



America shall be referred to herein as Plaintiffs.

On January 22, 2014, this Court held an evidentiary hearing on Plaintiffs' Application for Temporary Injunction. Based on the evidence presented at the hearing, the documentary evidence, the legal authority in this matter, and the arguments of counsel, the Court finds that Defendants have engaged in a systematic course of conduct designed to injure DJI North America and Guinn. The Court makes the following findings:

**Findings:**

Personal jurisdiction is proper over both DJI Global and Wang because they purposefully availed themselves of the privileges of doing business within the State of Texas, including by engaging in the following the activities, which support issuance of this Temporary Injunction.

The Court finds that Defendants signed the Shareholder Agreement concerning DJI North America, a business formed in Texas with its principal place of business located at Travis County, Texas. Guinn is a 48% interest holder in DJI North America.

Defendants have misappropriated assets belonging to DJI North America in Travis County, Texas. DJI Global and Wang intentionally and improperly diverted the assets belonging to DJI North America, such assets being located in Travis County, to DJI Global in China.

Specifically, DJI Global and Wang have misappropriated all the funds from DJI North America's revenue account, contacted the customers of DJI North America to redirect DJI North America's accounts receivable to themselves, and used their pervasive access to DJI North America's systems, located in Travis County, Texas, to systematically lock DJI North America out of its own systems and accounts. Specifically, Defendants have:

- a) misappropriated all the revenue in DJI North America's revenue account without providing DJI North America anything in exchange;
- b) ~~scraped DJI North America's videos from YouTube and Vimeo and placing them on DJI Global's website, treating these videos as if DJI Global created them;~~

*and any objections Wang may have about this finding may be raised on appeal. Not waived*

*KOB*

- c) provided unmanned aerial vehicles secretly to DJI North America's customers while misrepresenting to DJI North America that there was a backlog in production;
- d) cut off DJI North America's visibility to its own revenue account;
- e) contacted all of DJI North America's clients and instructed the clients to pay DJI Global directly for product already provided by DJI North America;
- f) disabled DJI North America's access to both its Facebook and Twitter accounts; and
- g) sought to liquidate all of DJI North America's physical assets in the Travis County office.

THEREFORE, Based on the evidence presented to the Court, the Court finds that the requested order is required to protect Plaintiffs from injury due to the improper actions of Defendants.

**Injunction Standard is Met:**

Plaintiffs have shown (1) a probable right to recover on the merits after final hearing and (2) a probable and irreparable injury unless the writ is issued, which entitles Plaintiffs to the requested Temporary Injunction. *Lometa Bancshares v. Potts*, 952 S.W.2d 631, 633 (Tex. App. - Austin 1997, no pet.).

An injunction may issue when "the applicant is entitled to the relief demanded and all or part of the relief requires the restraint of some act prejudicial to the applicant" or when "a party performs or is about to perform or is procuring or allowing the performance of an act relating to the subject of pending litigation, in violation of the rights of the applicant, and the act would tend to render the judgment in that litigation ineffectual." Tex. Civ. Prac. & Rem. Code § 65.011 (1), (2). The Court finds these standards met in this case. The Court finds that it is probable that Plaintiffs will prevail on the merits of this case and receive judgment in the full amount of their claim for damages, equitable relief, attorneys' fees, and costs of Court because Defendants have engaged in the following improper activities, each of which is prejudicial to applicants and each

of which would tend to render the final judgment ineffectual:

- Sweeping the bank account belonging to DJI North America;
- Instructing the customers of DJI North America to pay DJI Global for products already sold to them by DJI North America;
- Directed the customers of DJI North America to purchase products directly from DJI Global, routing sales around DJI North America;
- Locking DJI North America out of its own social media accounts;
- Locking all of DJI North America's employees out of their email accounts without notice;
- Communicating directly with DJI North America's customers, on the same day as the lockout, to falsely claim that DJI North America had merely been a "liaison" between DJI Global and the customers;
- ~~Scraping and using videos created by DJI North America (many of which feature Guinn) and placing them on DJI Global's YouTube account;~~
- Failing to render distributions to Guinn with respect to his 48% interest, while taking all of the revenue of DJI North America for themselves; and
- Seeking to liquidate all of DJI North America's physical office assets, making it impossible to continue operations.

**Irreparable Injury:**

Because Defendants are seeking to misappropriate DJI North America's business in total, these continuing actions will irreparably damage Plaintiffs. Texas Courts have consistently held that when a defendant's improper actions seek to deprive an entity of all of its good and valuable assets, the harm is unequivocally irreparable and no adequate remedy at law exists. *Lometa Bancshares*, 952 S.W.2d at 633 (citing *Minexa Arizona, Inv. v. Staubach*, 667 S.W.2d 563, 567-68 (Tex. App.--Dallas 1984, no writ); *Sonics Int'l Inc. v. Dorchester Enters.*, 593 S.W.2d 390, 393 (Tex. Civ. App.--Dallas 1980, no writ); *Baucum v. Texam Oil Corp.*, 423 S.W.2d 434, 442 (Tex. Civ. App.--El Paso 1967, writ ref'd n.r.e.)).

In addition, injunctive relief is appropriate, and harm is irreparable, where a defendant is

“seeking to place the remaining funds beyond the jurisdiction of the Texas court.” *Minexa Arizona, Inc. v. Staubach*, 667 S.W.2d 563 (Tex. App. – Dallas 1984, no writ). The Court finds that Defendants are seeking to place the assets of DJI North America and Guinn beyond the jurisdiction of the Texas court; therefore, the harm is irreparable in this matter. Defendants are placing the assets out of the reach of this Court in two ways: (1) pulling all funds from DJI North America’s revenue account and placing it into a Chinese bank account, and (2) directing all of DJI North America’s customers to send funds directly to the Chinese bank account.

Additionally, damages are inadequate and harm is irreparable when damages will come too late to save a plaintiff’s business. *Roland Machinery Co. v. Dresser Industries*, 749 F.2d 380, 386 (7th Cir. 1984) (cited by *Walling v. Metcalfe*, 863 S.W.2d 56, 58 (Tex. 1993)). That is the case here, Defendants are systematically, and improperly, taking all of the assets that DJI North America needs to remain a going concern. The Court finds that this harm is irreparable and supports issuance of the sought injunction here.

The Court also finds that no adequate remedy at law exists, and harm is irreparable, due to Defendants’ misuse of DJI North America’s intellectual property causing consumer confusion or negative opinions about DJI North America. *Rollins v. Universal Coin & Bullion, Ltd.*, NO. 09-06-150 CV, 2006 Tex. App. LEXIS 8764, at \*13 (Tex. App. Beaumont Oct. 12, 2006). Such harm in this case includes the improper use of DJI North America’s customer lists to send false and misleading information about DJI North America to its own customers. The damage that DJI North America will suffer from Defendants’ improper use of DJI North America’s customer lists will be hard to calculate, thus justifying injunctive relief, because each potential sale lost in the future may never be known.

Moreover, legal damages are inadequate, so as to support a temporary injunction, if they

are difficult to calculate. *Id.* (citing *Mabrey v. SandStream, Inc.*, 124 S.W.3d 302, 318-19 (Tex. App.--Fort Worth 2003, no pet.) and *K & G Oil Tool & Serv. Co. v. G & G Fishing Tool Serv.*, 158 Tex. 594, 314 S.W.2d 782, 791 (1958)). In this case, the evidence shows that DJI North America was experiencing an extreme growth curve, which will be difficult, if not impossible, to calculate with specificity. For this additional reason, injunctive relief is necessary.

Similarly, the Court finds that Defendants are likely to continue to use the client information they have to announce their self-appointed appropriation of all company property. For this reason, past-damages will not adequately address the damage to client confidence in DJI North America, which requires the issuance of an injunction. *Texas Indus. Gas v. Phoenix Metallurgical Corp.*, 828 S.W.2d 529, 533 (Tex. App. – Houston [1<sup>st</sup> Dist.] 1992, no writ).

**The Acts to Be Restrained:**


The Court therefore FINDS that Defendants' actions, and the actions of all persons in active concert or participation with Defendants, will cause Plaintiffs immediate and irreparable harm unless immediately enjoined by the Court. Accordingly, the Court issues the following:

**ORDER**

THEREFORE, THE COURT HEREBY ORDERS that Hong Kong Dajiang Innovation Technology Co., Ltd. and Tao "Frank" Wang, and all persons in active concert or participation with Hong Kong Dajiang Innovation Technology Co., Ltd. or Tao "Frank" Wang with notice of this Order be and are hereby ENJOINED.

THEY SHALL:

a) Cease and desist from soliciting Unmanned Aerial Vehicle product or peripheral sales from, or marketing Unmanned Aerial Vehicle products and peripherals to, the clients developed exclusively by DJI North America, which are identified on the attached Exhibit 1, whether by direct communication, product demonstration, or trade show presentation;

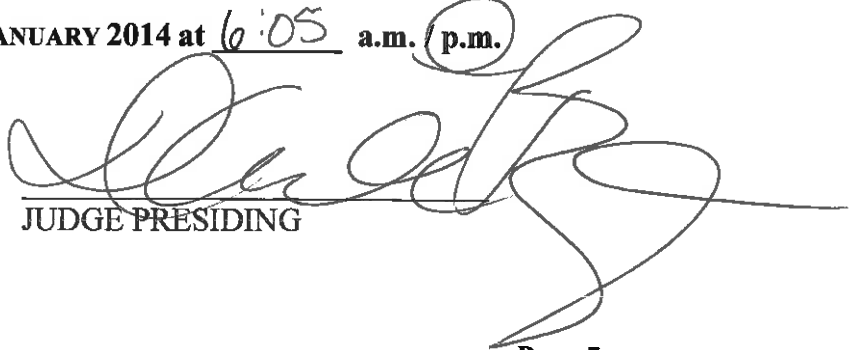
- b) Cease and desist from selling Unmanned Aerial Vehicle products to the clients developed exclusively by DJI North America, which are identified on the attached Exhibit 1;
- c) Except for payments made in satisfaction of invoices for shipments of new products delivered after the date of this order, transferring, taking or accepting any funds in the DJI North America bank accounts;
- d) Cease and desist from accepting sales orders from clients developed exclusively by DJI North America, which are identified on the attached Exhibit 1;
- e) Provide Plaintiffs with online banking password and login information for DJI North America's bank accounts within 24 hours of receipt of this Order;
- f) Provide Plaintiffs with administrator login and password information for DJI North America's social media accounts, including Facebook, Twitter, Vimeo, Google+, and YouTube within 24 hours of receipt of this Order;
- ~~g) Remove videos created by DJI North America and videos featuring Guinn from DJI Global's internet sites, including its YouTube account within 24 hours of receipt of this Order; and~~
- 9 h)  Cease and desist from any and all attempts to liquidate the assets of DJI North America.



IT IS FURTHER ORDERED that the trial of this matter on the ultimate relief sought shall be held on August 11, 2014, at 6:05 a.m./p.m. in the 200th Judicial District Court for Travis County, 1000 Guadalupe St., Austin, Texas 78701.

IT IS FURTHER ORDERED that the bond posted by Plaintiffs for the issuance of the Temporary Restraining Order in the amount of \$1,000 shall remain posted and shall be sufficient bond for this Injunction, which is effective immediately. The clerk of the above-titled Court shall forthwith issue a temporary injunction in conformity with the law and the terms of this order.

SIGNED: THIS DAY THE 22 DAY OF JANUARY 2014 at 6:05 a.m./p.m.

  
 JUDGE PRESIDING

<b>Account Name</b>	<b>Mailing City</b>	<b>Mailing State/Province</b>	<b>Mailing Country</b>
Aero Hobbies	Poolville	TX	United States
Amazon.com, Inc.	Seattle	WA	USA
B&H Photo - Video, Inc.	Brooklyn	NY	USA
Canada Drones	Mississauga	Ontario	Canada
Digital Defense Surveillance	North Ogden	UT	USA
Dronefly.com	Westlake Village	CA	USA
DSLRPros.com	Fort Lauderdale	FL	USA
Faster Ventures	Los Angeles	California	USA
Filmtools	Burbank	CA	USA
Hobby Hobby	Mississauga	Ontario	Canada
Hobbico, Inc.	Champaign	IL	USA
Hobbytown USA Corporate	Lincoln	NE	USA
Hobbytown USA	Austin	TX	USA
Infinite Jib™ Inc.	Schomberg	ON	
Innovative Economical Solutions	Ridgefield	WA	USA
maxsur	liberty Hill	TX	USA
MidwestSurveillance	Ellisville	MO	USA
NewEgg.com	City of Industry	CA	USA
Precision Camera	Austin	TX	USA
Prioria Robotics, Inc	Gainesville	FL	USA
Quadrocopter, LLC	Columbia Falls	MT	USA
Rcteam.ru	East Hanover	NJ	USA
RC Toy House	Los Angeles	CA	USA
Red Rocket Hobbies, Inc.	Klamath Falls	OR	USA
Rope Access Maintenance	Woodstock	ON	
Samy's Camera	Los Angeles	CA	USA
Sightline Aviation	Jackson	WY	USA
VideoStone	Miami	Florida	USA
Wynit Distribution LLC	Syracuse	NYY	USA
XFLY Systems	Denver	CO	USA
Xtreme Drones	Marshallville	GA	USA

