

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

Laser Aiming Systems Corporation, Inc.,)	No.: 15-CV-510 DWF/FLN
)	
Plaintiff,)	AMENDED COMPLAINT
vs.)	
)	
Eric Bondhus, Carl Bondhus, Bondhus)	
Arms, Inc., and Auto Launch, Inc.)	
)	
Defendants.)	

Plaintiff Laser Aiming Systems Corporation, Inc. (“Laser Aiming”), for its Amended Complaint against Defendant Eric Bondhus, Defendant Carl Bondhus, (collectively “Defendants”), Defendant Bondhus Arms, Inc., and Defendant Auto Launch, Inc., states and alleges as follows:

PARTIES

1. Plaintiff Laser Aiming is a Minnesota corporation with a principal place of business at 5475 Pioneer Creek Drive, Maple Plain, Minnesota. Laser Aiming’s principal place of business is located within Hennepin County, Minnesota.
2. Defendant Eric Bondhus is an individual residing at 17081 River View Lane Southeast, Big Lake, Minnesota.
3. Defendant Carl Bondhus is an individual residing at 9866 Gillard Avenue Northeast, Monticello, Minnesota.
4. Defendant Bondhus Arms, Inc. (“Bondhus Arms”) is, upon information and belief, a company organized under the laws of Minnesota. Upon information and belief,

Bondhus Arms' principal place of business is located at 19930 Industrial Drive Northwest, Big Lake, Minnesota.

5. Defendant Auto Launch, Inc. ("Auto Launch") is, upon information and belief, a company organized under the laws of Minnesota. Upon information and belief, Auto Launch's principal place of business is located at 17081 River View Lane S.E., Big Lake, Minnesota. Upon information and belief, Defendant Eric Bondhus is the owner and is the President of Auto Launch.

JURISDICTION AND VENUE

6. Plaintiff initially filed this matter in the State of Minnesota District Court, County of Hennepin, Fourth Judicial District and alleged personal jurisdiction over each Defendant pursuant to Minn. Stat. § 543.19, because Defendants committed acts in Minnesota causing injury in Minnesota and had minimum contacts with Hennepin County, Minnesota.

7. Plaintiff also initially alleged the State of Minnesota District Court, County of Hennepin, Fourth Judicial District had jurisdiction over the subject matter pursuant to, but without limitation, Minn. Stat. § 484.01.

8. In addition, Plaintiff initially alleged venue is proper in the State of Minnesota District Court, County of Hennepin, Fourth Judicial District under Minn. Stat. § 542.09, because the cause of action or some part thereof arose in Hennepin County.

9. Defendants later removed this matter to the United States District Court, District Of Minnesota.

DEMAND FOR JURY TRIAL

10. Plaintiff demands a jury trial for all claims entitled to a jury trial.

ALLEGATIONS

11. Plaintiff Laser Aiming was founded in 2006. Laser Aiming manufactures and sells green laser products, red laser products, tactical lights, holsters, and related accessories to assist in recreational firearm use and professional firearm training. Laser Aiming's products are available to military, law enforcement, and civilian users and they are compatible with a wide range of firearms.

12. On or about February 20, 2007, Laser Aiming and Defendant Auto Launch entered into a confidentiality agreement. As part of this agreement, Defendant Auto Launch promised to maintain the confidentiality of the confidential and proprietary information it received from Laser Aiming.

13. On or about July 5, 2007, Laser Aiming hired Defendant Carl Bondhus as a consultant and entered into a consulting agreement with Defendant Carl Bondhus. As part of this agreement, Defendant Carl Bondhus promised to maintain the confidentiality of the confidential and proprietary information he received from Laser Aiming.

14. In March 2009, Laser Aiming hired Defendant Carl Bondhus as an employee. He was hired for the purpose of designing lasers, lights, holsters, and other products.

15. In March 2009, Laser Aiming also hired Defendant Eric Bondhus as an employee. He was initially hired to help manage production.

16. Laser Aiming, Defendant Carl Bondhus, and Defendant Eric Bondhus negotiated and entered into identical employment agreements for Defendant Eric Bondhus and Defendant Carl Bondhus (the “Employment Agreement”).

The Bondhus Arms CL380

17. Pursuant to § 6(a) of the Employment Agreement, the Defendants transferred and assigned to Laser Aiming “all right, title and interest of Employee in and to every idea, concept, invention and improvement (whether patented or not) conceived or developed by Employee during the term of employment. . . .”

18. One of the concepts Laser Aiming asked the Defendants to develop was a concept involving a compact firearm with a fully integrated laser.

19. On February 2, 2011, Laser Aiming discovered that Defendant Eric Bondhus was using company resources and spending a significant amount of time working for a company Eric Bondhus owned rather than working for Laser Aiming.

20. On February 3, 2011, Laser Aiming terminated Defendant Eric Bondhus’ employment for cause.

21. Later on February 3, 2011, Defendant Carl Bondhus, whose employment had not been terminated, used his key to Laser Aiming’s facility and allowed his brother Eric Bondhus to enter the facility at night and well after normal business hours.

22. The next morning, on February 4, 2011, several Laser Aiming employees discovered that approximately \$65,000 of materials, components, and finished goods were missing. Many of these missing components and materials were necessary for

Laser Aiming's production runs. Accordingly, Laser Aiming was forced to significantly scale back its production runs for several weeks and sustained lost sales.

23. On February 5, 2011, Defendant Eric Bondhus had a phone conversation with Laser Aiming representatives. During the conversation, Eric Bondhus stated that if he was paid the amount of money he believed he was owed as a result of his employment termination, he would return the missing Laser Aiming property.

24. Meanwhile, immediately following Defendant Eric Bondhus' employment termination, Defendant Carl Bondhus began deleting electronic files on his company issued computer, including valuable Laser Aiming engineering and design files and emails.

25. On February 15, 2011, Laser Aiming terminated Defendant Carl Bondhus' employment for cause.

26. Subsequently, Defendants announced that they founded a new company known as Bondhus Arms, Inc. ("Bondhus Arms").

27. Defendants are now marketing under Bondhus Arms a compact firearm with a fully integrated green laser that is referred to as the CL380.

28. The CL380 is the product that Laser Aiming asked Defendants to develop while they were working for Laser Aiming.

29. In addition, Defendants Carl Bondhus, Eric Bondhus, and Bondhus Arms wrongfully misappropriated Laser Aiming's confidential and proprietary laser technology and incorporated it into the integrated green laser in the CL380.

30. The “CL” of the CL380 was part of Laser Aiming’s proposed naming convention for this product. The letter “C” stands for compact. The letter “L” stands for laser. The number “380” refers to the caliber of the gun.

31. Pursuant to § 6(a) of the Employment Agreement, Defendants assigned to Laser Aiming all of their rights, title and interest to, all ideas, concepts, inventions, and improvements conceived or developed by Defendants during their term of employment with Laser Aiming.

32. The assignment in § 6(a) includes, among other things, an assignment of all rights, title and interest to the CL380.

33. Pursuant to § 6(a) of the Employment Agreement, Laser Aiming is the rightful owner of all rights, title and interest in the CL380.

34. Pursuant to § 6(b) of the Employment Agreement, Laser Aiming is the rightful owner of the “CL380” name.

The Incentive Bonus

35. Pursuant to § 3(b) of the Employment Agreement, Laser Aiming promised to pay an annual incentive bonus from any products in which one or both Defendants “had a role in designing or improving” provided other criteria were also satisfied.

36. Laser Aiming has already paid the Defendants any and all incentive bonuses that related to their work in designing or improving Laser Aiming’s products.

37. Pursuant to the second § 3(b) in the Employment Agreement, Laser Aiming also promised to pay an incentive bonus “with respect to any product conceived” by one or both Defendants provided other criteria were also satisfied.

38. The Employment Agreement draws a clear distinction between products that Defendants “had a role in designing or improving” as opposed to products that were “conceived” by Defendants.

39. The Defendants did not conceive of any of the products in Laser Aiming’s current product offering. The Defendants did nothing more than enhance existing models of products in Laser Aiming’s product offering.

40. Laser Aiming owes the Defendants nothing in terms of an incentive bonus for conceiving products.

41. Nevertheless, on October 31, 2014, Defendants sent a demand letter to Laser Aiming and wrongly claimed they “conceived” several of Laser Aiming’s products, supposedly including but not limited to Laser Aiming’s C5 series lasers and lights, its X5 series lasers and lights, its Reactor series lasers, its Tacloc holsters, and its ECR holster. Defendants then demanded that Laser Aiming pay an incentive bonus on the sales of these products.

42. During the time they were working at Laser Aiming, Defendants never mentioned orally or in writing that they were working on any products that they purportedly conceived, or that they expected to receive a future incentive bonus for such products. In addition, Defendants never made any inquiries orally or in writing regarding the patent status of any products that they purportedly conceived.

43. During the time they were working at Laser Aiming, Defendants never made a demand for payment for an incentive bonus concerning any products they purportedly conceived.

44. The first time Defendants ever mentioned their demand for any incentive bonus concerning products they allegedly conceived of came on or about March 2013, which was over two years after their employment was terminated for cause.

Confidential and Proprietary Business Information

45. Pursuant to § 7(a) of the Employment Agreements, Defendant Carl Bondhus and Defendant Eric Bondhus promised that after their employment relationship with Laser Aiming ended, Defendants would not disclose to third parties Laser Aiming's products, services and technology, and other confidential and proprietary business information that belonged to Laser Aiming.

46. Pursuant to § 7(a) of the Employment Agreements, Defendant Carl Bondhus and Defendant Eric Bondhus also agreed that they would not use any such information and would not take any such material or reproductions thereof from Laser Aiming's facilities.

47. In addition, pursuant to § 7(a) of the Employment Agreements, Defendant Carl Bondhus and Defendant Eric Bondhus agreed to immediately return all such materials and reproductions thereof in their possession to Laser Aiming in the event their employment with Laser Aiming was terminated.

48. Defendant Carl Bondhus and Defendant Eric Bondhus still have possession of Laser Aiming's proprietary and confidential designs and other information and have not adhered to their obligations under § 7(a) of the Employment Agreements to immediately return these materials upon termination of their employment. In response to

Laser Aiming's discovery requests in this lawsuit, Defendants produced proprietary and confidential designs that belong to Laser Aiming.

49. Moreover, after their employment relationships with Laser Aiming ended, Defendant Carl Bondhus and Defendant Eric Bondhus, along with Defendant Auto Launch, began using Laser Aiming's proprietary and confidential designs and other information for their own purposes. Defendants also disclosed Laser Aiming's proprietary and confidential designs and other information to third parties.

50. For example, Defendant Eric Bondhus contacted third party Mike Van Hout, who worked for a third party vendor located in China that had done contract work on Laser Aiming's behalf.

51. Defendant Eric Bondhus specifically asked Mike Van Hout to make a knockoff of Laser Aiming's green laser sight product. Defendant Eric Bondhus indicated that he intended to make a cheaper version of the green laser sight product so he could undercut Laser Aiming's pricing.

52. In addition, Defendant Eric Bondhus and Defendant Auto Launch sent electronic files to a third party that contained Laser Aiming's confidential and proprietary designs and other information that were designated by Laser Aiming as "PROPRIETARY AND CONFIDENTIAL."

53. Upon information and belief, Defendant Carl Bondhus, Defendant Eric Bondhus, Defendant Bondhus Arms, and Defendant Auto Launch were ultimately successful in finding a vendor and making a knockoff product based on Laser Aiming's confidential and proprietary designs. At least one vendor based in China and/or Hong

Kong produced and marketed a knockoff product of Laser Aiming's products based on Laser Aiming's confidential and proprietary designs.

54. Upon information and belief, Defendant Carl Bondhus, Defendant Eric Bondhus, Defendant Bondhus Arms, and Defendant Auto Launch and/or their affiliates have been responsible for manufacturing and sales of knockoff products of Laser Aiming's products.

55. Upon information and belief, Defendant Carl Bondhus, Defendant Eric Bondhus, Defendant Bondhus Arms, and Defendant Auto Launch and/or their affiliates have wrongfully disclosed Laser Aiming's confidential and proprietary information to third parties and enabled that information to be used to manufacture and sell products that incorporate Laser Aiming's confidential and proprietary information. These products include, but are not limited to, the CL380 and the Ideal Conceal handgun which is a double-barrel .380-caliber handgun that features a one-piece frame with a laser sight.

COUNT I
DECLARATORY JUDGMENT
(Employment Agreement § 3(b))
Against Defendants Eric Bondhus and Carl Bondhus

56. Laser Aiming realleges and incorporates by reference herein the paragraphs set forth above.

57. Defendants have wrongly claimed they are entitled to an incentive bonus for purportedly conceiving of several products in Laser Aiming's product offering, including, but not limited to, Laser Aiming's C5 series lasers and its X5 series lasers.

58. Defendants' company description for the industry-wide SHOT show, issued on or about January 2014, states that the Defendants were mere "product developers" of Laser Aiming's C5 and X5 series lasers. This press release is an admission that Defendants did not conceive of these products. It is also an implicit admission that their work at Laser Aiming involved the product development of the CL380.

59. Defendants did not conceive of any of the products in Laser Aiming's product offering.

60. A justiciable controversy exists regarding whether Laser Aiming is entitled to declaratory judgment relief pursuant to the Uniform Declaratory Judgments Act, Minnesota Statutes, Chapter 555, and/or pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 *et seq.*

61. Laser Aiming is entitled to a declaratory judgment that it owes Defendants nothing in terms of any additional incentive bonus under § 3(b) of the Employment Agreement.

COUNT II
BREACH OF CONTRACT
(Employment Agreement § 6(a))
Against Defendants Eric Bondhus and Carl Bondhus

62. Laser Aiming realleges and incorporates by reference herein the paragraphs set forth above.

63. Laser Aiming has an enforceable Employment Agreement with Defendants.

64. Laser Aiming fully performed its obligations under the Employment Agreement.

65. Pursuant to § 6(a) of the Employment Agreement, Defendants assigned to Laser Aiming all of their rights, title and interest to compact gun products involving integrated lasers, including the CL380.

66. Pursuant to § 6(a) of the Employment Agreement, Laser Aiming is the rightful owner of all rights, title and interest that Defendants have in the CL380.

67. Pursuant to § 6(b) of the Employment Agreement, Laser Aiming is the rightful owner of the “CL380” name.

68. Defendants materially breached the Employment Agreement by retaining the rights, title and interest in the CL380 and marketing the CL380 as a product purportedly owned by Bondhus Arms.

69. As a direct and proximate result of Defendants’ actions, Laser Aiming has suffered damages in excess of \$50,000.

COUNT III
BREACH OF CONTRACT
(Employment Agreement § 7(a))
Against Defendants Eric Bondhus and Carl Bondhus

70. Laser Aiming realleges and incorporates by reference herein the paragraphs set forth above.

71. Pursuant to § 7(a) of the Employment Agreements, Defendant Carl Bondhus and Defendant Eric Bondhus promised that after their employment relationship with Laser Aiming ended, they would not disclose to third parties Laser Aiming’s products, services and technology, and other confidential and proprietary business information that belonged to Laser Aiming.

72. Pursuant to § 7(a) of the Employment Agreements, Defendant Carl Bondhus and Defendant Eric Bondhus also agreed that they would not use any such information and would not take any such material or reproductions thereof from Laser Aiming's facilities.

73. In addition, pursuant to § 7(a) of the Employment Agreements, Defendant Carl Bondhus and Defendant Eric Bondhus agreed to immediately return all such materials and reproductions thereof in their possession to Laser Aiming in the event their employment with Laser Aiming was terminated.

74. Defendant Carl Bondhus and Defendant Eric Bondhus still have possession of Laser Aiming's proprietary and confidential designs and other information and have not adhered to their obligations under § 7(a) of the Employment Agreements to immediately return these materials upon termination of their employment. In response to Laser Aiming's discovery requests in this lawsuit, Defendants produced proprietary and confidential designs that belong to Laser Aiming.

75. Moreover, after their employment relationship with Laser Aiming ended, Defendant Carl Bondhus and Defendant Eric Bondhus began using Laser Aiming's proprietary and confidential designs and other information for their own purposes. Defendants also disclosed Laser Aiming's proprietary and confidential designs and other information to third parties.

76. For example, Defendant Eric Bondhus contacted third party Mike Van Hout, who worked for a third party vendor that had done contract work on Laser Aiming's behalf.

77. Defendant Eric Bondhus specifically asked Mike Van Hout to make a knockoff of Laser Aiming's green laser sight product. Defendant Eric Bondhus indicated that he intended to make a cheaper version of the green laser sight product so he could undercut Laser Aiming's pricing.

78. In addition, Defendant Eric Bondhus sent to a third party electronic files that contained Laser Aiming's designs and other information that were designated by Laser Aiming as "PROPRIETARY AND CONFIDENTIAL."

79. Upon information and belief, Defendant Carl Bondhus and Defendant Eric Bondhus were ultimately successful in finding a vendor and creating a knockoff product based on Laser Aiming's confidential and proprietary designs and other confidential and proprietary information.

80. Upon information and belief, Defendant Carl Bondhus and Defendant Eric Bondhus and/or their affiliates have made sales of knockoff products of Laser Aiming's products.

81. Defendants Carl Bondhus, Eric Bondhus, and Bondhus Arms wrongfully misappropriated Laser Aiming's confidential and proprietary laser technology and incorporated it into the integrated green laser in the CL380 and also incorporated it into the laser sight in the Ideal Conceal.

82. Defendant Carl Bondhus and Defendant Eric Bondhus materially breached § 7(a) of the Employment Agreement by wrongfully disclosing Laser Aiming's confidential and proprietary information to third parties and utilizing this information to

manufacture and sell knockoff products that incorporate Laser Aiming's confidential and proprietary information.

83. As a direct and proximate result of Defendants' breaches of the Employment Agreement, Laser Aiming has suffered damages in excess of \$50,000.

COUNT IV
TORTIOUS INTERFERENCE WITH CONTRACT
Against Defendant Bondhus Arms

84. Laser Aiming realleges and incorporates by reference herein the paragraphs set forth above.

85. The Employment Agreement is a valid contract among and between Laser Aiming and Defendant Eric Bondhus and Defendant Carl Bondhus.

86. Defendant Bondhus Arms knew of the Employment Agreement.

87. Defendant Bondhus Arms, without justification, intentionally procured a breach of the Employment Agreement by, among other things, obtaining rights, title, and/or interests in the CL380.

88. As a direct and proximate result of Defendant Bondhus Arms' actions, Laser Aiming has suffered damages in excess of \$50,000.

COUNT V
TORTIOUS INTERFERENCE WITH BUSINESS EXPECTANCY
Against Defendants Eric Bondhus, Carl Bondhus, and Bondhus Arms

89. Laser Aiming realleges and incorporates by reference herein the paragraphs set forth above.

90. Laser Aiming had a reasonable expectation of economic advantage or benefit concerning integrated laser systems for handguns.

91. The Defendants had knowledge of Laser Aiming's expectation of economic advantage concerning integrated laser systems for handguns.

92. The Defendants wrongfully and without justification interfered with Laser Aiming's reasonable expectation of economic advantage or benefit concerning integrated laser systems for handguns by, among other things, bringing the CL380 to market as a purported Bondhus Arms product.

93. In the absence of the wrongful acts of Defendants, it is reasonably probable that Laser Aiming would have realized the economic advantage or benefit of developing and selling handguns with integrated laser systems.

94. As a direct and proximate result of Defendants' actions, Laser Aiming has suffered damages in excess of \$50,000.

COUNT VI
SPECIFIC PERFORMANCE
(Employment Agreement § 6(a))
Against Defendants Eric Bondhus, Carl Bondhus

95. Laser Aiming realleges and incorporates by reference herein the paragraphs set forth above.

96. Laser Aiming had and has an enforceable Employment Agreement with Defendants.

97. Laser Aiming fully performed its obligations under the Employment Agreement.

98. Pursuant to § 6(a) of the Employment Agreement, Defendants assigned to Laser Aiming all of their rights, title and interest to compact gun products involving integrated lasers, including the CL380.

99. Pursuant to § 6(a) of the Employment Agreement, Laser Aiming is the rightful owner of all rights, title and interest that Defendants have in the CL380.

100. Laser Aiming is entitled to a specific performance judgment that assigns to Laser Aiming all rights, title and interest to the CL380.

COUNT VII
SPECIFIC PERFORMANCE
(Employment Agreement § 7(a))
Against Defendants Eric Bondhus and Carl Bondhus

101. Laser Aiming realleges and incorporates by reference herein the paragraphs set forth above.

102. Pursuant to § 7(a) of the Employment Agreements, Defendant Carl Bondhus and Defendant Eric Bondhus were obligated to immediately return to Laser Aiming all of Laser Aiming's confidential and proprietary information that was in their possession upon termination of employment.

103. Defendant Carl Bondhus and Defendant Eric Bondhus failed to return to Laser Aiming all of Laser Aiming's confidential and proprietary information that was in Defendants' possession upon termination of their employment.

104. Laser Aiming is entitled to a specific performance judgment against Defendants Eric Bondhus and Carl Bondhus that orders them to return to Laser Aiming

all of Laser Aiming's confidential and proprietary information that is in Defendants' possession, custody, and/or control.

COUNT VIII – MISAPPROPRIATION OF TRADE SECRETS
Against Defendants Carl Bondhus, Eric Bondhus, Bondhus Arms, and Auto Launch

105. Laser Aiming incorporates herein by reference the paragraphs set forth above.

106. Laser Aiming maintained confidential information that qualifies as trade secret information (Laser Aiming's "Trade Secret Information") pursuant to Minn. Stat. § 325C.01, subd. 5.

107. Laser Aiming's Trade Secret Information includes, among other things: (a) Laser Aiming's designs; (b) Laser Aiming's financial information, including, but not limited to, information regarding its production costs and its profit margins; (c) Laser Aiming's quality control procedures; and (d) other confidential information known only to a select number of Laser Aiming's representatives on a need-to-know basis.

108. Laser Aiming's Trade Secret Information was not generally known or readily ascertainable by other persons by proper means. Laser Aiming compiled this information during a period of over ten years through research and development and private business practices. Laser Aiming also made reasonable efforts to maintain the secrecy of this information by only allowing a very limited number of employees to access this information on a need-to-know basis and informing those employees that they had a duty to keep this information confidential pursuant to Company policy and pursuant to their employment agreements.

109. Laser Aiming's Trade Secret Information derives actual or potential independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

110. Laser Aiming made reasonable efforts to maintain the secrecy of its Trade Secret Information. Among other things, Laser Aiming required Defendant Carl Bondhus and Defendant Eric Bondhus to enter into employment agreements wherein they explicitly acknowledged that Laser Aiming had trade secret information and expressly agreed they would not disclose that information to any outside parties. Laser Aiming also required Defendant Auto Launch to enter into a Confidentiality Agreement with Laser Aiming that protected Laser Aiming's confidential information. Laser Aiming also required Defendant Carl Bondhus to enter into a Consulting Agreement with Laser Aiming that protected Laser Aiming's confidential and proprietary information.

111. Defendants Carl Bondhus, Eric Bondhus, Bondhus Arms, and Auto Launch knew that Laser Aiming intended or expected that the secrecy of Laser Aiming's Trade Secret Information would be maintained by Defendants.

112. Defendants Carl Bondhus, Eric Bondhus, Bondhus Arms, and Auto Launch used Laser Aiming's Trade Secret Information without express or implied consent and used improper means to misappropriate Laser Aiming's Trade Secret Information. In addition, Defendants inappropriately disclosed Laser Aiming's Trade Secret Information to third parties.

113. For example, Defendants Carl Bondhus, Eric Bondhus, and Bondhus Arms wrongfully misappropriated Laser Aiming's confidential and proprietary laser technology and incorporated it into the integrated green laser in the CL380 and also incorporated it into the laser sight in the Ideal Conceal.

114. At the time of the use of Laser Aiming's Trade Secret Information, Defendants Carl Bondhus, Eric Bondhus, and Auto Launch knew or had reason to know that their knowledge of this information was acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use. Defendants also knew this information was derived from or through a person who owed a duty to Laser Aiming to maintain its secrecy.

115. Defendants' misconduct as explained above violates Minn. Stat. § 325C.01 *et seq.* and the common law concerning trade secrets.

116. As a direct and proximate result of Defendants' multiple violations of Minn. Stat. § 325C.01 *et seq.* and the common law involving trade secrets, Laser Aiming has been damaged.

117. Pursuant to Minn. Stat. § 325C.03(a) and the common law involving trade secrets, Laser Aiming is entitled to recover damages for misappropriation of trade secrets including damages for both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation that is not taken into account computing the actual loss. Alternatively, Laser Aiming is entitled to a reasonable royalty for Defendants' misappropriation of Laser Aiming's Trade Secret Information.

**COUNT IX – WILLFUL AND MALICIOUS
MISAPPROPRIATION OF TRADE SECRETS
Against Defendants Carl Bondhus and Eric Bondhus**

118. Laser Aiming incorporates herein by reference the paragraphs set forth above.

119. Defendant Carl Bondhus and Defendant Eric Bondhus attempted to extort bonuses to which they were not entitled from Laser Aiming.

120. When Laser Aiming properly declined to pay Defendant Carl Bondhus and Defendant Eric Bondhus the bonuses they wrongfully demanded, Defendants retaliated by breaking and entering into Laser Aiming's facilities after business hours and by willfully and maliciously misappropriating Laser Aiming's Trade Secret Information. Defendants also willfully and maliciously disclosed Laser Aiming's Trade Secret Information to third parties.

121. In addition to the damages set forth in Count IX, Laser Aiming is entitled to exemplary damages pursuant to Minn. Stat. § 325C.03(b) and/or the common law, plus reasonable attorney's fees pursuant to Minn. Stat. § 325C.04 and/or the common law.

PRAYER FOR RELIEF

WHEREFORE, Laser Aiming requests the following relief:

1. Damages in an amount to be proven at trial;
2. Exemplary damages;
3. Costs and attorney's fees;
4. Equitable relief as requested above;
5. Specific performance as requested above;

6. All reasonable expenses Laser Aiming has incurred; and
7. Such other relief as the Court may deem just and proper.

Dated: June 29, 2016

WINTHROP & WEINSTINE, P.A.

By: s/ Craig S. Krummen
Craig S. Krummen, #0259081
225 South Sixth Street
Suite 3500
Minneapolis, Minnesota 55402
(612) 604-6400
ckrummen@winthrop.com
*Attorneys for Plaintiff Laser Aiming
Systems Corporation, Inc.*

11285957v3