

**UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF TEXAS**

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Hermes Law, P.C. and Syzygy Legal Tech, Inc. d/b/a ClaimDeck,	:	
	:	
Plaintiffs,	:	
	:	
against	:	Docket No.: _____
	:	
	:	COMPLAINT
Silvia Diaz-Roa,	:	
	:	
Defendant.	:	
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Hermes Law, P.C. (“Hermes Law”) and Syzygy Legal Tech, Inc. d/b/a ClaimDeck (“Syzygy”), by and through their attorneys, Vela Wood Staley Young P.C., for their Complaint against Silvia Diaz-Roa (“Diaz-Roa”), allege, on knowledge as to their own actions, and otherwise upon information and belief, as follows:

I. PRELIMINARY STATEMENT

1. Plaintiffs Hermes Law and Syzygy bring this action pursuant to the Declaratory Judgment Act, 28 U.S.C. § 2201 against Defendant Diaz-Roa to determine parties’ rights and obligations under the document entitled “Syzygy Legal Tech, Inc - 2020 Equity Compensation Plan - Nonqualified Stock Option Grant Agreement,” dated December 10, 2020, attached hereto as **Exhibit 1** (hereinafter “NQSO Agreement”) and the document entitled “Syzygy Legal Tech, Inc. - Written Consent of the Board of Directors,” dated December 10, 2020, adopting Exhibit A entitled “Syzygy Legal Tech, Inc. 2020 Equity Compensation Plan,” attached hereto as **Exhibit 2** (hereinafter, the “Equity Incentive Plan”).

2. Specifically, Plaintiffs seek a declaration that (1) Diaz-Roa was terminated for Cause, as that term is defined in the Equity Incentive Plan, based on her violations of company policies; unprofessional, unethical, and deceptive behavior; and dismissive, demeaning, and disrespectful attitude toward colleagues—coupled with the finding by the Syzygy Committee that Diaz-Roa’s conduct justified a for Cause termination, as that term is defined in the Equity Incentive Plan; (2) Diaz-Roa’s stock option was terminated on February 9, 2024; and (3) Diaz-Roa has no equity in Syzygy.

II. PARTIES

3. Hermes Law, P.C. is a professional corporation organized and existing under the laws of the State of Texas, with its principal place of business in Dallas, Texas.

4. Syzygy Legal Tech, Inc. d/b/a ClaimDeck is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business in Dallas, Texas.

5. Upon information and belief, Silvia Diaz-Roa is an individual who resides in New York, New York and is a citizen of the State of New York.

III. JURISDICTION AND VENUE

6. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1332(a)(1), because there is complete diversity and the amount in controversy exceeds \$75,000.

7. First, the dispute is between citizens of different states. Hermes is a citizen of the State of Texas and Syzygy is a citizen of the States of Texas and Delaware. Upon information and belief, Diaz-Roa is a citizen of the State of New York.

8. Second, the amount in controversy exceeds \$75,000. It is well-established that, “[i]n actions seeking declaratory or injunctive relief, . . . the amount in controversy is measured by the value of the object of the litigation.” *Frye v. Anadarko Petroleum Corp.*, 953 F.3d 285, 293 (5th Cir. 2019) (quoting *Farkas v. GMAC Mortg., L.L.C.*, 737 F.3d 338, 341 (5th Cir. 2013)).

Here, the object of the litigation is the unexercised stock option that Diaz-Roa forfeited upon her termination for Cause. Upon information and belief, Diaz-Roa estimates the value of the unexercised stock option to be in excess of \$75,000.

9. Venue is proper under 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claim occurred in the Northern District of Texas. Furthermore, the agreements at issue in this case were negotiated in part and executed in part in Dallas County, Texas.

IV. FACTS

A. In 2017, Diaz-Roa Began Working for Hermes Law and, Thereafter, Hermes Paid for Her to Attend Yale.

10. On February 20, 2017, Hermes Law hired Diaz-Roa as a law clerk. In this role, Diaz-Roa worked full time as an hourly employee from Hermes Law's office in Dallas, Texas. Diaz-Roa's responsibilities were clerical in nature.

11. When Diaz-Roa began working for Hermes Law, she was a recent college graduate, and for the first 12-18 months of her time with Hermes Law, she was an eager and dedicated employee. During this time, she played an important role in implementing a number of important initiatives at Hermes Law, including (1) transitioning to a cloud-based system, (2) overhauling the firm's system for attorney billing, and (3) beginning to build Syzygy. As a result, Diaz-Roa possessed detailed knowledge of all areas of Hermes Law's business, including legal, accounting, billing and record storage. This knowledge of all aspects of the business made Diaz-Roa a valuable employee.

12. Upon beginning her role with Hermes Law, Diaz-Roa informed management that she intended to pursue a graduate degree and had been accepted to the Master's in Public Health degree program at Yale University. Although Diaz-Roa initially planned to attend Yale beginning

in the Fall of 2017, she ultimately decided to defer enrollment by a year in order to keep working at Hermes Law.

13. Yale initially awarded Diaz-Roa a scholarship to attend graduate school. When Yale abruptly rescinded that scholarship offer, allegedly due to Diaz-Roa's deferral, Hermes Law's founder, Dwayne Hermes ("Hermes"), agreed to pay the cost of Diaz-Roa's graduate education. In total, Hermes paid approximately \$170,000 for Diaz-Roa to attend Yale. Part-way through her studies, Diaz-Roa abruptly decided to change her degree focus to include a Master's in Business Administration. This decision delayed her graduation date by a year and added an additional \$40,000 in tuition expenses, which Hermes paid.

14. Diaz-Roa began her studies at Yale in August 2018.

15. Diaz-Roa continued to work for Hermes Law while studying at Yale. Diaz-Roa was not able to work full time while studying, and therefore agreed to provide services to Hermes Law as a part-time independent contractor. To compensate for the reduction in pay, Hermes Law increased her hourly rate to \$40 per hour.

B. While at Yale, Diaz-Roa's Attitude Towards Hermes Law Shifted Dramatically.

16. Shortly after she began her studies at Yale, Hermes Law noticed a drastic shift in Diaz-Roa's attitude towards her work and her coworkers. She began talking down to her coworkers, many of whom expressed feeling demeaned by Diaz-Roa. Hermes Law was surprised by this change in behavior because, although there were some occurrences of friction with coworkers in the past, Diaz-Roa previously had been a dedicated employee who was willing and eager to help out wherever she could.

17. Diaz-Roa's commitment to the job also faltered. Diaz-Roa had agreed to return to Dallas on all school breaks to work from the office, which included one week in October, one week in November, two weeks in January, two weeks in March and summer vacation. Initially,

Diaz-Roa upheld her end of the bargain, returning to Dallas during school breaks. Increasingly, however, Diaz-Roa made other plans for her school holidays, declining to return to Dallas and at times refusing to work at all during her breaks. When Hermes reminded Diaz-Roa of her agreement with Hermes Law to work from the Dallas office, Diaz-Roa complained that, because she was a full-time student who worked part-time, she deserved to take vacation during her school holidays.

C. Diaz-Roa Made Plans for Returning to Work Full Time After Graduation and, in 2020, Was Seconded to Syzygy.

18. In or around the middle of 2020, Diaz-Roa began discussing plans for a return to full-time status at Hermes Law after graduation. Although Diaz-Roa had agreed she would be returning to work from the offices in Dallas, she later informed the company that she intended to move to New York City after graduation. Diaz-Roa requested that the company make New York her “home office,” although she later asked to be taxed as a Texas resident.

19. In light of an apparent disagreement concerning the location from which Diaz-Roa would work and Diaz-Roa’s refusal to comply with the company-wide remote work policy which essentially allows one remote work day per week, Hermes Law asked Diaz-Roa to draft a remote work policy with which she would comply. Diaz-Roa did not make a proposal, so Hermes Law engaged counsel to draft a policy.

20. Hermes Law also decided that, upon returning to work full time, Diaz-Roa would begin providing services to Syzygy, which had been formed earlier in 2020.

21. On or around December 22, 2020, Diaz-Roa executed the Hermes Law Offer Letter, attached hereto as **Exhibit 3** (hereinafter the “Offer Letter”). The Offer Letter states, in part: “We are very pleased to offer you the position of Project Manager with Hermes Law, P.C. . . . You will be seconded to Syzygy Legal Tech, Inc. (“Syzygy”) and will perform services exclusively for

Syzygy.” **Exh. 3** at 1.

22. In the Offer Letter, Diaz-Roa agreed to “devote [her] full business time, attention, and best efforts to the performance of [her] duties, including but not limited to performing all compensable work in [her] home office or in office space provided by Hermes Law or Syzygy.”

Exh. 3 at 1.

D. In 2020, Syzygy Granted Diaz-Roa a Non-Qualified Stock Option, which Would Be Forfeited in the Event of a Termination for Cause.

23. In conjunction with the Offer Letter, Syzygy granted a nonqualified stock option to Diaz-Roa in connection with her role as a Key Advisor, as the term is defined in the Equity Incentive Plan and described *infra*, to the company.

24. Section 4(a) of the Equity Incentive Plan states, in part:

Consultants and advisors who perform services for the Company or any of its subsidiaries (“Key Advisors”) shall be eligible to participate in the Plan if the Key Advisors render bona fide services to the Company or its subsidiaries, the services are not in connection with the offer and sale of securities in a capital-raising transaction, and the Key Advisors do not directly or indirectly promote or maintain a market for the Company’s securities.

Exh. 2 at 8.

25. On or around December 10, 2020, Syzygy and Diaz-Roa executed the NQSO Agreement. Section 1 of the NQSO states, in part:

Subject to the terms and conditions set forth in this Agreement and in the [Equity Incentive] Plan, [Syzygy] hereby grants to [Diaz-Roa] a nonqualified stock option (the “Option”) . . . to purchase 58,825 shares of Company Stock[,] . . . subject to the terms and conditions contained in a nonqualified stock option grant agreement, by and between [Diaz-Roa] and [Syzygy,] including, among other things, a four year, monthly vesting schedule with a one year cliff.

Exh. 1 at 1.

26. Pursuant to Section 2(a) of the NQSO, 100% of Diaz-Roa’s Option to purchase 58,825 shares of Syzygy Stock became vested and exercisable as of August 4, 2023. **Exh. 1** at 1-

2. Diaz-Roa did not exercise her Option to purchase any Syzygy stock at any time prior to her termination.

27. Where a Key Advisor fails to exercise his or her Option prior to termination for Cause, the Option will terminate automatically and he or she will no longer have the right to acquire Syzygy stock. Indeed, Section 3(b)(iv) of the NQSO states, in part: “The Option shall automatically terminate upon the happening of the first of the following events: . . . The date on which [Diaz-Roa] ceases to be employed by, or provide service to, the Employer for Cause.” **Exh. 1** at 2.

28. Similarly, Section 5(f)(iii) of the Equity Incentive Plan states, in part: “In the event the Grantee ceases to be employed by, or provide service to, the Employer on account of a termination by the Employer for Cause, any Option held by the Grantee shall terminate as of the date the Grantee ceases to be employed by, or provide service to, the Employer.” **Exh. 2** at 10.

29. The term “Cause” is not defined in the NQSO Agreement.

30. Section A of the NQSO states, in part: “All capitalized terms used but not defined herein shall have the meanings ascribed to them in the [Equity Incentive] Plan.” **Exh. 1** at 1.

31. Section 5(f)(vi)(A) of the Equity Incentive Plan states:

“Cause” shall have the meaning given to that term in any written employment agreement, offer letter or severance agreement between the Employer and the Grantee, or if no such agreement exists or if such term is not defined therein, and unless otherwise defined in the Grant Instrument, “Cause” shall mean a finding by the Committee that the Grantee has (i) materially breached his or her employment or service contract with the Employer, (ii) engaged in disloyalty to the Employer, including, without limitation, fraud, embezzlement, theft, commission of a felony or proven dishonesty, (iii) disclosed trade secrets or confidential information of the Employer to persons not entitled to receive such information, (iv) breached any written non-competition, non-solicitation, confidentiality or invention assignment agreement between the Grantee and the Employer, or (v) engaged in such other behavior detrimental to the interests of the Employer as the Committee determines.

Exh. 2 at 10-11.

32. The term “Cause” is not defined in any written employment agreement, offer letter, or severance agreement between Syzygy and Diaz-Roa.

33. The definition of “Cause” included in the Equity Incentive Plan applies to this suit for declaratory judgment.

E. In 2021, Diaz-Roa Graduated from Yale and Returned to Work Full Time.

34. Diaz-Roa graduated from Yale in June 2021.

35. After graduating from Yale, Diaz-Roa once again became a full-time employee of Hermes Law, performing work exclusively for Syzygy.

F. Diaz-Roa’s Attitude and Actions Created Conflict within the Hermes Law and Syzygy Teams.

36. After graduating and returning to work full time, Diaz-Roa’s attitude towards Hermes Law and Syzygy deteriorated further. Diaz-Roa’s attitude and actions increasingly placed her in conflict with Hermes Law’s and Syzygy’s leadership because she (1) took several actions that harmed the companies’ reputations or otherwise created significant risk, (2) routinely flaunted her negotiated remote working policy, (3) demonstrated an increasing lack of respect for her coworkers and management, and (4) lacked the skillset necessary to successfully perform her job duties.

37. **First**, on several occasions, Diaz-Roa took actions that harmed Hermes Law’s and/or Syzygy’s reputations or otherwise created significant risk for the companies. For example, in the lead-up to the October 2023 InsureTech Connect (“ITC”) Conference in Las Vegas, Guidewire—a key business relationship for Syzygy—held a competition judged by online voting. At the end of the competition, contestants receiving the most votes would be featured by Guidewire and perform a demonstration at the ITC Conference. Upon information and belief, Diaz-Roa collaborated with her romantic partner, Philip Sun (“Sun”), a Google employee, to create an

automated bot that was used to influence the voting process in favor of Syzygy. When Syzygy did not win the competition, Diaz-Roa informed Hermes of the effort to rig the votes as a consolatory comment about the winner, CaseGlide, a competitor of Syzygy. Diaz-Roa suggested that CaseGlide too must have rigged the votes to have won, since the vote had been manipulated in Syzygy's favor. When Hermes made it clear to Diaz-Roa that her behavior was unethical and unacceptable and that corrective action needed to be taken, Diaz-Roa was unwilling to take any blame or notify Guidewire of her actions. Diaz-Roa was of the opinion nothing improper had occurred. Hermes reiterated that Diaz-Roa's behavior was inappropriate and unethical and gave her a few days to address the situation on her own accord. When Diaz-Roa refused to do so, Hermes notified Guidewire. In response, Guidewire confirmed that it independently had detected the bot and, as a result, had disqualified Syzygy from the competition. Diaz-Roa's actions damaged and jeopardized a key relationship for Syzygy and damaged Syzygy's reputation.

38. Furthermore, at the ITC Conference, Diaz-Roa left early from a meeting with an important client, negatively impacting Syzygy's presentation. Diaz-Roa had coordinated the meeting and was best equipped to manage the technical aspects of the discussion. Her absence left her co-worker, Andrew Antone, to navigate the meeting with limited knowledge of the technical processes and expected outcomes. This situation created challenges in effectively addressing the needs and expectations of the client, potentially impacting the result of the working session and the overall client relationship.

39. Another example of Diaz-Roa's actions creating significant risk for Syzygy occurred during the development of the Syzygy prototype. Prior to testing site security and without authorization, Diaz-Roa uploaded confidential documents to an unsecured cloud environment unbeknownst to Hermes and other members of Syzygy management. Another employee noticed

Diaz-Roa's breach of security protocols and quickly pulled these confidential documents off the platform.

40. These examples, in and of themselves, are grounds to terminate Diaz-Roa for Cause. Consistent with the definition of "Cause," Diaz-Roa (1) "engaged in disloyalty to [Syzygy]" (e.g., by assisting in hacking Guidewire's vote count to rig an election without Syzygy consent or approval); (2) "disclosed trade secrets [and/] or confidential information of [Syzygy] to persons not entitled to receive such information" (e.g., by uploading confidential documents to an unsecured server without notifying or seeking consent from Syzygy); (3) "breached [the] . . . confidentiality or invention assignment agreement between [Diaz-Roa] and [Syzygy]" (e.g., again, by uploading confidential documents to an unsecured server); and (4) "engaged in . . . behavior detrimental to the interests of [Syzygy]" (e.g., by damaging Syzygy's reputation after attempting to rig the Guidewire competition; by departing early from an important client meeting). **Exh. 2** at 11.

41. **Second**, Diaz-Roa routinely violated her customized remote work policy, which was explicitly agreed-upon in her Offer Letter and required Diaz-Roa to "perform[] all compensable work *in [her] home office or in office space provided by Hermes Law or Syzygy.*" **Exh. 3** at 1 (emphasis added). After Diaz-Roa agreed to this remote work policy, Hermes Law contracted with a co-working space to ensure Diaz-Roa had ample office space at which to work. Unfortunately, the new workspace and the written agreement did not deter Diaz-Roa from seeking to exploit the policy.

42. Diaz-Roa often took trips both domestically and internationally, during which she purported to be working. These trips included:

- a. Virginia (10/28/2021 - 10/31/2021);
- b. Colombia (12/13/2021 - 01/07/2022);

- c. Virginia (02/07/2022 - 02/25/2022);
- d. Colombia (06/06/2022 - 08/04/2022);
- e. Colombia (12/19/2022 - 01/13/2023);
- f. Colombia (07/31/2023 - 08/17/2023); and
- g. Colombia (12/18/2023 - 12/31/2023).

43. While travelling, Diaz-Roa often lacked a reliable Wi-Fi connection and internet security, did not have a private working space, and was not consistently available to Hermes Law and Syzygy during working hours in Texas. The fact that Diaz-Roa was both unavailable and unreliable negatively impacted business operations and frustrated team morale. When questioned about her violations of the remote work policy, Diaz-Roa argued that her “home office” was not defined in the agreement and, as a result, anywhere that she spent the night constituted her “home” at the time. As a result, Diaz-Roa took the position that she could work from anywhere in the world at whatever time of day or night.

44. Diaz-Roa’s repeated violations of the remote work policy, which constitute a “material[] breach[] of] . . . her employment or service contract with [Syzygy],” alone are enough to justify termination for Cause. **Exh. 2** at 11.

45. **Third**, Diaz-Roa acted in a disrespectful manner towards her coworkers and management, which caused significant tension within the team. Diaz-Roa’s actions included:

- (a) repeatedly making unauthorized changes to the work product of others without notice, permission, or involvement. Her pattern of behavior created conflict with her colleagues and negatively impacted team dynamics;
- (b) calling into question Hermes’s work ethic in the presence of others;
- (c) without clearing with management, suggesting to Syzygy’s external counsel and accountants that Hermes not receive stock credit for his financial contributions to Syzygy;
- (d) informing Hermes, in front of third parties, that he should sell a portion of his ownership interest in Syzygy in order to finance a salary increase for her;

- (e) purporting to assign technical review projects to Hermes without considering whether it was appropriate to do so, given Hermes's seniority and particular expertise;
- (f) demonstrating a reluctance to perform tasks requested of her by members of management. For example, in December 2023, Diaz-Roa refused to do a demo for a client—despite this being one of her job duties as Project Manager—and instead suggesting that Hermes was responsible for the demo;
- (g) defying company directives for how to handle communications with clients. Instead of discussing billing the client for changes related to the Syzygy platform with management, she expressed her personal opinions on client calls. Even after Diaz-Roa was given specific instructions not to discuss billing for changes to the Syzygy platform without prior approval from management—because such statements could “kill the deal”—she defied these instructions and unilaterally discussed billing for changes with the client;
- (h) overlooking the feedback, ideas, and concerns of Syzygy employee Josh Flippin ("Flippin"), implying he lacked sufficient understanding and frequently interrupting his explanations. Diaz-Roa's behavior frustrated Flippin, who eventually requested Diaz-Roa refrain from interrupting him and explained to her the importance of addressing both his concerns and those of the customers;
- (i) undervaluing, overlooking, and dismissing the experience of Syzygy employee Carrie Crockett (“Crockett”), who has an extensive background in product ownership and as a scrum master. Crockett terminated her employment with Syzygy due to the ongoing challenges in her working relationship with Diaz-Roa. Crockett returned to work at Syzygy the day after Diaz-Roa was terminated; and
- (j) displaying a lack of professionalism during interactions with April Willers (“Willers”) (Executive Director, Hermes Law). For example, during an in-person meeting in NYC, Diaz-Roa was unprepared, arrived late, and showed disregard for Willers' experience and expertise.

46. This “behavior [was] detrimental to the interests of [Syzygy]” and, as such, independently constituted grounds for termination for Cause. **Exh. 2** at 11.

47. **Fourth**, at this stage of Syzygy's development, Diaz-Roa lacks the skillset necessary to perform her job duties, which has proven to be detrimental to Syzygy's business interests. Syzygy has reached a critical juncture where it is important that company employees listen to customer feedback and meet the customers' evolving needs. However, Diaz-Roa's decision-making has consistently deviated from this customer-centric approach, causing

misalignment with Syzygy's objectives.

48. For example, Diaz-Roa failed to follow a pre-release protocol that would have prevented an embarrassing client-facing error. The oversight resulted in a key client providing Syzygy with a screenshot of the event and undercut that customer's confidence in Syzygy's technical ability. This error also compromised the internal sales team's ability to rely on acceptable product delivery. When alerted of the event, Diaz-Roa took no immediate corrective action. It was only when other team members raised concerns about determining the scope of this failure and the potential need to take affirmative action that Diaz-Roa investigated the event.

49. Diaz-Roa's work was also littered with errors, and she repeatedly missed deadlines in transferring client data onto the Syzygy platform. Furthermore, she failed to follow agreed-upon processes and was unable to develop a method to successfully perform data uploads in a way that was acceptable to Syzygy customers. Diaz-Roa's response to these failures was often to blame others and avoid responsibility.

50. Diaz-Roa's inability to successfully perform her job functions was "detrimental to the interests of [Syzygy]" and, as such, justified a for Cause termination. **Exh. 2** at 11.

51. On several occasions, Hermes attempted to address Diaz-Roa's behavior with her. For example, in or around August 2022, Hermes met with Diaz-Roa to discuss her unprofessional behavior in the workplace and concerns that Hermes and others had noticed with respect to her attitude at work and perceived dishonest or deceptive behavior. Diaz-Roa confirmed during that meeting that she would improve her behavior moving forward. Unfortunately, that did not happen.

G. In February 2024, Hermes Law Terminated Diaz-Roa for Cause and Diaz-Roa's Unexercised Options Terminated.

52. Once it became clear that the issues with Diaz-Roa would not improve, Hermes Law and Syzygy began to explore terminating Diaz-Roa's employment for Cause. In the companies' opinion, Diaz-Roa's attitude towards coworkers and management, failure to follow management instructions and corporate policies, and actions that placed the companies at risk made her continued employment untenable—and justified a for Cause termination.

53. On January 19, 2024, Hermes, Ann Lambert (Head of Business Operations, Syzygy) ("Lambert"), Shawn Hearn (Founder and Lead Consultant, G2G Discovery – a human resources consultant hired by Syzygy and Hermes Law) and Willers (collectively, the "Syzygy Committee") met to discuss Diaz-Roa's performance (the "Committee Meeting"). Hermes and Lambert discussed both the positive contributions that Diaz-Roa had made to both Hermes Law and Syzygy, as well as the concerns that they had about her actions. The group then discussed how to handle Diaz-Roa's role within the companies and the effect that both her continued employment and her termination would have on Syzygy and its team.

54. The Syzygy Committee decided that, based on Diaz-Roa's actions—some examples of which are included within this Complaint—she should be terminated for Cause, as that term is defined in the Equity Incentive Plan.

55. Following the meeting, the Syzygy Committee prepared minutes from the Committee Meeting (1) memorializing the topics discussed during the meeting, including examples of Diaz-Roa's conduct that led to her for Cause termination, and (2) the Syzygy Committee's recommendation that Syzygy and Hermes Law terminate Diaz-Roa for Cause ("Meeting Minutes"). Each member of the Syzygy Committee confirmed via written signature that the Meeting Minutes memorialized the content of the Syzygy Committee's discussions during

the Committee Meeting.

56. On February 9, 2024, Hermes Law terminated Diaz-Roa's employment for Cause.

57. Pursuant to Section 3(b)(iv) of the NQSO, because she was terminated for Cause, Diaz-Roa's Option to purchase Syzygy stock terminated on the date she ceased to provide services to Syzygy (February 9, 2024), and the 58,825 unexercised Option shares were forfeited back to Syzygy.

58. Accordingly, following her termination for Cause, Diaz-Roa does not own any equity in Syzygy.

H. Additional Conduct Justifying a For Cause Termination was Discovered After Diaz-Roa's Termination.

59. Following Diaz-Roa's termination, Hermes Law and Syzygy discovered that, on or around September 29, 2023, Diaz-Roa breached security protocols by emailing Sun her login credentials for Syzygy's proprietary software's UAT environment, without the knowledge of or authorization from Syzygy. This conduct alone justifies termination for Cause. Through this one act, Diaz-Roa both "disclosed trade secrets [and/] or confidential information of [Syzygy] to persons not entitled to receive such information [*i.e.*, Sun]" and "breached [the] . . . confidentiality or invention assignment agreement between [Diaz-Roa] and [Syzygy]." **Exh. 2** at 11. Meeting either of these two prongs of the "Cause" definition is grounds to terminate for Cause; Diaz-Roa met both.

60. On March 8, 2024, the members of the Syzygy Committee signed off on an addendum to the Meeting Minutes that included additional facts and information, discovered after Diaz-Roa's termination, which provide additional support of Diaz-Roa's for Cause termination.

**COUNT ONE: DECLARATORY JUDGMENT
(Termination for Cause)**

61. Hermes Law and Syzygy repeat and reallege paragraphs 1 through 60 hereof, as if fully set forth herein.

62. Hermes Law and Syzygy bring this claim for declaratory judgment under Fed. R. Civ. P. 57 and 28 U.S.C. §§ 2201, 2202.

63. Based on Diaz-Roa's violations of company policies; unprofessional, unethical, and deceptive behavior; and dismissive, demeaning, and disrespectful attitude toward colleagues—and coupled with Syzygy Committee's finding that Diaz-Roa's conduct justified a for Cause termination, as that term is defined in the Equity Incentive Plan—Syzygy terminated Diaz-Roa's employment for Cause.

64. Diaz-Roa has claimed that her termination was “wrongful.”

65. Diaz-Roa has sent a litigation hold to Hermes Law and Syzygy “in anticipation of litigation.”

66. Therefore, a live controversy exists as to whether Diaz-Hermes was terminated for Cause.

67. A declaratory judgment is proper in this cause because it will serve the useful purpose of clarifying and settling the legal relations between the parties, and it will relieve uncertainty, insecurity, and controversy giving rise, in part, to this proceeding.

68. Hermes Law and Syzygy request that this Court declare that Diaz-Roa was terminated for Cause under the terms of the Equity Incentive Plan and the NQSO Agreement.

**COUNT TWO: DECLARATORY JUDGMENT
(Termination of Stock Option)**

69. Hermes Law and Syzygy repeat and reallege paragraphs 1 through 68 hereof, as if fully set forth herein.

70. Hermes Law and Syzygy bring this claim for declaratory judgment under Fed. R. Civ. P. 57 and 28 U.S.C. §§ 2201, 2202.

71. Under the terms of the Equity Incentive Plan and the NQSO Agreement, when an individual ceases to provide services to Syzygy for Cause, any unexercised stock option automatically terminates.

72. Diaz-Roa's Option to purchase Syzygy's stock terminated on the day of her termination for Cause.

73. Diaz-Roa now appears to challenge her termination, and therefore, a live controversy exists as to whether her Option to purchase Syzygy stock was terminated.

74. A declaratory judgment is proper in this cause because it will serve the useful purpose of clarifying and settling the legal relations between the parties, and it will relieve uncertainty, insecurity, and controversy giving rise, in part, to this proceeding.

75. Hermes Law and Syzygy request that this Court declare that Diaz-Roa's stock Option terminated on February 9, 2024.

**COUNT THREE: DECLARATORY JUDGMENT
(Diaz-Roa's Lack of Equity in Syzygy)**

76. Hermes Law and Syzygy repeat and reallege paragraphs 1 through 75 hereof, as if fully set forth herein.

77. Hermes Law and Syzygy bring this claim for declaratory judgment under Fed. R. Civ. P. 57 and 28 U.S.C. §§ 2201, 2202.

78. Under the terms of the Equity Incentive Plan and the NQSO Agreement, when an individual ceases to provide services to Syzygy for Cause, any unexercised stock option automatically terminates.

79. Diaz-Roa never exercised her Option to purchase Syzygy stock.

80. Diaz-Roa's Option to purchase Syzygy stock terminated on the day of her termination for Cause.

81. Diaz-Roa now appears to challenge her termination, and therefore, a live controversy exists as to whether her Option to purchase Syzygy stock was terminated.

82. A declaratory judgment is proper in this cause because it will serve the useful purpose of clarifying and settling the legal relations between the parties, and it will relieve uncertainty, insecurity, and controversy giving rise, in part, to this proceeding.

83. Hermes Law and Syzygy request that this Court declare that Diaz-Roa has no equity in Syzygy.

PRAYER FOR RELIEF

WHEREFORE, Hermes Law and Syzygy respectfully request the following relief from the Court:

1. A declaratory judgment that Diaz-Roa was terminated for Cause;
2. A declaratory judgment that Diaz-Roa's stock Option was terminated on February 9, 2024;
3. A declaratory judgment that Diaz-Roa has no equity in Syzygy; and
4. Any other and further relief as the Court deems just and proper.

Dated: March 14, 2024
Dallas, Texas

Respectfully submitted,

By: /s Kevin Vela

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