

**SUMMONS
(CITACION JUDICIAL)**

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

**NOTICE TO DEFENDANT:
(AVISO AL DEMANDADO):**

ADAM NEUMANN, BRUCE DUNLEVIE, RONALD FISHER,
[Additional Parties Attachment Form is attached]

**YOU ARE BEING SUED BY PLAINTIFF:
(LO ESTÁ DEMANDANDO EL DEMANDANTE):**

NATALIE SOJKA, on behalf of herself and all others similarly situated
and derivatively on behalf of THE WE COMPANY,

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **[AVISO]** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:
(El nombre y dirección de la corte es):

Superior Court of California, County of San Francisco
400 McAllister Street, San Francisco, California 94102

CASE NUMBER:

000-19-580474

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):
BOTTINI & BOTTINI, INC., 7817 Ivanhoe Ave., Suite 102, La Jolla, CA 92037 (858) 914-2001

DATE: **NOV 04 2019** Clerk of the Court

Clerk, by
(Secretario)

, Deputy
(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

ANGELICA SUNGA



NOTICE TO THE PERSON SERVED: You are served

- as an individual defendant.
- as the person sued under the fictitious name of (specify):
- on behalf of (specify):
under: CCP 416.10 (corporation) CCP 416.60 (minor)
 CCP 416.20 (defunct corporation) CCP 416.70 (conservatee)
 CCP 416.40 (association or partnership) CCP 416.90 (authorized person)
 other (specify):
- by personal delivery on (date):

| | |
|--|--------------|
| SHORT TITLE: Sojka v. Neumann, et al. | CASE NUMBER: |
|--|--------------|

INSTRUCTIONS FOR USE

- This form may be used as an attachment to any summons if space does not permit the listing of all parties on the summons.
- If this attachment is used, insert the following statement in the plaintiff or defendant box on the summons: "Additional Parties Attachment form is attached."

List additional parties (Check only one box. Use a separate page for each type of party.):

Plaintiff
 Defendant
 Cross-Complainant
 Cross-Defendant

LEWIS FRANKFORT, STEVEN LANGMAN, MARK SCHWARTZ, JOHN ZHAO, MASAYOSHI SON, SOFTBANK GROUP CORPORATION, DOES 1-25, and THE WE COMPANY.

BY FAX
NATIONWIDE LEGAL LLC
859 HARRISON STREET SF, CA 94107
415-351-0400

1 BOTTINI & BOTTINI, INC.
Francis A. Bottini, Jr. (SBN: 175783)
2 Albert Y. Chang (SBN 296065)
3 Yury A. Kolesnikov (SBN: 271173)
7817 Ivanhoe Avenue, Suite 102
4 La Jolla, California 92037
Telephone: (858) 914-2001
5 Facsimile: (858) 914-2002

6 *Counsel for Plaintiff*

FILED
San Francisco County Superior Court

NOV 04 2019

CLERK OF THE COURT

By:  Deputy Clerk
ANGELICA SUNGA

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF SAN FRANCISCO**

11 NATALIE SOJKA, on behalf of herself and all
12 others similarly situated and derivatively on
13 behalf of THE WE COMPANY,

14 Plaintiff,

15 vs.

16 ADAM NEUMANN, BRUCE DUNLEVIE,
17 RONALD FISHER, LEWIS FRANKFORT,
18 STEVEN LANGMAN, MARK SCHWARTZ,
19 JOHN ZHAO, MASAYOSHI SON,
20 SOFTBANK GROUP CORPORATION, and
21 DOES 1-25,

22 Defendants,

23 - and -

24 THE WE COMPANY,

25 Defendant and Nominal Defendant.
26
27
28

Case No.: **CGC -19-580474**

Class Action

**SHAREHOLDER CLASS ACTION
AND DERIVATIVE COMPLAINT
FOR BREACH OF FIDUCIARY DUTY,
AIDING AND ABETTING BREACH OF
FIDUCIARY DUTY, CORPORATE
WASTE, UNJUST ENRICHMENT,
ABUSE OF CONTROL, AND
DECLARATORY AND INJUNCTIVE
RELIEF**

DEMAND FOR JURY TRIAL

1 Plaintiff Natalie Sojka, by her attorneys, alleges the following on information and belief,
2 except as to the allegations specifically pertaining to Plaintiff, which are based on personal
3 knowledge.

4 NATURE AND SUMMARY OF THE ACTION

5 1. Plaintiff brings this class action on behalf of the minority stockholders of The We
6 Company (“WeWork”, “We” or the “Company”) against The We Company and its Board of Directors
7 (the “Board” or the “Individual Defendants”) and Softbank Group Corporation (“Softbank”) for breach
8 of fiduciary duty, aiding and abetting breach of fiduciary duty, corporate waste, and declaratory as well
9 as injunctive relief. Defendant Adam Neumann (“Neumann”), the founder, Chairman, CEO, and
10 controlling shareholder of The We Company, in concert with Softbank, are using their control of The
11 We Company to benefit themselves to the detriment of the Company’s minority shareholders. Plaintiff
12 brings claims against the Defendants for their breaches of fiduciary duty and/or for aiding and abetting
13 other Defendants’ breaches of fiduciary duty. Defendants’ actions are substantially unfair to The We
14 Company’s minority shareholders and have caused and will continue to cause significant damage to the
15 Company and its shareholders.

16 2. Neumann and Softbank are attempting to use their control of the Company to benefit
17 themselves to the detriment of the Company’s minority shareholders. Neumann has recently abused his
18 control of the Company to usurp \$1.7 billion in payments to himself, which payments were approved by
19 Softbank. Softbank stands to benefit from the proposed transactions because it is increasing its stake by
20 buying up shares at depressed values which were created by Defendants’ own wrongdoing. At the same
21 time, the value of the stock and options held by minority shareholders has been eviscerated due to
22 Neumann’s wrongdoing, with their stock options being underwater and the value of their stock being
23 driven to levels well beyond what they paid for the stock. *See* Rani Molla, “85 Percent of WeWork’s
24 White-Collar Employees Don’t Think Adam Neumann’s \$1.7 Billion Exit Package is Fair,” RECODE,
25 Oct. 28, 2019. Softbank is attempting to further benefit from its wrongdoing and that of Neumann by
26 trying to commence a tender offer to buy out minority shareholders, thereby increasing its control of the
27 Company to approximately 80% and giving it outright control of the Company. The price Softbank
28 purportedly intends to offer minority shareholders – \$19.19 – is grossly unfair and represents an abuse

1 of control by Neumann and Softbank, and unfair treatment of minority shareholders. The proposed
2 transactions are subject to entire fairness review under California law.

3 3. It is an axiomatic principle of corporate law that a wrongdoer cannot benefit from his own
4 wrongdoing. This principle has heightened application in the context of a situation such as the present
5 case where the defendants are majority and controlling shareholders who owe fiduciary duties to the
6 minority shareholders. The self-interested transactions being proposed by Softbank and Neumann are
7 not entirely fair to the minority shareholders. Neumann, who ruined WeWork, is being treated
8 disparately, and both he and Softbank would receive unique benefits not shared by the minority
9 shareholders if the transactions are not enjoined. *See* Rani Molla, “Why WeWork Founder Adam
10 Neumann is Getting \$1.7 Billion to Leave the Company He Ran into the Ground,” RECODE, Oct. 22,
11 2019. Among other things:

12 (a) Neumann stands to receive much more for his shares than the consideration being
13 offered to minority shareholders in the tender offer to be launched by Softbank, which tender offer is
14 coercive and both procedurally and substantively unfair;

15 (b) In addition to payment of more money for Neumann’s stock, *Softbank is*
16 *proposing to pay Neumann \$500 million to pay off his personal loan from JPMorgan Chase, which*
17 *was one of the underwriters for the failed IPO and which holds a lien on Neumann’s WeWork stock;*

18 (c) The transactions, if not enjoined, will further substantially dilute minority
19 shareholders who do not accept the grossly unfair tender offer;

20 (d) Despite breaching his fiduciary duties by engaging in self-dealing and
21 mismanaging WeWork so badly that its IPO had to be withdrawn, *Neumann is being offered a*
22 *staggering \$185 million “consulting fee” despite the fact that Softbank seems to concede that*
23 *Neumann ruined the Company.* It is beyond comprehension why Neumann would be paid \$185
24 million to provide strategic guidance to the Company when his “guidance” resulted in the virtual
25 destruction of the Company. Instead, *the fee simply represents self-dealing and an improper personal*
26 *payment to Neumann.* To put Neumann’s \$185 million consulting fee in perspective, the 200 highest-
27 paid CEOs at public companies last year had a median pay of \$18.6 million, according to Equilar.
28 Typically, CEOs receive exit packages that are multiples of their salary and bonus. Neumann’s

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