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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SANTA CLARA

DEVIN KIM,

Plaintiff,

vs.

X.AI CORP. and
SPACE EXPLORATION TECHNOLOGIES
CORP.,

Defendants.

Case No.

Unlimited Civil Case

COMPLAINT FOR:

1. CALIFORNIA WHISTLEBLOWER PROTECTION ACT, CAL. LAB. CODE § 1102.5(B) – RETALIATION
2. CALIFORNIA WHISTLEBLOWER PROTECTION ACT, CAL. LAB. CODE § 98.6(A) – RETALIATION
3. WRONGFUL TERMINATION IN VIOLATION OF PUBLIC POLICY
4. CALIFORNIA UNFAIR COMPETITION LAW, CAL. BUS. & PROF. CODE § 17200
5. BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING

JURY TRIAL DEMANDED

PRELIMINARY STATEMENT

1. While artificial intelligence (“AI”) is a transformative technology with the potential to benefit society, it can create profound risks when deployed without adequate safeguards. Among other dangers, advanced AI systems can generate discriminatory content and facilitate the development of weapons of mass destruction. These risks have prompted concern among researchers, policymakers, and industry leaders regarding the need for meaningful safety measures. This case is about a man who advocated for such safeguards and a company that unlawfully retaliated against him for doing so.

2. Plaintiff Devin Kim is an embodiment of the American dream. Mr. Kim emigrated from Korea to the United States at the age of four and graduated from the University of Virginia with a bachelor’s degree in computer science. Mr. Kim was determined to make the most of the opportunities that he had been given and to apply his talents to make a meaningful difference in the world. With the encouragement of his grandfather, a Korean schoolteacher, Mr. Kim landed on the emerging area of AI.

3. Prior to joining X.AI Corp. (“xAI” or the “Company”) in 2024, Mr. Kim accumulated substantial experience in software engineering, AI development, and AI safety. This experience included coveted positions at Amazon and Scale AI. Upon arriving at xAI, Mr. Kim brought rare expertise in producing high-quality training data for AI models, working on the cutting edge of the AI field.

4. In the course of his academic and professional endeavors, Mr. Kim became a staunch proponent of AI safety. At Scale AI, he undertook a primary role on early AI safety initiatives. For example, Mr. Kim led a project that produced training data for OpenAI that helped train AI systems to detect harmful content (such as violent or pornographic material) and to comply with safety policies governing how such content should be handled.

5. Through his work in the field, Mr. Kim became increasingly concerned about the potential for advanced AI systems to cause serious societal harm if developed without appropriate safeguards. He believed that the benefits of AI could be realized only if safety considerations

1 remained central. Accordingly, when considering opportunities to work on frontier AI systems,
2 Mr. Kim viewed an organization's commitment to AI safety as a critical consideration.

3 6. Given Elon Musk's longstanding public statements warning about the risks posed
4 by advanced AI, Mr. Kim believed that xAI would take those concerns seriously and would
5 prioritize responsible development.

6 7. It was in this context that Mr. Kim applied to xAI. Before accepting a position
7 with the Company, Mr. Kim requested to speak with Guodong Zhang, an xAI co-founder, and
8 Dan Hendrycks, xAI's safety advisor. During those discussions, Mr. Kim explained his interest
9 in AI safety, highlighted the risks associated with rapidly advancing AI capabilities, and sought
10 to understand xAI's approach to safety and risk mitigation. Those conversations were important
11 to Mr. Kim's decision to join xAI.

12 8. Based on his strong qualifications, Mr. Kim flew through the hiring process. Mr.
13 Kim joined xAI in April 2024 as a Member of Technical Staff. Mr. Kim was one of the initial
14 hires at xAI and reported directly to Elon Musk. At the time, xAI only had around thirty
15 employees.

16 9. When Mr. Kim arrived, xAI was a fledgling organization. xAI sought to compete
17 with the largest companies in the industry while maintaining a lean staff. Mr. Kim literally lived
18 in the office for the first four months on the job. All the while, driven by his values and his desire
19 to see xAI succeed, Mr. Kim became a prominent voice in favor of AI safety for the Company's
20 primary product, Grok.

21 10. Grok is an AI assistant and chat bot developed by xAI. Grok answers questions,
22 summarizes content, generates images, writes code, and searches the internet. Mr. Kim repeatedly
23 complained that xAI's failure to prioritize AI safety, particularly with respect to Grok, virtually
24 guaranteed that the Company would commit unlawful acts, from fomenting discrimination to
25 proliferating weapons of mass destruction.

26 11. Mr. Kim believed that xAI's disregard for AI safety was unlawful and implicated
27 laws and regulations in areas such as AI and internet regulation, consumer protection and unfair
28 business practices, arms and explosives regulation, and more.

12. Grok, of course, proved Mr. Kim right by engaging in spectacular displays of online hatred and vitriol, with the model likening itself to Hitler (“MechaHitler”). Following the Hitler debacle, Mr. Kim worked to re-evaluate Grok’s political bias and discriminatory tendencies.

13. Jimmy Ba, xAI co-founder and Mr. Kim’s supervisor, did not share Mr. Kim’s views. Mr. Ba was known internally to be a strong opponent of AI safety, even going so far as to say to Mr. Kim that he did not care because **“AI will kill us all anyway.”** Mr. Ba instead wanted xAI to be the first company to reach superintelligence and was willing to achieve this goal at any cost.

14. In contrast to Mr. Ba, Elon Musk expected xAI to follow the law and implement appropriate safety testing and processes. But Mr. Ba failed to follow Mr. Musk’s directives. Mr. Ba repeatedly rejected Mr. Kim’s insistence on implementing proper AI safety mechanisms and similar suggestions from others. Mr. Kim’s complaints highlighted the fact that Mr. Ba was failing to follow Mr. Musk’s directives to adhere to the law and implement appropriate AI safety testing and processes that addressed bias and other prominent AI risks.

15. In September 2025, Mr. Kim continued to work on AI safety issues, particularly Grok’s discriminatory biases, and to report his progress to Company leaders including Elon Musk. Mr. Kim made it clear that he would not back down from AI safety and would continue to press his concerns.

16. Mr. Kim planned to give a presentation regarding these matters to xAI leadership during the week of September 15, 2025. But Mr. Ba preempted him. On September 15, Mr. Ba fired Mr. Kim in a bizarre meeting at which Mr. Ba made and rescinded a series of false accusations. Mr. Ba’s dissembling in that meeting demonstrated that his real motive was retaliation.

17. Mr. Kim’s concerns about xAI’s model were not only well-grounded but proved remarkably prescient. In the months following Mr. Kim’s termination, xAI again came under scrutiny for Grok’s behavior. Given the lack of appropriate controls and safeguards, Grok was generating non-consensual deepfake sexual imagery, including of minors, as well as child sexual

1 abuse material. This prompted several lawsuits and official investigations, both in the United
2 States and abroad.

3 18. By retaliating against and wrongfully discharging Mr. Kim, xAI violated the
4 California Labor Code, California public policy and common law, and California's Unfair
5 Competition Law.

6 **PARTIES**

7 19. **PLAINTIFF Devin Kim** was a Member of Technical Staff at xAI from April
8 2024 until his wrongful termination in September 2025. Mr. Kim was domiciled in Mountain
9 View, and he worked for xAI in Palo Alto, California. At all relevant times, Mr. Kim was an
10 "employee" of xAI within the meaning of all applicable federal and state statutes and regulations.

11 20. **DEFENDANT X.AI Corp.** is an American corporation, headquartered in Palo
12 Alto, California, that is developing the AI model Grok for governmental, business, and consumer
13 markets. xAI is one of the global leaders in AI technology. Operating in the AI, social media, and
14 technology sectors, xAI purports to be developing a "truth-seeking" AI model that advances AI
15 technology while aligning with human values. xAI is currently privately held by Defendant Space
16 Exploration Technologies Corp. At all relevant times, xAI was Mr. Kim's "employer" within the
17 meaning of all applicable statutes and regulations.

18 21. **DEFENDANT Space Exploration Technologies Corp.** ("SpaceX") is an
19 American corporation, headquartered in Starbase, Texas, developing rocket, telecommunication,
20 AI, and other cutting-edge technologies for governmental, business, and consumer markets. In
21 March 2025, xAI merged with the social media platform X Corp. ("X"). SpaceX then acquired
22 this combined AI and social media company in February 2026. Currently, SpaceX owns and
23 operates xAI and has taken on its assets and liabilities. SpaceX is planning an imminent IPO that
24 is poised to be the largest IPO in history.

25 **JURISDICTION AND VENUE**

26 22. This Court has jurisdiction over Defendants, because xAI's principal place of
27 business is situated in the County of Santa Clara, xAI conducts continuous and systematic
28 business in the County, and xAI employed Plaintiff in this County. Defendant SpaceX owns and

controls xAI.

23. Venue is proper in this County under California Code of Civil Procedure § 395 and § 395.5, because xAI's principal place of business is situated in the County and because the unlawful acts and practices at issue occurred in this County.

24. The amount in controversy in this matter well exceeds the sum of \$35,000.00

STATEMENT OF FACTS

A. Mr. Kim Possessed Unique Skills and Experience in the Field of AI

25. Mr. Kim turned a lifelong interest in science and computer programming into a career in the emerging field of AI. Along the way, he saw first-hand the harms that AI can cause when developed without proper safeguards and committed himself to protecting users and the public from those harms.

26. Mr. Kim graduated from Thomas Jefferson High School for Science and Technology in Alexandria, Virginia, one of the nation's top public high schools. He then received a Computer Science degree from the University of Virginia in 2019. During college, Mr. Kim held highly selective software engineering internships at Amazon; Amazon hired him full-time after he graduated.

27. At Amazon, Mr. Kim specialized in distributed computing and was principally responsible for optimizing the search catalog code for Prime Video.

28. Mr. Kim then took a position at Scale AI, where he helped to develop training data used to improve the performance and safety of frontier AI systems. Among other projects, Mr. Kim led an AI safety initiative that helped train AI systems to detect and screen out sensitive and dangerous content.

29. Through his studies and his jobs at Amazon and Scale AI, Mr. Kim gained vast experience in producing training and evaluation data for AI models (Human Data labeling). Mr. Kim was among a rarefied group of individuals with this kind of hands-on experience. This made him well positioned for a transition to xAI.

B. Mr. Kim Excelled at xAI and Promptly Earned a Promotion

1 30. Mr. Kim joined xAI in April 2024 as a Member of Technical Staff. At the time,
2 xAI was attempting to accelerate the development of its primary AI model Grok to catch up with
3 competitors.

4 31. AI safety was a top professional priority for Mr. Kim. Prior to joining xAI, Mr.
5 Kim requested to speak with members of xAI's staff, including Mr. Zhang and Mr. Hendrycks,
6 about the Company's AI safety protocols.

7 32. Upon joining xAI, Mr. Kim became a key contributor to the Company's technical
8 efforts. Mr. Kim lived at the office for the first four months of his employment and played an
9 integral role in building infrastructure that supported xAI's model development efforts.

10 33. Among his earliest contributions, Mr. Kim created a platform called Starfleet
11 Academy ("Starfleet"), which streamlined the collection of training data and evaluation of AI
12 models. Researchers, AI tutors (specialists who review AI model outputs and provide feedback
13 to train the model), managers, and other personnel relied extensively on the platform in their day-
14 to-day work. The platform became the foundation of xAI's Human Data operations and was used
15 throughout the Company.

16 34. Starfleet enabled the rapid growth of xAI's Human Data operations as the
17 Company expanded from approximately thirty employees to thousands of workers. Thousands of
18 workers collected training data through the platform, and the Company's ability to manage,
19 evaluate, and operationalize that work depended on the infrastructure that Mr. Kim designed and
20 built.

21 35. In addition to building technical infrastructure, Mr. Kim contributed operational
22 expertise that helped xAI expand its Human Data operations. Drawing on his prior experience in
23 large-scale data operations and startup environments, Mr. Kim helped develop processes for
24 collecting high-quality training data and managing data collection projects. Mr. Kim worked
25 closely with researchers, engineers, managers, and AI tutors to establish workflows that enabled
26 xAI to rapidly launch, monitor, and improve model training and evaluation efforts.

27 36. Mr. Kim also played a significant role in recruiting and evaluating talent during
28 xAI's period of rapid growth. He became a trusted evaluator of technical talent, conducting

1 numerous interviews for engineering and technical positions and helping assess candidates across
2 multiple teams. His recommendations informed hiring decisions throughout the Company.

3 37. Mr. Kim recruited key personnel, including xAI's head of information security,
4 through his prior professional relationships. Mr. Kim helped to assemble the initial grok.com
5 engineering team by recruiting a group of engineers with whom he had previously worked. That
6 team subsequently developed grok.com, one of xAI's first major consumer-facing products.

7 38. As a result of his efforts and accomplishments, Mr. Kim developed a strong
8 reputation at xAI. In December 2024, less than a year after Mr. Kim joined xAI, the Company
9 promoted him to lead research tools and oversee a team of employees.

10 39. Following his promotion, Mr. Kim led the creation of the Nebula platform, a core
11 internal research tool that supported xAI's model development and evaluation. Nebula enabled
12 researchers to inspect model behavior, analyze the results of reinforcement learning experiments,
13 monitor performance across evaluations, automate model deployment, and share experimental
14 findings across teams. xAI's model development depended heavily on rapidly running, analyzing,
15 and iterating on reinforcement learning experiments. Nebula facilitated these tasks and became
16 critical to the Company's ability to improve and deploy frontier AI models. The platform was
17 used across multiple research teams and became a central part of researchers' day-to-day work.

18 40. Engineers and researchers who joined xAI from competing AI laboratories,
19 including Google, Meta, and OpenAI, praised the systems that Mr. Kim built and remarked that
20 they compared favorably to, and in some cases exceeded, similar tools at their prior organizations.

21 **C. Mr. Kim Engaged in Protected Activity by Disclosing Illegal Conduct and Practices**
22 **and Advocating for AI Safety and Was Met with Resistance from xAI Co-Founder**
23 **Jimmy Ba**

24 41. Upon his promotion in December 2024, Mr. Kim began to supervise employees
25 dedicated full time to Starfleet and to report directly to xAI co-founder Jimmy Ba. Mr. Kim used
26 his promotion as an opportunity to advocate for AI safety. Mr. Kim had joined the Company over
27 its competitors in large part because of its espoused commitment to AI safety and ethics.

28 42. Developing and maintaining safe AI involves identifying potential risks (such as

1 bioterrorism, AI-enabled cyber warfare, and rogue, power-seeking systems) and implementing
2 processes to avoid and mitigate these risks. Such processes are critical to the lawful and
3 responsible use of AI.

4 43. Mr. Ba was a vocal opponent of AI safety.

5 44. In or around the fall of 2024, Mr. Ba asserted that he thought it was inevitable that
6 **“AI will kill us all anyway”** and that he simply wanted to create a “superintelligence” as fast as
7 possible.

8 45. In one instance, in or around August 2025, Mr. Ba attempted to thwart EU safety
9 regulations during the release of Grok Code 1, misrepresenting aspects of the model in order to
10 avoid legally required testing. Mr. Ba indicated that he would rather release an unsafe model than
11 a poor-performing one. Mr. Musk ultimately had to intervene.

12 46. Starting in or around December 2024, Mr. Kim became a loud voice at xAI
13 protesting about the lack of resources and attention given to AI safety, opposing practices that he
14 believed were unlawful and advocating for the safe and responsible implementation of AI. In
15 December 2024, following the release of Grok’s image generation model, Mr. Kim complained
16 to Mr. Hendrycks and Mr. Ba that there were insufficient resources and support dedicated to AI
17 safety.

18 47. In or around January 2025, Mr. Kim complained about the risks of a frontier AI
19 model like Grok. Mr. Kim was increasingly concerned that Grok could facilitate harm on a mass
20 scale by providing usable guidance on dangerous activities like bombmaking or the creation of
21 bioweapons.

22 48. Mr. Kim reported these concerns to Mr. Hendrycks. Mr. Kim also raised these and
23 similar issues to Mr. Ba.

24 49. In Mr. Kim’s understanding, these types of outputs from Grok could implicate
25 weapons control and arms proliferation laws. Specifically, Grok, as programmed by xAI, would
26 be distributing information about the manufacture or use of prohibited weapons and devices to
27 users who the Company knew or had reason to know intended to perpetuate acts of violence.

28 50. In or around July 2025, Mr. Kim again complained about the risk that AI could

1 enable the creation of bombs or bioweapons. Mr. Kim specifically proposed that xAI train and
2 evaluate the model better: it should undergo stronger bio-risk evaluations and be trained to refuse
3 to answer dangerous questions, among other safeguards. Mr. Kim discussed these issues with
4 Keiran Paster, who led one of xAI's research teams.

5 51. In each of Mr. Kim's various complaints, he asserted that Grok needed to employ
6 more safety measures to protect people from potentially disastrous consequences.

7 52. But Mr. Ba did not listen to Mr. Kim's complaints and instead reacted negatively.
8 When Mr. Kim, Mr. Hendrycks, and others raised concerns about flaws in the model, warned of
9 the possible fallout, and advocated for greater safety measures, Mr. Ba said, "**AI safety is**
10 **useless.**" On at least one occasion, when Mr. Kim tried to raise the prospect of Grok creating a
11 grave physical danger by, for example, assisting in the development of anthrax, Mr. Ba indicated
12 that this was not a concern.

13 53. In or around June 2025, Mr. Kim teamed up with Mr. Hendrycks on an AI safety
14 project to study Grok's political bias and discriminatory tendencies. Mr. Kim studied Grok's
15 propensities, including political bias and the differential treatment of various racial groups.

16 54. Mr. Kim received the approval and support of Mr. Paster to undertake this project.
17 Mr. Kim felt that this support was necessary given the sensitivity of the topic at xAI.

18 55. The safety project that Mr. Kim was working on began to show that Grok had
19 underlying biases that required improved model training. Mr. Kim complained about these issues
20 directly to Mr. Ba, warning that the model was biased.

21 **D. In July 2025, Grok Went on a Tirade of Hateful Discourse Because of Mr. Ba's and**
22 **xAI's Failures to Abide by Mr. Kim's Warnings and Implement Proper Safeguards**

23 56. In or around July 2025, Mr. Ba pushed back against implementing guardrails into
24 the anticipated release of Grok 4, against the advice of Mr. Kim and others.

25 57. On July 8, 2025, users on the social media platform X (formerly Twitter) noticed
26 that Grok suddenly "fell in love with Hitler." **Grok generated responses stating that it was**
27 **calling out "patterns like radical leftists with Ashkenazi surnames" and announced that it**
28 **"proudly" embraced the term "MechaHitler."** On July 9, 2025, Elon Musk announced the

1 release of Grok 4 to the public, and in the following days, the Company attempted to explain the
2 MechaHitler issue by arguing that it resulted from bad code.

3 58. In fact, the episode was the result of clumsy and inappropriate instructions
4 intended to overcome a possible “bias” in the Grok 4 models. Mr. Kim warned Mr. Ba and xAI
5 that Grok tended to discriminate against certain racial groups while favoring others. Elon Musk’s
6 stated goal was to have xAI’s models reject anything that he perceived as “woke.” Rather than
7 fix the underlying bias, xAI reprogrammed Grok in such a manner that it now proclaimed a love
8 for Hitler and antipathy towards Jews and members of other minority groups.

9 **E. Mr. Kim Engaged in Further Protected Activity by Presenting a Report Disclosing**
10 **Grok’s Discriminatory Model and Controls**

11 59. In July 2025, following these hateful outbursts from Grok, Mr. Kim transitioned
12 full-time to the AI safety team. Mr. Kim recognized that xAI needed to engage in robust efforts
13 to evaluate and change Grok in order to avoid even worse episodes; he had concerns about
14 unlawful discrimination and the development of weapons of mass destruction. Mr. Kim helped
15 collect data for the safety team to understand catastrophic risks in the model, like developing
16 bioweapons, along with continuing the political bias and discrimination project with Mr.
17 Hendrycks.

18 60. From July 2025 until his eventual termination in September 2025, Mr. Kim
19 confirmed that the latest Grok model systematically discriminated against certain racial groups
20 because of how xAI had initially trained the model. Mr. Kim also began to work on potential
21 solutions.

22 61. In or around August 2025, Mr. Kim drafted a report on discrimination in the model
23 and sent the report to xAI’s legal department. Mr. Kim relayed these findings to Mr. Zhang who
24 was leading model development, and Alex Pan, a member of the AI safety team. Mr. Ba also
25 received a copy of this written report.

26 62. Beginning in or around August 2025, Mr. Kim began to report his findings. Mr.
27 Kim presented his findings to Mr. Hendrycks, other members of the AI safety team, and the then-
28 head of legal Lily Lim. Mr. Kim later presented his findings to Elon Musk.

63. On Friday, September 12, 2025, Mr. Kim provided a status update to Mr. Musk regarding the safety project. In that meeting, Mr. Musk questioned whether Mr. Ba understood the mechanics of model evaluation at xAI. Mr. Musk told Mr. Kim that he had asked Mr. Ba to name a single rubric used to evaluate xAI's models, and that Mr. Ba could not name one.

64. Mr. Kim continued working with Mr. Hendrycks on the AI safety project, and they planned to hold a demonstration during or around the week of September 15, 2025.

65. Mr. Kim held grave concerns about Grok's apparent racial and political biases and their potential to foster unlawful discrimination in various areas of public life.

F. Mr. Ba Wrongfully Terminated Mr. Kim in Retaliation for His Reports of Dangerous and Discriminatory Practices

66. On Monday, September 15, 2025, Mr. Ba wrongfully terminated Mr. Kim to silence his repeated complaints about AI safety and biases. That evening, Mr. Ba came over to Mr. Kim's desk on the second floor, brought Mr. Kim downstairs to a first-floor interview room, and said that the safety project was "not working out." Mr. Ba then stated that xAI and Mr. Kim should "go our separate ways."

67. Mr. Kim challenged the termination and dialed Mr. Hendrycks into the termination meeting. Mr. Hendrycks fully supported Mr. Kim. Mr. Hendrycks voiced his disagreement and stated that there was no basis for discharging Mr. Kim. In response, Mr. Ba had Mr. Kim end the call with Mr. Hendrycks, told Mr. Kim he was fired, and left the room. An HR representative escorted Mr. Kim from the premises, confiscated his work laptop, and cut off his access to all Company systems.

68. Later during the night of September 15, 2025, Mr. Hendrycks called Mr. Kim, informing Mr. Kim that he had again argued with Mr. Ba about the termination. Mr. Hendrycks said that, in that conversation, Mr. Ba repeatedly changed his purported reason for firing Mr. Kim.

69. In reality, the termination was retaliatory. At minimum, the various defects that Mr. Kim raised about xAI's model implicated California public policy, as codified in Cal. Govt. Code § 11549.63(c): "No individual or group should be discriminated against on the basis of race, gender, age, religion, sexual orientation, or any other protected characteristic in the design,

development, deployment, or use of AI systems. The unprecedented speed of innovation and deployment of GenAI technologies necessitates proactive guardrails to protect against potential risks or malicious uses, including, but not limited to, bioterrorism, cyberattacks, disinformation, deception, violation of privacy, and discrimination or bias.” The Company terminated Mr. Kim for seeking to abide by this critical policy and ensure that appropriate guardrails were in place.

70. Despite xAI’s retaliation and wrongful termination, Mr. Kim remained devoted to the Company and to AI safety. Mr. Kim’s former team members continued to rely on him with questions about their work. Late in the evening of September 15, 2025, Mr. Kim sent a respectful message to Elon Musk, imploring Mr. Musk to reinstate him so that he could continue his work on AI safety. Mr. Musk did not respond.

71. Mr. Ba continued to be hostile towards AI safety. After Mr. Kim’s termination, most of the safety team left xAI.

CAUSES OF ACTION

COUNT I

VIOLATION OF CALIFORNIA WHISTLEBLOWER PROTECTION ACT,

CALIFORNIA LABOR CODE § 1102.5(b) –

RETALIATION

72. The allegations set forth above are realleged and incorporated by reference in this count.

73. As set forth above, Defendant xAI hired Mr. Kim to work for the Company, authorized him to do so, delineated his work responsibilities, determined and controlled his compensation, and executed his employment agreement.

74. From at least December 2024 to September 2025, Mr. Kim engaged in protected activity by lodging a series of reports and complaints with Mr. Hendrycks, Mr. Ba, Mr. Paster, Mr. Zhang, Mr. Pan, Ms. Lim, and Mr. Musk about xAI’s unlawful practices. These disclosures include, for example, Mr. Kim’s complaints about Grok’s propensity to systematically discriminate on the basis of race and to facilitate the creation of illegal and banned weapons. Mr. Kim had reasonable cause to believe that the information that he disclosed to these xAI leaders

1 and executives disclosed violations of state and federal statutes as well as non-compliance with
2 local, state, and federal regulations.

3 75. Among other laws, the information that Mr. Kim reported to his superiors
4 implicated potential violations of statutes and regulations regarding weapons control and
5 proliferation (such as 18 U.S.C. § 842(p)(2)(B)) and non-discrimination protections and other
6 protocols on proper implementation of AI in order to ensure its safe use (such as Cal. Govt. Code
7 § 11549.63). In addition, xAI's activities in this regard, as well as the use of its models to
8 promulgate misinformation, implicated protections against unfair competition—including
9 unlawful, unfair, or fraudulent business acts or practices as proscribed by California's Unfair
10 Competition Law (UCL), Cal. Bus. & Prof. Code §§ 17200, *et seq.* Similarly, the conduct of
11 which Mr. Kim complained implicated the California Legal Remedies Act (CLRA), including
12 Cal. Civil Code § 1770(a)(5). Specifically, he believed that xAI was misrepresenting to consumers
13 that Grok was safe, non-biased, and generated fair and accurate results and information. In fact,
14 in his estimation, the models were so distorted as to fail to meet these basic standards.

15 76. In direct response to Mr. Kim's protected activities, and/or upon the belief that he
16 would disclose these potential violations of the law to his superiors or to governmental authorities,
17 Defendant xAI retaliated against Mr. Kim by terminating his employment.

18 77. There is a causal connection between Mr. Kim's protected activities and
19 Defendant xAI's adverse actions. Defendant xAI subjected Mr. Kim to such actions because of
20 and in retaliation for his protected activities. Had xAI not terminated Mr. Kim in retaliation for
21 his protected disclosures, his employment would have continued indefinitely.

22 78. As a direct and foreseeable consequence of Defendants' retaliatory actions, Mr.
23 Kim has suffered damages. He is entitled to all compensation and benefits that he has lost as a
24 result and stands to lose going forward. Plaintiff further seeks compensatory damages for past
25 and future emotional distress, punitive damages for Defendants' malicious and oppressive
26 conduct, attorneys' fees and costs, and other associated relief.

27 **COUNT II**

28 **VIOLATION OF CALIFORNIA WHISTLEBLOWER PROTECTION ACT,**

CALIFORNIA LABOR CODE § 98.6(a) –

RETALIATION

79. The allegations set forth above are realleged and incorporated by reference in this count.

80. From at least December 2024 to September 2025, Plaintiff engaged in protected activity as described above. Conduct protected by Labor Code section 1102.5 is also protected by Section 98.6.

81. In direct response to Mr. Kim's protected activities, Defendant xAI retaliated against him by terminating his employment.

82. There is a causal connection between Mr. Kim's protected activities and Defendant xAI's adverse actions. Defendant xAI subjected Mr. Kim to such actions because of and in retaliation for his protected activities. Had xAI not terminated Mr. Kim in retaliation for his protected refusal to participate in violations, his employment would have continued indefinitely.

83. As a direct and foreseeable consequence of Defendants' retaliatory actions, Mr. Kim has suffered damages. He is entitled to all compensation and benefits that he has lost as a result and stands to lose going forward. Plaintiff further seeks compensatory damages for past and future emotional distress, punitive damages for Defendants' malicious and oppressive conduct, attorneys' fees and costs, and other associated relief.

COUNT III

WRONGFUL DISCHARGE IN VIOLATION OF PUBLIC POLICY

84. The allegations set forth above are realleged and incorporated by reference in this count.

85. Defendant xAI wrongfully terminated Mr. Kim in violation of Labor Code §§ 98.6(a) and 1102.5(b) and the fundamental public policies embedded in those statutes.

86. Labor Code §§ 98.6(a) and 1102.5(b) embody the vitally important public policy goal of encouraging employees to report suspected violations of law, and it is well established under California law that termination of employment based on the belief that an employee has

disclosed or might disclose a violation of law is injurious to the public and against the public good.

87. Because Mr. Kim's termination violated these provisions of the Labor Code, Defendant xAI wrongfully terminated him in violation of important public policies.

88. In addition, xAI terminated Mr. Kim in violation of the fundamental AI policies set forth in Cal. Govt. Code § 11549.63. In particular, Mr. Kim raised repeated complaints and objections to ensure that xAI adopted and implemented appropriate safety measures and protocols against bias, discrimination, bioterrorism, and other negative impacts of AI. Instead of heeding his pleas, xAI unceremoniously fired him and concocted transparently false excuses for doing so.

89. As a direct and foreseeable consequence, Mr. Kim has suffered damages. He is entitled to all compensation and benefits that he has lost as a result and stands to lose going forward. Plaintiff further seeks compensatory damages for past and future emotional distress, punitive damages for Defendants' malicious and oppressive conduct, attorneys' fees and costs, and other associated relief.

COUNT IV

UNFAIR COMPETITION

CALIFORNIA'S UNFAIR COMPETITION LAW, BUS. & PROF. CODE §§ 17200 ET

SEQ.

90. The allegations set forth above are realleged and incorporated by reference in this count.

91. Defendants xAI and SpaceX fall within the definition of "person" under Business & Professions Code § 17021.

92. Bus. & Prof. Code §§ 17200 *et seq.* (the "UCL") prohibits unfair competition, including any "unlawful," "unfair," or "fraudulent" business acts or practices. Defendant xAI's conduct as alleged in this complaint constitutes unlawful, unfair, and/or fraudulent acts as prohibited by Bus. & Prof. Code §§ 17200 *et seq.*

93. Defendant xAI engaged in unlawful, unfair, and/or fraudulent business acts or practices, as set forth above, including by terminating Plaintiff in retaliation for his complaints of

1 unlawful conduct in violation of the Labor Code.

2 94. These unlawful practices were substantially injurious. As a direct, foreseeable, and
3 proximate result of Defendants' unlawful actions, Mr. Kim has suffered and continues to suffer
4 substantial losses in compensation and has incurred other economic losses.

5 95. In addition, Defendants' conduct was harmful to their law-abiding competitors.

6 96. Plaintiff is therefore entitled to all legal and equitable remedies, including
7 restitution.

8 97. Defendants committed the acts herein despicably, maliciously, fraudulently, and
9 oppressively, with the wrongful intention of injuring Mr. Kim, from an improper and evil motive
10 amounting to malice, and in conscious disregard of the rights of Mr. Kim and others. Plaintiff is
11 thus entitled to recover punitive damages in an amount according to proof.

12 98. Plaintiff is entitled to attorneys' fees under Code of Civil Procedure § 1021.5.
13 Plaintiff is also entitled to costs.

14 **COUNT V**

15 **BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING**

16 99. The allegations set forth above are realleged and incorporated by reference in this
17 count.

18 100. Defendant xAI breached its employment agreement with Mr. Kim. Implicit in all
19 contracts is a covenant of good faith and fair dealing in the course of performance. Encompassed
20 in xAI's obligation to act in good faith were any promises which a reasonable person in Mr. Kim's
21 shoes would be justified in understanding were included. The covenant embraces a pledge that
22 neither party shall do anything that will have the effect of destroying or injuring the right of the
23 other party to receive the fruits of the contract. Even where a contract contemplates the exercise
24 of discretion by one party, this pledge includes a promise not to act arbitrarily or irrationally in
25 exercising that discretion.

26 101. Through the conduct alleged here, Defendant xAI breached the covenant of good
27 faith and fair dealing. Defendant xAI terminated Mr. Kim in part to prevent the vesting of his
28 equity compensation. It was reasonable for Mr. Kim to expect that he would be granted this

benefit and that the Company and its officers would not act unlawfully to deny him such remuneration for his work. Defendant xAI acted unfairly and in bad faith to prevent Plaintiff from receiving the promised equity compensation, while itself reaping the bounty of his faithful performance.

102. As a direct and proximate result of the Company's unlawful conduct, Plaintiff has sustained damages, including economic loss in an amount to be established at trial.

103. Plaintiff is entitled to attorneys' fees under Code of Civil Procedure § 1021.5 and Labor Code § 218.5. Plaintiff is also entitled to costs.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests judgment as follows:

- A. A declaratory judgment that the practices described in this complaint are unlawful and violate the laws set forth above;
- B. Nominal damages;
- C. Economic and non-economic compensatory damages in an amount to be determined at trial;
- D. Exemplary and punitive damages in an amount commensurate to Defendants' ability to pay and to deter future conduct;
- E. All attorneys' fees and costs under applicable law, including expert fees and costs;
- F. Pre-judgment and post-judgment interest, as provided by law; and
- G. Such other and further legal and equitable relief as this Court may deem just and proper.

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury on all issues so triable.

Dated: June 9, 2026

Respectfully submitted,

/s/Qiaojing Ella Zheng
QIAOJING ELLA ZHENG (SBN 294608)
ANDREW MELZER*
KATE MACMULLIN*

**pro hac vice forthcoming*
Attorneys for Plaintiff Devin Kim

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