or use. These trade secrets are the subject of efforts that are reasonable under the circumstances to maintain their secrecy.

191. Upon information and belief, Share caused James River's trade secrets to be disclosed to Moelis, Kinsale and others, and otherwise misappropriated James River's trade secrets, for his economic advantage, without James River's express or implied consent, in violation of the VUTSA.

192. Defendant Share knew or had reason to know that James River's trade secrets had been acquired by improper means. Defendant Share knew or had reason to know that his knowledge of James River's trade secrets was either acquired under circumstances giving rise to a duty to maintain their secrecy and/or derived from or through a person who owed such a duty to James River.

193. Defendant Share knew that he had acquired James River's trade secrets and proprietary confidential information under circumstances giving rise to a duty to maintain their secrecy and/or through a person who owed such a duty, based upon the Fortress NDA, which was addressed to Share. The Fortress NDA made clear that Fortress and its representatives,

including Share, were not to use and were to keep confidential any confidential information received from James River for the period through June 12, 2009. Yet, Share disclosed James River's confidential information prior to June 12, 2009, in violation of the Fortress NDA terms that were known to him.

194. Upon information and belief, Defendant Share has used and will continue to use James River's trade secrets to unfairly compete with and otherwise harm James River unless restrained by this Court.

195. James River's trade secrets have tremendous value to James River and tremendous value to its competitors. To allow Defendant Share continuing access to this information would put James River at a tremendous competitive disadvantage. The continued misappropriation, disclosure and use of James River's trade secrets and confidential information and records by Defendant Share threatens to and will cause great and irreparable injury to James River in that such conduct will result in the diversion of substantial amounts of business and clients from James River.

196. James River has no adequate remedy at law to redress the continued misappropriation, disclosure, and use of James River's trade secrets and confidential information and records by Defendant Share, which threatens to and will cause great and irreparable injury to James River. Such conduct will result in the diversion of substantial amounts of business and clients from James River unless restrained by this Court.

197. As a result of Defendant Share's misappropriation, Plaintiffs have been damaged in an amount to be determined at trial.

198. Upon information and belief, the misappropriation by Share has been willful and malicious, warranting punitive damages under Va. Code §§ 59.1-338, and entitling James River to attorneys' fees under Va. Code §§ 59.1-338.1.

COUNT IX

**BREACH OF FIDUCIARY DUTY
(Against Kehoe)**

199. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 198 as if fully stated herein.

200. All of Kehoe's wrongful acts or omissions as set forth in this Count IX occurred during his employment at and/or prior to his resignation from James River on March 5, 2008, effective May 31, 2008.

201. As an employee and officer of James River, Defendant Kehoe owed James River a fiduciary duty of good faith, fair dealing, due care and loyalty.

202. Upon information and belief, Kehoe breached his fiduciary duties to James River by committing one or more wrongful acts or omissions, including but not limited to:

- (a) misappropriating trade secrets;
- (b) misusing confidential information;
- (c) soliciting James River's clients, while still employed by James River;
- (d) soliciting James River's employees, while still employed by James River;
- (e) soliciting investors for Kinsale, a competitor of James River, while still employed by James River;
- (f) engaging in discussions with Greg Share and Moelis regarding Moelis's funding of Kehoe and Kinsale, while still employed by James River.

203. The foregoing wrongful acts violated Kehoe's duty of good faith, fair dealing, due care and loyalty.

204. The foregoing wrongful acts violated the terms of the James River Employee Handbook, which expressly sets forth some, but not all, duties that James River employees owe

the company, including but not limited to: a duty to keep confidential information confidential at all times and not share or use information that is otherwise unavailable to the general public; a duty to avoid situations in which personal interests could conflict with James River's interests, including but not limited to entering an outside financial interest in an enterprise that competes against James River; and a duty to refrain from engaging in outside employment or activity that would negatively impact job performance at James River, conflict with obligations to James River, or negatively impact James River's reputation. By committing the foregoing wrongful acts, Kehoe violated his fiduciary duties to James River as those duties are set forth in the Employee Handbook.

205. As a direct and proximate result of the foregoing wrongful acts, James River has suffered, and will continue to suffer, harm to its competitive position in the insurance business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

206. As a result of Defendant Kehoe's breach of fiduciary duty, Plaintiffs have been damaged in an amount to be determined at trial.

207. The breach of fiduciary by Kehoe was willful and malicious, warranting punitive damages.

COUNT X

**BREACH OF FIDUCIARY DUTY
(against James River Individual Defendants)**

208. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 207 as if fully stated herein.

209. The James River Individual Defendants' wrongful acts or omissions as set forth in this Count VI occurred during their employment at and/or prior to their resignation from James River in June 2009.

210. As employees of James River the James River Individual Defendants owed James River a fiduciary duty of good faith, fair dealing, due care and loyalty.

211. Upon information and belief, the James River Individual Defendants breached their fiduciary duties to James River by committing one or more wrongful acts or omissions, including but not limited to:

- (a) misappropriating trade secrets;
- (b) misusing confidential information;
- (c) disclosing James River's trade secrets and confidential information to Kehoe, Kinsale, and others; and
- (d) soliciting other James River employees, while still employed by James River.

212. The foregoing wrongful acts violated the James River Individual Defendants' fiduciary duty of good faith, fair dealing, due care and loyalty.

213. The foregoing wrongful acts violated the terms of the James River Employee Handbook, which expressly sets forth some, but not all, duties that James River employees owe the company, including but not limited to: a duty to keep confidential information confidential at all times and not share or use information that is otherwise unavailable to the general public; a duty to avoid situations in which personal interests could conflict with James River's interests, including but not limited to entering an outside financial interest in an enterprise that competes against James River; and a duty to refrain from engaging in outside employment or activity that would negatively impact job performance at James River, conflict with obligations to James River, or negatively impact James River's reputation. By committing the foregoing wrongful

acts, the James River Individual Defendants violated their fiduciary duties to James River as those duties are set forth in the Employee Handbook.

214. As a direct and proximate result of the foregoing wrongful acts, James River has suffered, and will continue to suffer, harm to its competitive position in the insurance business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

215. As a result of the James River Individual Defendants' breach of fiduciary duty, Plaintiffs have been damaged in an amount to be determined at trial.

216. Upon information and belief, the James River Individual Defendants' breach of fiduciary duty has been willful and malicious, warranting punitive damages

COUNT XI

AIDING AND ABETTING BREACH OF FIDUCIARY DUTY (Against Kehoe)

217. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 216 as if fully stated herein.

218. Kehoe had actual knowledge of the James River Individual Defendants' fiduciary duties, as described in Count X.

219. Kehoe had actual knowledge of James River Individual Defendants' breach of their fiduciary duties, as described in Count X.

220. Kehoe encouraged, aided and abetted the James River Individual Defendants' breach of their fiduciary duties, as described in Count X.

221. As a direct and proximate result of Defendant Kehoe's aiding and abetting breach of fiduciary duty, James River has suffered, and will continue to suffer, harm to its

competitive position in the insurance business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

222. As a result of Defendant Kehoe's aiding and abetting the James River Individual Defendants' breach of fiduciary duty, Plaintiffs have been damaged in an amount to be determined at trial.

223. Defendant Kehoe acted with actual malice toward James River or under a willful and wanton disregard for James River's rights, warranting punitive damages.

COUNT XII

TORTIOUS INTERFERENCE WITH PROSPECTIVE BUSINESS RELATIONS (against Defendants Kehoe, Kinsale, Share and James River Individual Defendants)

224. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 223 as if fully stated herein.

225. James River had valid contracts, business relationships or expectancy with a probability of a future economic benefit with clients, brokers and investors based, in part, upon its confidential and proprietary information and trade secrets as detailed above.

226. Upon information and belief, Defendants knew about this expectancy, which is, at least in part, the reason they misappropriated James River's property.

227. Defendants intentionally interfered with James River's prospective business relationships in order to secure the profits of those relationships for themselves.

228. It is reasonably certain that James River would have realized these business relationships in the absence of Defendants' unlawful conduct.

229. Defendants intentionally interfered, inducing or causing a material breach or termination, of these relationships or expectancies.

230. As a direct and proximate result of Defendants' tortious interference with prospective business relations, James River has suffered, and will continue to suffer, harm to its competitive position in the insurance business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

231. As a result of Defendants' tortious interference with prospective business relations, Plaintiffs have been damaged in an amount to be determined at trial.

232. Defendants acted with actual malice toward James River or under a willful and wanton disregard for James River's rights, warranting punitive damages.

233. Defendants have caused and will continue to cause James River irreparable harm, and James River has no adequate remedy at law to redress any continued tortuous interference with prospective business relations. Unless restrained by this Court, Defendants will continue to damage James River.

COUNT XIII

CONVERSION OF PROPERTY (against Defendants Kehoe, Kinsale, Greg Share and James River Individual Defendants)

234. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 233 as if fully stated herein.

235. Plaintiffs have a property interest in and are entitled to immediate possession over their confidential and proprietary information and trade secrets.

236. Defendants exercised wrongful control over Plaintiffs' proprietary, confidential and trade secret information by misappropriating it and sharing it with Plaintiffs' competitor.

237. Defendants' wrongful use of James River's property deprived Plaintiffs of their rights in that information.

238. Defendants' wrongful use of James River's property is inconsistent with James River's rights in that property.

239. As a direct and proximate result of this conversion of property, James River has suffered, and will continue to suffer, harm to its competitive position in the insurance business, its client relationships, its relationships with its employees, its economic expectancies, its business reputation, and its goodwill.

240. As a result of the conversion of their property, Plaintiffs have been damaged in an amount to be determined at trial.

241. The Defendants acted with actual malice toward James River or under a willful and wanton disregard for James River's rights, warranting punitive damages.

242. The Defendants have caused and will continue to cause James River irreparable harm, and James River has no adequate remedy at law to redress any continued conversion of property. Unless restrained by this Court, Defendants will continue to damage James River.

COUNT XIV

VIOLATION OF THE VIRGINIA COMPUTER CRIMES ACT, Va. Code § 18.2-152.4 (against Kehoe and the Individual Defendants)

243. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 242 as if fully stated herein.

244. As set out in greater detail above at paragraphs 1 through 122, on multiple occasions Kehoe and the Individual Defendants intentionally used James River's computers and computer network, without authorization or exceeding authorized access to make or cause to be made an unauthorized copy of information, in violation of Va. Code § 18.2-152.4.

245. By means of this conduct Defendant Kehoe and the Individual Defendants injured James River by improperly obtaining James River's valuable and confidential proprietary

information and trade secrets and using them for purposes not authorized by James River and inimical to James River's best interests.

246. Defendant Kehoe's and the Individual Defendants' unauthorized copying of information has caused James River to suffer damages on each such occasion, including but not limited to the cost of responding to each offense, conducting a damage assessment, profits lost and costs incurred.

COUNT XV

**BREACH OF CONFIDENTIALITY AGREEMENT
(Against Share)**

247. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 246 as if fully stated herein.

248. Fortress and James River entered into the Fortress NDA, a valid confidentiality agreement; whereby, James River agreed to provide confidential information ("Evaluation Material") to Fortress and Fortress agreed to maintain the confidentiality of that information, in connection with Fortress's evaluation of a possible acquisition of or investment in James River.

249. The Fortress NDA was in effect at all times relevant to this claim.

250. The Fortress NDA states that Evaluation Material "shall be used solely for the purpose of evaluating a Possible Transaction" and "shall be kept confidential." It further states that representatives, such as Share, who receive Evaluation Material "shall be (a) informed by [Fortress] of the confidential nature of the Evaluation Material, (b) directed by [Fortress] to treat the Evaluation Material confidentially and (c) informed by [Fortress] that by receiving the Evaluation Material they are agreeing to act in compliance with the terms of this Agreement for the benefit of [James River]."

251. By receiving Evaluation Material, Share became a party to and was bound by the terms of the Fortress NDA.

252. Share breached the Fortress NDA when he failed to keep the Evaluation Material confidential, and instead used it for purposes other than evaluation of a Possible Transaction, as described above.

253. Share's conduct has caused James River to suffer actual and consequential damages.

COUNT XVI

**BREACH OF CONFIDENTIALITY AGREEMENT
THIRD PARTY BENEFICIARY
(Against Share)**

254. Plaintiffs reallege and incorporate each of the allegations set forth in Paragraphs 1 through 253 as if fully stated herein.

255. Fortress and James River entered into the Fortress NDA, a valid confidentiality agreement; whereby, James River agreed to provide confidential information ("Evaluation Material") to Fortress and Fortress agreed to maintain the confidentiality of that information, in connection with Fortress's evaluation of a possible acquisition of or investment in James River.

256. The Fortress NDA was in effect at all times relevant to this claim.

257. The Fortress NDA states that Evaluation Material "shall be used solely for the purpose of evaluating a Possible Transaction" and "shall be kept confidential." It further states that representatives, such as Share, who receive Evaluation Material "shall be (a) informed by [Fortress] of the confidential nature of the Evaluation Material, (b) directed by [Fortress] to treat the Evaluation Material confidentially and (c) informed by [Fortress] that by receiving the Evaluation Material they are agreeing to act in compliance with the terms of this Agreement for the benefit of [James River]."

258. By receiving Evaluation Material, Share entered into a valid and enforceable confidentiality agreement with Fortress, which incorporated each and every term of the Fortress NDA and of which James River was the intended third party beneficiary.

259. Share breached the confidentiality agreement with Fortress when he failed to keep the Evaluation Material confidential, and instead used it for purposes other than evaluation of a Possible Transaction, as described above.

260. Share's conduct has caused James River to suffer actual and consequential damages.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs demand judgment against the Defendants as follows:

- A. Awarding Plaintiffs compensatory damages against each Defendant, in an amount to be determined at trial, together with prejudgment interest at the maximum rate allowable by law for, among other things, loss of critical employees' know-how, loss to underlying profitability, diversion of management attention, loss of employees and investors, the substantial costs necessary to hire replacement key employees and rebuild James River's management team;
- B. Awarding Plaintiffs treble damages, plus interest, costs and attorneys' fees, on Count III;
- C. Awarding Plaintiffs punitive damages against each Defendant, jointly and severally, in an amount to be determined at trial;
- D. Enjoining and restraining Defendants from engaging in future use of James River's trade secrets or confidential proprietary information;
- E. Enjoining and restraining Defendants from engaging in future activities

that would result in misappropriation of James River's trade secrets or confidential proprietary information;

F. Enjoining and restraining Defendants from soliciting, directly or indirectly, or otherwise initiating any further unlawful contact with any James River clients, brokers, investors or employees;

G. Enjoining and restraining Defendants from further working together at Kinsale or elsewhere;

H. Requiring the return of all James River documents within Defendants' possession, or in the possession of anyone acting in concert with Defendants, and the certification by Defendants' counsel that all reasonable steps have been taken to comply with the Court's order;

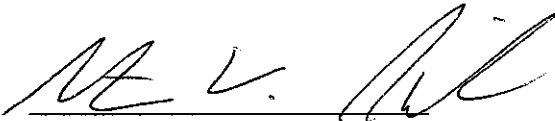
I. Awarding Plaintiffs all legal fees and costs incurred in connection with bringing this action; and

J. Awarding Plaintiffs such other and further relief as this Court may deem just and proper.

JURY DEMAND

Pursuant to Fed. R. Civ. P. 38 and Local Rule 38, Plaintiffs hereby demand a jury trial on all issues triable to a jury.

Dated: June 19, 2009

By: 

Steven K. Davidson (Va Bar # 25210)

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**Pro hac vice* admission pending

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Admission *Pro Hac Vice* will be Requested