



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

RODNEY JOFFE,)
)
 Plaintiff,)
)
 v.)
)
 NEUSTAR, INC. and SECURITY)
 SERVICES, LLC,)
)
 Defendants.)

C.A. No. 2022-1041-KSJM

**REDACTED PUBLIC VERSION
FILED: JANUARY 20, 2023**

**VERIFIED COMPLAINT FOR ADVANCEMENT AND, IN THE
ALTERNATIVE, INDEMNIFICATION**

Plaintiff Rodney Joffe, by and through his undersigned counsel, for his Verified Complaint for Advancement and, in the Alternative, Indemnification against Defendants Neustar, Inc. (“Neustar” or the “Company”) and Security Services, LLC¹ (“NSS” and together with Neustar, “Defendants”), alleges as follows:

Nature of the Action

1. Through this action, Mr. Joffe seeks to enforce Neustar’s and NSS’s unambiguous contractual obligations to advance him legal fees and expenses incurred in litigations and in response to a government investigation relating to actions he took as an officer and employee of Neustar and of ERP Services, Inc.

¹ Security Services, LLC does business as “Neustar Security Services.”

(“ERP”), n/k/a NSS, for the benefit of those entities and at their express direction.²

Mr. Joffe has satisfied all prerequisites to advancement; yet, Neustar and NSS have refused his multiple requests.

2. Indeed, after an exchange of letters regarding advancement rights in September and October 2022, Neustar and NSS have refused to even acknowledge Mr. Joffe’s most recent letter requesting advancement and details regarding insurance coverage. Defendants’ intransigence is shocking, given that (i) it was *Neustar’s then-CEO* who directed and approved Mr. Joffe’s actions, aimed at developing business on behalf of the Company and maintaining the Company’s strong relationship with the cybersecurity and intelligence operators within the federal government, that lead to his involvement in the Covered Proceedings described below; (ii) similarly situated officers had their legal fees covered in the *same* and related proceedings; and (iii) it appears that the Company has an insurance policy that would cover Mr. Joffe, yet the Company refuses to provide any information about insurance coverage. This “wall of silence” by Neustar and NSS is directly contrary to Delaware’s strong public policy in favor of advancement, and it

² As explained below, ERP was a wholly owned subsidiary of Neustar formed in 2017 and later spun out (along with other Neustar assets) into NSS in 2021.

forced Mr. Joffe to incur “fees on fees” that he is entitled to recover in full plus interest.

The Parties

3. Defendant Neustar is a corporation organized under the laws of the State of Delaware, with its principal place of business at 1906 Reston Metro Plaza, Suite 500, Reston, VA 20190. Neustar is now wholly owned by TransUnion, as TransUnion acquired Neustar’s Marketing, Risk and Communications businesses. TransUnion, Current Report (Form 8-K) (Dec. 1, 2021).

4. Defendant NSS is a limited liability corporation organized under the laws of the State of Delaware, with its principal place of business at 45980 Center Oak Plaza, Sterling, VA 20166. NSS includes the business of Neustar’s former subsidiary ERP and other assets, and was spun out of Neustar in 2021 in connection with the TransUnion sale. *Id.* NSS is a portfolio company owned by Golden Gate Capital and GIC, as was Neustar prior to the sale to TransUnion. *Id.* ERP was formed to further Neustar’s ability to compete for government contracts through, in part, providing a regulation-compliant entity to work with other government contractors on sensitive projects involving classified or otherwise confidential information.

5. Plaintiff Rodney Joffe is an individual who resides in Virginia. Mr. Joffe was an officer and employee of Neustar and ERP from 2006 through approximately September 17, 2021.

Jurisdiction

6. This Court possesses jurisdiction to hear this advancement and indemnification action under 8 *Del. C.* §§ 111, 145(k) and 6 *Del. C.* § 18-111.

7. The Court has personal jurisdiction over Defendants because they all are entities organized under Delaware law.

Background

8. Mr. Joffe is a Domain Name Systems (“DNS”) and security industry pioneer and expert who founded a pair of keystone companies—Genuity (the first commercial Internet hosting company) and UltraDNS (the first outsourced, cloud-based DNS company). He regularly lends his insights and experience to security and intelligence organizations and the United States government, including through his service on various federal committees and intelligence panels and as an advisor to the White House.

9. Mr. Joffe is one of the few civilians to receive the FBI Director’s Award for Outstanding Cyber Investigating, which he received in 2013 for helping to detect and stop malware that caused over \$850 million in damages worldwide, and for

identifying and bringing to justice more than 50 criminals from around the world. In 2016, Mr. Joffe was awarded the Mary Litynski Lifetime Achievement Award from M3AAWG, the global Messaging, Malware and Mobile Anti-Abuse Working Group, for his more than 20 years of service in fighting cyber-crime. The publicity from these honors benefited Neustar and ERP throughout his time with the Company.

10. In 2006, Neustar acquired Mr. Joffe's company, UltraDNS, the first cloud-based company to develop and market the "domain name" services that translate numerical Internet addresses into memorable names that can be typed into a browser. The acquisition also included patents that cover the core technology employed to run the global Internet. Mr. Joffe was brought into Neustar as a Senior Vice President, Senior Technologist, and Fellow. In that capacity, he was an officer and employee of Neustar, and remained so until his departure from the Company in 2021. Mr. Joffe also served as the Chief Executive Officer, the Chief Technology Officer, and a board director of ERP and Neustar's Internet security-related businesses.

11. Neustar provides real-time information and analytics for the risk, digital performance, defense, telecommunications, entertainment, and marketing industries. Prior to the formation of ERP, Neustar operated with informal divisions all housed

within one corporate entity. By leveraging Mr. Joffe's expertise and contacts, Neustar developed extensive business involving sensitive or classified government projects. After several years of this work, Neustar needed to create ERP to satisfy government regulations, including those limiting foreign ownership or control of government contractors.

12. Mr. Joffe served as ERP's CEO. Neustar's successive CEOs (first Lisa Hook then Charles Gottdiener), General Counsel Kevin Hughes, and an advisor to Neustar's CEO, were also integral to ERP's operation. All three served as directors on ERP's board. At various times, and in documents submitted to the Department of Defense's Defense Counterintelligence and Security Agency, these individuals were identified as directors. These Neustar-affiliated individuals each knew of the sensitive work undertaken by Mr. Joffe and ERP's customers, including the work being done by the Georgia Institute of Technology ("Georgia Tech"), that related to, amongst other matters, the Russian interference with the 2016 election, and approved of it.

13. Business development efforts that benefited ERP necessarily also benefited Neustar. So too did activities that raised the profile within the federal intelligence and law enforcement communities of either Mr. Joffe and Neustar or ERP. Indeed, ERP was a continuation of the government-contracting business

founded within Neustar and only formalized within ERP thereafter.

14. Mr. Joffe's work for Neustar, and, starting in 2017, ERP, involved critical initiatives for Neustar's clients and potential business prospects relating to cybersecurity and malware. He developed innovative patents for Neustar related to methods of establishing secure Internet domain names and detecting compromised computer networks.

15. Mr. Joffe's work and expertise brought him high acclaim among senior government officials, which he used to Neustar's and ERP's benefit. Across several Republican and Democrat administrations, he advised top officials at the FBI, the White House, and other federal agencies, and was relied on by the federal government as one of the world's leading cybersecurity experts. Mr. Joffe's reputation and government contacts were assets to Neustar and ERP.

16. As part of his work for Neustar and ERP, Mr. Joffe analyzed "DNS" data to search for security breaches or threats. And, at Neustar's and ERP's direction, he regularly assisted government research and investigations to further the Company's interest in securing contracts from and maintaining relations with U.S. law enforcement and intelligence agencies. In addition to benefitting Neustar's reputation and assisting Neustar in securing contracts, Mr. Joffe's relationship with government agencies directly benefited the Company in other concrete ways. For

example, [REDACTED]

[REDACTED]. Mr. Joffe was able to leverage his contacts with various government agencies to assist Neustar in working through this issue with minimal disruption to its clients. [REDACTED]

I. Suspicious Activity Relating to Russian Influence in the 2016 Presidential Election

17. One Neustar and ERP project that involved analyzing “DNS” data included working with a group of academic cybersecurity researchers from Georgia Tech looking at potential foreign interference with U.S. elections, including the 2016 U.S. presidential election. This work began in June of 2016 and continued until early 2017. Beyond general national security concerns, the Georgia Tech group was working to secure a multimillion-dollar government project, and if they succeeded, they would have employed Neustar and/or ERP’s services. This was successful, and in late 2016, the U.S. government awarded a contract to Georgia Tech, which subsequently engaged Neustar to provide data and services. Neustar’s contract with Georgia Tech generated in excess of \$2 million in revenue, and ran for three to four years.

18. In particular, the Georgia Tech group investigated concerns about Russian and possibly other foreign entities’ interference in the U.S. political process.

Among other evidence, the group grew concerned about what appeared to be a pattern of computer-server connections between a building in Manhattan owned by Presidential Candidate Donald Trump and a Russian bank with ties to Russian President Vladimir Putin, Alfa Bank.

19. Mr. Joffe raised these issues with Neustar/ERP, seeking guidance on how Neustar desired him to proceed. Neustar's then-CEO specifically authorized and instructed Mr. Joffe to work with the cybersecurity researchers, including the Georgia Tech group, utilizing Neustar's DNS data to investigate the potential server connections between the United States and Russia, among other items. The Neustar CEO directed Mr. Joffe to cooperate with any relevant U.S. government officials and authorized him to work with Neustar's outside counsel.

20. As noted, these efforts were geared towards (i) helping the Georgia Tech group secure a specific government contract that would have in turned generated revenue for Neustar and ERP; (ii) continuing to maintain Neustar and ERP's standing with cybersecurity experts within the government generally; and (iii) identifying potential foreign interference and reporting it as appropriate for U.S. law enforcement to handle.

21. Mr. Joffe, as directed by Neustar, provided input to a report developed by the researchers and shared it with outside counsel. Outside counsel provided the

information to relevant U.S. government authorities, alerting them about the suspicious activity. Without consultation with Mr. Joffe or the Georgia Tech group, the FBI later commenced an investigation, which received widespread media coverage.

22. At all times, Mr. Joffe's work was in connection with his roles at Neustar and ERP, aimed at bolstering the core business of the Company, and overseen and directed by Neustar officials—up to and including the Company's CEO. Winning business relating to this type of project was a Neustar priority, so much so that it needed to create ERP to allow Neustar to have a regulation-compliant subsidiary. Increasing the visibility of Neustar's and ERP's capabilities with the federal government officials was vital to this effort.

23. There can be no reasonable dispute that these actions were undertaken in a covered capacity.

II. The Covered Proceedings

24. As a result of the actions Mr. Joffe took on behalf of and at Neustar's and ERP's direction, he has required legal representation in connection with an investigation by the Office of Special Counsel John Durham (the "Durham Investigation"). In addition, Mr. Joffe has required legal representation in: (i) an ongoing lawsuit, captioned *Donald J. Trump v. Hillary R. Clinton, et al.*, C.A. No.

2:22-cv-14102-DMM (S.D. Fla.) (the “Trump Litigation”); and (ii) a lawsuit that was concluded in early 2022, captioned *AO Alfa-Bank v. John Doe, et al.*, C.A. No. 50-2020-CA-006304-XXXX-MB (AK) (Fla. Palm Beach Cty. Cir. Ct.), and related litigation in Virginia state courts (the “Alfa Bank Litigation” and together with the Trump Litigation and Durham Investigation, the “Covered Proceedings”). As described below, these are covered proceedings under Neustar’s Certificate of Incorporation, which grants advancement and indemnification broadly “for any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative or legislative hearing or any other actual, threatened or completed proceeding, including any and all appeals, whether brought in the right of the Corporation or otherwise and whether of a civil, criminal, administrative or investigative nature.” Ex. 4, Art. VIII.H.2. Likewise, the Bylaws of ERP provide for advancement and indemnification in connection with “any action, suit, arbitration, alternative dispute mechanism, inquiry, judicial, administrative or legislative hearing, investigation or any other threatened, pending or completed proceeding.” Ex. 6, § 6.1.

Durham Investigation

25. On October 19, 2020, John Durham was appointed by Attorney General William Barr to serve as the Special Counsel to conduct a criminal investigation into

the initiation and conduct of the investigation of Russian interference in the 2016 presidential election campaigns. Special Counsel Durham is authorized to investigate whether any federal official, employee, or any other person or entity violated the law in connection with the intelligence, counterintelligence, or law-enforcement activities directed at the 2016 presidential campaigns and the individuals associated with those campaigns. As part of his remit, Special Counsel Durham also is, among other things, authorized to prosecute criminal charges and, as is typical for special counsel investigations, issue a comprehensive report.

26. In or around January 2021, Mr. Joffe was informed by Special Counsel John Durham's team that he was a subject, not a target, of the Durham Investigation, and he was subpoenaed in that matter by Special Counsel Durham's team. In August 2022, Mr. Joffe was notified by Special Counsel Durham's team that it did not anticipate bringing any charges against him. Approximately two months later, Special Counsel Durham personally notified Mr. Joffe that he had no present intention of bringing charges against him and the investigation of events in which Mr. Joffe was a participant had been closed.

27. Notwithstanding this fact, it is certain that Special Counsel Durham will issue a report and that Mr. Joffe has required and will require legal advice to assess the impact of the report on his legal rights and interests. Among other activities, Mr.

Joffe's counsel is in discussions with Special Counsel Durham's team regarding the forthcoming report's description of activities undertaken by Mr. Joffe and in connection therewith Mr. Joffe faces legal and reputational risks.

28. There is no question that Mr. Joffe's work for Neustar and ERP led to his involvement in the Durham Investigation. On April 27, 2022, prosecutors on the Special Counsel team noted that they were "looking closely" at Mr. Joffe's involvement with the alleged use of Internet data from government contracts with Neustar. The "Internet data" referred to by the Special Counsel team is the data that Mr. Joffe assisted the cybersecurity research group with to investigate links to potential foreign interference with U.S. elections. That is, the same research activities that Neustar/ERP directed Mr. Joffe to participate in are under investigation.

29. For clarity, Mr. Joffe has never been charged with a crime. And of the two individuals tried to a jury verdict in the Durham Investigation, both have been acquitted. In any event, Mr. Joffe is involved in a covered proceeding (the Durham Investigation) by reason of his activities on behalf of Neustar/ERP in a covered capacity, and it is long past time for Neustar and NSS to live up to their advancement obligations.

The Trump Litigation

30. Mr. Joffe remains a party to the Trump Litigation that was filed on March 24, 2022. In a sprawling 193-page complaint, the former president alleged that “the Defendants,” Mr. Joffe among them, “blinded by political ambition, orchestrated a malicious conspiracy to disseminate patently false and injurious information about Donald J. Trump and his campaign, all in the hopes of destroying his life, his political career and rigging the 2016 Presidential Election in favor of Hillary Clinton.” A true and correct copy of the complaint in the Trump Litigation is attached as Exhibit 1.

31. Essentially, the complaint alleges that former Secretary of State Hillary Clinton and others disseminated to the American public false information, much of it derived from the investigation into potential Russian interference in U.S. elections that Mr. Joffe assisted with at the direction of Neustar/ERP.

32. The complaint identifies Mr. Joffe’s work with Neustar as a basis for the suit, stating that Mr. Joffe, “at all relevant times herein, was acting within the scope of his employment with Neustar.” The complaint further alleges that “Neustar, under the direction of its executive, [Mr.] Joffe, ... exploit[ed] its information gathering services and their access to non-public data to dredge up any information, data or records that could show any wrongdoing by Donald J. Trump, the Trump Campaign or the Trump Organization.”

33. All allegations in the Trump Litigation regarding Mr. Joffe relate to the investigation that he undertook at Neustar’s and ERP’s direction and on their behalf. Indeed, the Trump Litigation contains allegations of misconduct—which Mr. Joffe denies—based on the same conduct that had been at issue in the Durham Investigation. For the same reasons, this is a covered proceeding brought against Mr. Joffe for work performed in a covered capacity when an officer and employee of Neustar and ERP.

34. The Trump Litigation, filed earlier this year, is ongoing.

The Alfa Bank Litigation

35. Mr. Joffe was subpoenaed in the Alfa Bank Litigation, which Alfa Bank had brought against a number of purported hackers (all identified as “John Does”) who allegedly created the false appearance of a covert communication channel between Alfa Bank and the Trump Organization. The complaint utilized information made public by Special Counsel Durham. A true and correct copy of the complaint in the Alfa Bank Litigation is attached as Exhibit 2, and a true and correct copy of the subpoena issued to Mr. Joffe in the Alfa Bank Litigation is attached as Exhibit 3.

36. Mr. Joffe was not named as a defendant in the Alfa Bank Litigation but did have to respond to a subpoena. The complaint in the Alfa Bank Litigation claims

that purported unknown hackers allegedly created the false appearance of communications between “Alfa Bank servers and a Trump Organization server” that were observed by “computer scientists and researchers who have access to and monitor nonpublic DNS activity.” The complaint further alleges the computer scientists and researchers worked with the hackers to manipulate the DNS data.

37. While not named as a defendant, Mr. Joffe was plainly intended by Alfa Bank to be among the group of unnamed scientists and researchers. Alfa Bank subpoenaed Mr. Joffe, and others, about Mr. Joffe’s exchange of “information relating to allegations of secret communications between the Trump Organization and Alfa Bank” and sought Mr. Joffe’s communications, documents, and computer data relating to those organizations’ servers and any analysis of the computer data.

38. As with the Durham Investigation and Trump Litigation, the information sought from Mr. Joffe in the Alfa Bank Litigation relates to the Russia election interference investigation that Mr. Joffe undertook at Neustar’s and ERP’s direction. The complaint and subpoena referred to Mr. Joffe’s use of data that Neustar had authorized him to utilize in the investigation.

39. The Alfa Bank Litigation has been dismissed. The legal fees associated with this action overlapped with those of the Durham Investigation and, later, the Trump Litigation. That is, Mr. Joffe would have incurred the same fees regardless

of the Alfa Bank Litigation, as that matter addresses the same actions as the other covered proceedings and it similarly involves conduct in a covered capacity subject to advancement and, in the alternative, indemnification.

III. Neustar’s and NSS’s Advancement and Indemnification Obligations

Neustar’s Obligations

40. Before the 2016 U.S. presidential election and during Mr. Joffe’s participation in the activities underlying the Covered Proceedings, Neustar’s Third Amended and Restated Certificate of Incorporation was in effect. A true and correct copy of Neustar’s Third Amended and Restated Certificate of Incorporation, effective as of October 28, 2015, is attached as Exhibit 4. Mr. Joffe is an Indemnified Party under Section A of Article VIII, which provides for mandatory indemnification to each “executive officer” who

was or is made a party or is threatened to be made a party to or is otherwise involved in any Proceeding, by reason of the fact that he or she is or was a director or an executive officer of the Corporation or is or was a director or executive officer of the Corporation serving at the request of the Corporation as a director, officer, trustee or agent of another corporation or of a partnership, joint venture, trust or other enterprise[.]

Ex. 4, Art. VIII.A.1.

41. Neustar agreed that Mr. Joffe and any other executive officer party to such a proceeding would be

indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law . . . against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnitee in connection therewith.

Id.

42. Mr. Joffe was at all times an executive officer. Article VIII defines that term as “any officer of the Corporation with a position of senior vice president (or, if applicable, executive vice president) or higher.” *Id.*, Art. VIII.H.1. Mr. Joffe was hired in 2006 as a Senior Vice President of Neustar and served in that role through his separation from Neustar in September 2021. *See* Neustar, *Neustar 2014 ‘DDoS Attacks and Impact Report’ Finds Unpredictable DDoS Landscape*, Newsroom (Apr. 22, 2014), <https://www.home.neustar/about-us/news-room/press-releases/2014/neustar-2014-ddos-attacks-and-impact-report-finds-unpredictable-ddos-landscape> (“Rodney Joffe, senior vice president and senior technologist at Neustar.”); Neustar, *20th Anniversary of UltraDNS Celebrated by Neustar*, Newsroom (May 2, 2018) (“Rodney Joffe, Senior Vice President and Neustar Fellow”).

43. Section B of Article VIII of Neustar’s Third Amended and Restated Certificate of Incorporation extends Neustar’s indemnification obligations to an

advancement of expenses, including attorneys' fees. That section provides that, upon delivery of a proper undertaking,

an Indemnitee shall also have the right to be paid by the Corporation the expenses (including attorney's fees) incurred in defending any such Proceeding in advance of its final disposition.

Id., Art. VIII.B.

44. Mr. Joffe has provided a proper undertaking. A true and correct copy of the undertaking is attached to Exhibit 8 (9/2/22 letter from Mr. Joffe to Neustar, NSS and ERP), and a revised undertaking is attached to Exhibit 11 (10/6/22 letter from Mr. Joffe to Neustar, NSS and ERP).

45. Section C of Article VIII of Neustar's Third Amended and Restated Certificate of Incorporation provided for fees on fees. Under that section, an indemnified person is "entitled to be paid also the expense of prosecuting or defending" successfully a suit for advancement or indemnification. *Id.*, Art. VIII.C.

46. Through the time of Mr. Joffe's separation from Neustar, the foregoing provisions of the Neustar's Third COI, and Mr. Joffe's rights to indemnification and advancement thereto, were never changed (not that a subsequent amendment could impact Mr. Joffe's vested advancement rights as they existed while Neustar's Third COI was in effect).

47. For clarity, in connection with an August 8, 2017, merger transaction,

Neustar adopted the Fifth Amended and Restated Certificate of Incorporation.³ A true and correct copy of Neustar's Fifth Amended and Restated Certificate of Incorporation, effective as of August 8, 2017, is attached as Exhibit 5. The amendments did not affect the rights to indemnification and advancement for executive officers. *See* Ex. 5, Art. VII.A–C. Thus, at all relevant times, Mr. Joffe was entitled to advancement, indemnification, and fees on fees under the Neustar COI.

ERP's Obligations

48. Article VI of the Bylaws of ERP Services, Inc. (which is now NSS), which are effective as of March 22, 2017, provides officers mandatory indemnification and advancement of certain expenses (including attorneys' fees). A true and correct copy of ERP's Bylaws is attached as Exhibit 6. Mr. Joffe is an Indemnified Party under Article VI.

49. Section 6.1 of Article VI of ERP's Bylaws provides:

Each person who was or is a party or is threatened to be made a party to, or was or is otherwise involved in, any action, suit, . . . investigation or any threatened, pending or completed proceeding, . . . whether of a civil, criminal, administrative, legislative, investigative or other nature (hereinafter a 'proceeding'), by reason of the fact that he or she is or was a director or officer of the Corporation,

³ Neustar appears not to have ever adopted a Fourth Amended and Restated Certificate of Incorporation.

. . . or by reason of anything done or not done by him or her in any such capacity, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or shall be amended, against all expense, liability and loss (including attorneys' fees . . .) actually and reasonably incurred by such indemnitee in connection therewith[.]

Ex. 6, Art. VI § 6.1.

50. Section 6.2 of Article VI of ERP's Bylaws adds to Defendants' indemnification obligations the requirement to advance expenses, including attorneys' fees. That section provides that, upon delivery of a proper undertaking:

An indemnitee shall, to the fullest extent not prohibited by law, also have the right to be paid by the Corporation the expenses (including attorneys' fees) incurred in defending any proceeding with respect to which indemnification is required under Section 6.1 in advance of its final disposition[.]

Ex. 6, Art. VI § 6.2.

51. Mr. Joffe provided a proper undertaking, as noted above, and as attached hereto.

52. Lastly, Section 6.3 of Article VI of the ERP Bylaws provided for fees on fees. Under that section, an indemnified person is "entitled to be paid also the expense of prosecuting or defending" successfully a suit for advancement or indemnification. *Id.*, Art. VI § 6.2.

53. ERP's liability under the ERP Bylaws for advancement and

indemnification transferred to NSS when it was spun out from Neustar. Ex. 9 (11/16/22 Ltr. from Neustar to Mr. Joffe), at 1 (claiming TransUnion, LLC, the parent company to Neustar, did not acquire ERP's indemnification and advancement obligations in the December 2021 acquisition).

The General Release Agreement

54. Upon Mr. Joffe's separation from Neustar, and in the midst of controversy surrounding his activities in connection with possible foreign interference in U.S. elections, Mr. Joffe executed a General Release Agreement with Neustar. Therein, Neustar expressly reconfirmed Mr. Joffe's advancement and indemnification rights. Specifically, Paragraph 7 therein provides:

Neustar agrees that [Mr. Joffe is] entitled to indemnification and advancement of expenses in accordance with Article VI of the Amended and Restated Bylaws of ERP Services, Inc . . . **and** pursuant to any Directors and Officers liability insurance applicable to [him] . . . **and** any other documents, policies, or practices setting forth indemnification or similar rights for employees or Neustar

Ex. 7 ¶ 7 (emphasis added).

IV. Mr. Joffe's Entitlement to Advancement

55. Mr. Joffe seeks advancement for expenses he has incurred and will incur in connection with the Covered Proceedings. Mr. Joffe will continue to incur expenses as long as his involvement in the Covered Proceedings persists. Defendants

must pay Mr. Joffe all expenses incurred in advance of the final disposition of the Covered Proceedings.

56. As demonstrated above, Mr. Joffe is a party to or involved in the Covered Proceedings “by reason of the fact” of his service as an “executive officer” of Neustar and an officer of ERP, serving in that role on Neustar’s behalf. In fact, the only reason that Mr. Joffe has any connection to the Covered Proceedings is because of actions he took as part of his service as an officer and employee of Neustar and ERP. Thus, the Neustar COI and ERP Bylaws apply to the Covered Proceedings.

57. The parties have corresponded regarding Mr. Joffe’s right to advancement and indemnification from Neustar and NSS, and Mr. Joffe tried to avoid filing this action. To date, the Defendants have stonewalled and unreasonably denied Mr. Joffe’s pleas for advancement.

58. On September 2, 2022, counsel for Mr. Joffe sent a demand letter to counsel for Neustar, NSS, and ERP, articulating Mr. Joffe’s right to advancement and indemnification and requesting a copy of the applicable D&O policy. A true and correct copy of Mr. Joffe’s September 2, 2022, demand letter is attached as Exhibit 8.

59. Neustar and NSS responded to the letter on September 16, 2022, in

separate emails sent minutes apart. Both rejected any advancement. The objections were baseless and evidenced evasive duplicity. Among the objections, NSS asserted without any basis that “each of the proceedings giving rise to his expenditures has now concluded” and, therefore, Mr. Joffe was seeking indemnification rather than advancement. From an abundance of caution, Mr. Joffe has asserted an alternative claim for indemnification.⁴ True and correct copies of Neustar’s and NSS’s September 16, 2022, letters are attached as Exhibit 9 and Exhibit 10, respectively.

60. On October 6, 2022, counsel for Mr. Joffe sent a second demand letter. The letter repeated Mr. Joffe’s demand for advancement and requested remittance of the fees and costs incurred as of that date. It *again* sought a copy of the insurance policy that likely covers Mr. Joffe. A true and correct copy of Mr. Joffe’s October 6, 2022, letter is attached as Exhibit 11.

61. Neustar and NSS have not responded in over a month.

62. Through September 20, 2022, Mr. Joffe incurred total fees and

⁴ Additionally, NSS expressed doubts as to whether Mr. Joffe has met the relevant standard of care for indemnification because he invoked his Fifth Amendment protections during a deposition in the Alfa Bank Litigation. Ex. 10. This antic is frivolous. Mr. Joffe engaged in no wrongful conduct and no charges have been brought against him. There is no doubt he has met the standard. In any case, other Neustar executives who Mr. Joffe understands have been provided advancement and/or indemnification also invoked their Fifth Amendment privilege. NSS’s selective invocation of this issue as a basis to delay meeting its contractual obligations comes with ill-grace.

expenses of \$2,584,907.12 in the Covered Proceedings. Mr. Joffe continues to incur fees in the ongoing Covered Proceedings.

63. Mr. Joffe has incurred and continues to incur fees and expenses pursuing his advancement and/or indemnification rights, and is entitled to those reasonable fees and expenses as “fees on fees.”

COUNT I
Claim Against Neustar and NSS for Advancement

64. Mr. Joffe restates each of the allegations in paragraphs 1 to 62.

65. Mr. Joffe is entitled to mandatory advancement from Neustar and NSS. Pursuant to Article VIII of the Neustar COI and Article VI of the ERP Bylaws and 8 *Del. C.* § 145, Mr. Joffe is entitled to advancement of the expenses, including attorneys’ fees, that he has incurred in connection with the Covered Proceedings, and matters related to the Covered Proceedings, including interest.

66. Mr. Joffe served as an officer and employee of Neustar and ERP in reliance on Neustar’s and ERP’s advancement obligations (among other obligations owed to Mr. Joffe).

67. The Covered Proceedings arise from events that occurred as a result of Mr. Joffe’s employment as an officer and employee of Neustar and ERP.

68. Mr. Joffe has met all conditions precedent to his entitlement to advancement.

69. Mr. Joffe has incurred, and will continue to incur, expenses in connection with the Covered Proceedings and related matters, in which he is involved as a party or otherwise due to his role and position as a Senior Vice President of Neustar and a Director, Chief Executive Officer, and Chief Technology Officer of ERP.

70. The legal expenses that Mr. Joffe has incurred to date, and expects to incur in the future, in connection with the Covered Proceedings and related matters are reasonable.

71. Neustar's and NSS's refusal to advance Mr. Joffe his attorneys' fees and expenses violated his rights under Delaware law, the Neustar COI, the ERP Bylaws, and the General Release Agreement.

72. Mr. Joffe has suffered harm from Neustar's and NSS's refusal to meet their advancement obligations.

73. Mr. Joffe is also entitled to interest on the expenses he has incurred to date in connection with the Covered Proceedings and related matters, to the extent they have not been paid by Neustar and NSS.

COUNT II

Claim Against Neustar and NSS for Indemnification

74. Mr. Joffe restates each of the allegations in paragraphs 1 to 73.

75. Mr. Joffe brings this Count II in the alternative. If the Court finds his

advancement rights have for any reason expired in part, or in whole, Mr. Joffe is entitled to indemnification.

76. Mr. Joffe is entitled to mandatory indemnification from Neustar and NSS. Pursuant to Article VIII of the Neustar COI, Article VI of the ERP Bylaws and 8 *Del. C.* § 145, Mr. Joffe is entitled to indemnification of the expenses, including attorneys' fees, that he has incurred in connection with the Covered Proceedings, and matters related to the Covered Proceedings, including interest.

77. Mr. Joffe served as a director, officer, and employee of Neustar and ERP in reliance on Neustar's and ERP's indemnification obligations (among other obligations owed to Mr. Joffe).

78. The Covered Proceedings arise from events that occurred as a result of Mr. Joffe's employment as a director, officer, and employee of Neustar and ERP.

79. Mr. Joffe has met all conditions precedent to his entitlement to indemnification.

80. Mr. Joffe has incurred (and will continue to incur) expenses in connection with the Covered Proceedings and related matters, in which he is involved as a party or otherwise due to his role and position as a Senior Vice President of Neustar and a Director, Chief Executive Officer, and Chief Technology Officer of ERP.

81. The legal expenses that Mr. Joffe has incurred to date, and expects to incur in the future, in connection with the Covered Proceedings and related matters are reasonable.

82. Neustar's and NSS's refusal to indemnify Mr. Joffe his attorneys' fees and expenses violated his rights under Delaware law, the Neustar COI, the ERP Bylaws, and the General Release Agreement.

83. Mr. Joffe has suffered harm from Neustar's and NSS's refusal to meet their indemnification obligations.

84. Mr. Joffe is also entitled to interest on the expenses he has incurred to date in connection with the Covered Proceedings and related matters, to the extent they have not been paid by Neustar and NSS.

COUNT III
Claim Against Neustar and NSS for Fees
in Connection with this Action

85. Mr. Joffe restates each of the allegations in paragraphs 1 to 83.

86. As detailed above, Mr. Joffe is entitled to mandatory advancement from Neustar and NSS with respect to his attorneys' fees and expenses incurred in connection with the Covered Proceedings.

87. As also detailed above, Mr. Joffe is entitled to mandatory indemnification from Neustar and NSS with respect to his attorneys' fees and

expenses incurred in connection with the Covered Proceedings.

88. Neustar and NSS have wrongfully refused to provide Mr. Joffe with advancement or indemnification. Neither has responded to his second demand or provided the information Mr. Joffe has requested about insurance coverage.

89. Pursuant to the Neustar COI, the ERP Bylaws, and Delaware law, Mr. Joffe is entitled to collect his reasonable legal expenses, including attorneys' fees, incurred in bringing this action for advancement or, in the alternative, indemnification. Mr. Joffe is entitled to fees on fees from Neustar and NSS with respect to his attorneys' fees and expenses incurred in prosecuting this action.

90. Mr. Joffe has incurred, and will continue to incur, legal expenses in pursuit of this advancement/indemnification action.

91. As Mr. Joffe is involved in the Covered Proceedings as a party or otherwise due to actions taken in his role and position as a Senior Vice President of Neustar and Director, Chief Executive Officer, and Chief Technology Officer of ERP, Mr. Joffe is entitled to advancement or, in the alternative, indemnification of the fees and expenses he incurred in the Covered Proceedings and related matters. Mr. Joffe has met all conditions precedent to his entitlement to advancement and/or indemnification.

92. The fees and expenses Mr. Joffe has incurred to date, and which he

expects to incur in the future, in connection with this advancement/indemnification action are reasonable.

COUNT IV

Claim Against Neustar and NSS for Breach of the General Release Agreement

93. Mr. Joffe restates each of the allegations in paragraphs 1 to 91.

94. The General Release Agreement, entered into by Neustar and Mr. Joffe, is effective as of September 17, 2021.

95. In Paragraph 7 of the General Release Agreement, Neustar agreed that Mr. Joffe is “entitled to indemnification and advancement.” Neustar also agreed that Mr. Joffe is entitled to indemnification and advancement of expenses “pursuant to any Directors and Officers liability insurance applicable to” Mr. Joffe.

96. Neustar, in its letter to Mr. Joffe on September 16, 2022, denied that Mr. Joffe is entitled to indemnification and advancement and refused to provide information about or a copy of the applicable directors’ and officers’ insurance policy.

97. By denying Mr. Joffe’s entitlement to indemnification and advancement, Neustar has breached Paragraph 7 of the General Release Agreement.

98. By refusing to provide Mr. Joffe a copy of the directors’ and officers’

liability insurance policy that covers Mr. Joffe, Neustar has breached Paragraph 7 of the General Release Agreement.

99. To the extent NSS has assumed Neustar's obligations and liabilities in the General Release Agreement, NSS has also breached the General Release Agreement. NSS, in its letter to Mr. Joffe on September 16, 2022, denied that Mr. Joffe is entitled to indemnification and advancement.

100. As a result of Neustar's and NSS's breach of the General Release Agreement, Mr. Joffe has suffered and continues to suffer damages in the amount of the fees and expenses that Neustar and NSS have refused to advance and/or indemnify.

PRAYER FOR RELIEF

WHEREFORE, Mr. Joffe requests the Court enter its Order, Judgment, and Decree:

a) Declaring that Neustar and/or NSS have violated and are violating 8 *Del. C.* § 145.

b) Declaring that Neustar has breached Mr. Joffe's rights under the Neustar COI and ERP Bylaws;

c) Declaring that NSS has breached Mr. Joffe's rights under the ERP Bylaws;

d) Ordering Defendants to pay Mr. Joffe the full amount of all expenses (including costs and attorneys' fees), including pre-judgment and post-judgment interest on such fees and expenses reasonably incurred by Mr. Joffe in connection with the Covered Proceedings;

e) Ordering Defendants to pay Mr. Joffe the full amount of all expenses (including costs and attorneys' fees) reasonably incurred by Mr. Joffe in connection with the Covered Proceedings from the date of this Court's judgment until all Covered Proceedings end pursuant to a *Fittracks* procedure;

f) Ordering that Defendants pay the full amount of all expenses (including costs and attorneys' fees) reasonably incurred by Mr. Joffe in connection with this action and otherwise in seeking to vindicate his advancement and/or indemnification obligations; and

g) Granting such other relief as the Court deems just and proper.

/s/ Rudolph Koch
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Attorneys for Rodney Joffe

Dated: November 16, 2022

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on January 20, 2023, copies of the *[Redacted Public Version] – Verified Complaint for Advancement and, in the Alternative, Indemnification* were served by File & ServeXpress on the following attorneys of record:

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/s/ Robert L. Burns

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