

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

PREMLATA VAZIRANI,

Plaintiff,

v.

SLACK TECHNOLOGIES, INC., ANDREW  
BRACCIA, STEWART BUTTERFIELD,  
EDITH COOPER, SARAH FRIAR, SHEILA  
JORDAN, MIKE MCNAMARA, JOHN  
O'FARRELL, and GRAHAM SMITH,

Defendants.

Case No.:

JURY TRIAL DEMANDED

**COMPLAINT FOR VIOLATIONS OF  
FEDERAL SECURITIES LAWS**

Plaintiff, by her undersigned attorneys, for this complaint against defendants, alleges upon personal knowledge with respect to herself, and upon information and belief based upon, *inter alia*, the investigation of counsel as to all other allegations herein, as follows:

**BACKGROUND**

1. This action concerns a proposed transaction (“Proposed Transaction”) announced on December 1, 2020, pursuant to which Slack Technologies, Inc. (“Slack” or the “Company”) will merge with Salesforce.com, Inc. (“Salesforce”).

2. On December 1, 2020, Slack’s Board of Directors (the “Board” or “Individual Defendants”) caused the Company to enter into an agreement and plan of merger and reorganization (the “Merger Agreement”). Pursuant to the terms of the Merger Agreement, each share of Slack’s common stock will be converted into approximately 0.0776 shares of Salesforce common stock and the right to receive \$26.79 in cash (the “Merger Consideration”).

3. On December 23, 2020, in order to convince Slack’s shareholders to vote in favor of the Proposed Transaction, Defendants filed a materially incomplete and misleading

preliminary S-4 Registration Statement (the “Registration Statement”) with the United States Securities and Exchange Commission (“SEC”).

4. The Registration Statement omits material information with respect to the Proposed Transaction, which renders the Registration Statement false and misleading. Accordingly, Plaintiff alleges herein that defendants violated Sections 14(a) and 20(a) of the Securities Exchange Act of 1934 (the “1934 Act”) in connection with the Registration Statement.

5. In addition, a special meeting of Slack stockholders will be held to vote on the Proposed Transaction (the “Stockholder Vote”). It is therefore imperative that the material information that has been omitted from the Registration Statement is disclosed prior to the Stockholder Vote so Slack stockholders can properly exercise their corporate voting rights and make an informed decision on whether to vote in favor of the merger.

#### **JURISDICTION & VENUE**

6. This Court has jurisdiction over the claims asserted herein pursuant to Section 27 of the 1934 Act and 28 U.S.C. §1331 because the claims asserted herein arise under Sections 14(a) and 20(a) of the 1934 Act and Rule 14a-9.

7. This Court has jurisdiction over Defendants because each defendant is either a corporation that conducts business in this District, or is an individual with sufficient minimum contacts with this District so as to make the exercise of jurisdiction by this Court permissible under traditional notions of fair play and substantial justice.

8. Venue is proper in this District under Section 27 of the Exchange Act, 15 U.S.C. § 78aa, as well as under 28 U.S.C. § 1391, because, among other things: (a) the conduct at issue will have an effect in this District; (b) a substantial portion of the transactions and wrongs complained of herein, occurred in this District; and (c) certain Defendants have received

substantial compensation in this District by doing business here and engaging in numerous activities that had an effect in this District. Additionally, the Company's common stock trades on the NASDAQ, which is headquartered in this District.

### **THE PARTIES**

9. Plaintiff is, and has been continuously throughout all times relevant hereto, a Slack shareholder.

10. Defendant Slack is a Delaware corporation and a party to the Merger Agreement. Slack shares are traded on the NASDAQ under the ticker symbol "WORK."

11. Defendant Andrew Braccia is a director of the Company

12. Defendant Stewart Butterfield is Chairman of the Board of the Company.

13. Defendant Edith Cooper is a director of the Company.

14. Defendant Sarah Friar is a director of the Company.

15. Defendant Sheila Jordan is a director of the Company.

16. Defendant Mike McNamara is a director of the Company.

17. Defendant John O' Farrell is a director of the Company.

18. Defendant Graham Smith is a director of the Company.

### **FACTS**

19. Slack operates an occupational technology software platform that joins people, applications, and data and markets its offering under a software-as-a-service model. The software platform offers a team communication tool that consists of a set of open documented application programming interface (APIs), developer tools, and an App Directory that lists apps that have met the guidelines.

20. Salesforce is a provider of business software, distributed through the cloud, with a concentration on customer relationship management (CRM). Salesforce focuses on cloud, mobile, social, Internet of Things (IoT) and artificial intelligence technologies. Salesforce's service offerings are constructed and integrated with supplementary platforms and enterprise applications. Salesforce supplies its service offerings via Internet browsers and on mobile devices.

21. On December 1, 2020, Slack's Board caused the Company to enter into the Merger Agreement.

22. At the Effective Time (as defined in the Merger Agreement), and as a result of the Merger:

each share of Company Common Stock issued and outstanding immediately prior to the First Effective Time (other than any Dissenting Shares, Cancelled Shares or shares covered by Company Restricted Share Awards) shall be converted into (A) 0.0776 (the "Exchange Ratio") fully paid and nonassessable shares of Parent Common Stock, subject to Section 2.5 with respect to fractional shares (the "Stock Consideration"), and (B) the right to receive \$26.79 in cash, without interest (the "Cash Consideration" and, together with the Stock Consideration, the "Merger Consideration").

23. The Merger Consideration is unfair because, among other things, the intrinsic value of the Company is in excess of the amount the Company's stockholders will receive in connection with the Proposed Transaction.

24. It is therefore imperative that the Company shareholders receive the material information that Defendants have omitted from the Registration Statement so that they can meaningfully assess whether the Proposed Transaction is in their best interests prior to the vote.

25. Section 5.3 of the Merger Agreement has a "no solicitation" clause that prevents Slack from soliciting alternative proposals and constraints its ability to negotiate with potential buyers:

Section 5.3 No Solicitation by the Company.

(a) From and after the date hereof until the earlier of the First Effective Time or the date, if any, on which this Agreement is validly terminated pursuant to Section 8.1, the Company agrees that it shall not, and shall cause the Company Subsidiaries, and its and their respective officers and directors not to, and shall use its reasonable best efforts to cause its and the Company Subsidiaries' other Representatives to not, directly or indirectly: (i) solicit, initiate or knowingly encourage or facilitate (including by way of providing information or taking any other action) any inquiry, proposal or offer, or the making, submission or announcement of any inquiry, proposal or offer which constitutes or would reasonably be expected to lead to an Acquisition Proposal; (ii) participate in any negotiations regarding, or furnish to any person any information relating to the Company or any Company Subsidiary in connection with an actual or potential Acquisition Proposal; (iii) adopt, approve, endorse or recommend, or propose to adopt, approve, endorse or recommend, any Acquisition Proposal; (iv) withdraw, change, amend, modify or qualify, or otherwise propose to withdraw, change, amend, modify or qualify, in a manner adverse to Parent, the Company Board Recommendation, or resolve or agree to take any such action; (v) if an Acquisition Proposal has been publicly disclosed, fail to publicly recommend against any such Acquisition Proposal within ten (10)-Business Days after the public disclosure of such Acquisition Proposal (or subsequently withdraw, change, amend, modify or qualify, in a manner adverse to Parent, such rejection of such Acquisition Proposal) and reaffirm the Company Board Recommendation within such ten (10) Business Day period (or, if earlier, by the second (2nd) Business Day prior to the Company Stockholders Meeting); (vi) fail to include the Company Board Recommendation in the Proxy Statement/Prospectus; (vii) approve, or authorize, or cause or permit the Company or any Company Subsidiary to enter into, any merger agreement, acquisition agreement, reorganization agreement, letter of intent, memorandum of understanding, agreement in principle, option agreement, joint venture agreement, partnership agreement or similar agreement or document with respect to, or any other agreement or commitment providing for, any Acquisition Proposal (other than an Acceptable Confidentiality Agreement entered into in accordance with this Section 5.3) (a "Company Acquisition Agreement"); (viii) call or convene a meeting of the Company Stockholders to consider a proposal that would reasonably be expected to materially impair, prevent or delay the consummation of the Transactions or (ix) resolve or agree to do any of the foregoing (any act described in clauses (iii), (iv), (v), (vi), (vii), (viii) and/or (ix) (to the extent related to the foregoing clauses (iii), (iv), (v), (vi), (vii) or (viii)), a "Change of Recommendation"). The Company shall, and shall cause the Company Subsidiaries and its and their respective officer and directors to, and shall use its reasonable best efforts to cause its and the Company Subsidiaries' other Representatives to, immediately cease any and all solicitation, encouragement, discussions or negotiations with any persons (or provision of any information to any persons) with respect to any inquiry, proposal or offer that constitutes, or would reasonably be expected to lead to, an Acquisition Proposal. Promptly after the date hereof (and in any event within two (2) Business Days following the date hereof), the Company

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