



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

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| | X | |
| JAMES WEI AND YANXIN ZHANG, | : | PUBLIC VERSION |
| | : | FILED ON: August 18, 2020 |
| Plaintiffs, | : | |
| | : | C.A. No. 2020-0666-PAF |
| v. | : | |
| | : | |
| ZOOX, INC., | : | |
| | : | |
| Defendant. | : | |
| | X | |

VERIFIED COMPLAINT TO COMPEL INSPECTION OF BOOKS AND RECORDS UNDER 8 DEL. C. §220

Plaintiffs James Wei and Yanxin Zhang, by and through undersigned counsel, respectfully submit this Verified Complaint to Compel Inspection of Books and Records under 8 Del. C. §220 (“Section 220”), and upon knowledge as to themselves and their own actions, and upon information and belief as to all other matters, allege as follows:

NATURE OF THE ACTION

1. This is an action by record holders of Zoux, Inc. (“Zoux” or the “Company”) common stock seeking to inspect corporate books and records, and arises out of the decision of the Zoux board of directors (the “Board”) to agree to the Agreement and Plan of Merger, dated June 25, 2020 (the “Merger Agreement”), by and among Zoux, Amazon.com, Inc., and its wholly owned subsidiary Kitt Merger

Sub, Inc. (collectively, “Amazon”). The Merger Agreement provides for Amazon to acquire Zoox, with Zoox common stockholders to receive an estimated \$ [REDACTED] per share to \$ [REDACTED] per share, with about \$ [REDACTED] per share held back in an escrow fund and an expense fund (the “Acquisition”).

2. Zoox is a privately held company that is developing autonomous vehicles. Zoox was valued at \$3.2 billion in 2018. In the spring of 2020, Zoox received a proposal for an investment at a pre-money valuation of \$ [REDACTED], in addition to at least two indications of interest the substance of which have not been disclosed to stockholders. But on June 25, 2020, Zoox’s Board agreed to sell the Company for \$1.3 billion, of which Zoox’s current common stockholders are set to receive [REDACTED], with the rest going to insiders, including directors, officers, and their affiliated venture capital firms. The common stockholders’ share of the Acquisition proceeds is dwarfed by the “transaction bonus,” “executive bonus,” and post-closing Amazon restricted stock units and stock appreciation rights that will be paid to Zoox executives. Accounting for those diversions of proceeds, the competing \$ [REDACTED] bid that Zoox received and ignored was actually more favorable to Zoox common stockholders than the Acquisition. The Merger Agreement was approved by written

consent from the conflicted insiders, without need for any approval by unconflicted outside common stockholders.

3. Particularly because of Zoox's status as a private company about which Plaintiffs and other common stockholders have received very little information on key issues, Plaintiffs need to inspect corporate books and records for several proper purposes: to ascertain the value of their shares; to determine whether or not to withdraw their demands for appraisal pursuant to 8 *Del. C.* §262 within the time allowed under 8 *Del. C.* §262(e); to investigate the events leading to the Acquisition in order to determine whether it is appropriate to pursue litigation against all or some members of the Board and/or Company management or others based on the apparent wrongdoing in connection with the Acquisition; to investigate how Zoox's directors and senior officers are compensated (both generally and in connection with the Acquisition) and whether they are the beneficiaries of any related-party transactions; and to investigate the independence and disinterestedness of the directors generally and with respect to the Acquisition.

4. Plaintiffs respectfully request that the Court enter a summary order directing the Company to produce the requested books and records for inspection, and granting such other and further relief as the Court deems just and proper.

THE PARTIES

5. Plaintiffs were record holders of shares of common stock in Zoox at all relevant times.

6. Zoox is a private company incorporated in Delaware and headquartered in Foster City, California. The Company is developing an autonomous mobility ecosystem that includes self-driving vehicles, control systems, AI and a ride-sharing service all designed to improve urban mobility. Zoox's self-driving vehicles and control systems include automated fully-electric vehicle fleets that provide mobility-as-a-service in urban environments, enabling consumers to access self-driving mobility services.

FACTUAL BACKGROUND

A Brief History of the Company and the Acquisition

7. Based on the public information, it appears that the process leading to the Merger Agreement and Acquisition was driven by the self-interests of the Company's directors and/or officers and advisors and that the Company's disclosures to stockholders about the Acquisition are materially incomplete and/or misleading.

8. Zoox is a private Silicon Valley-based company that is developing an autonomous mobility ecosystem. Zoox is applying the latest in automotive, robotics

and renewable energy to design a symmetrical, bidirectional, zero-emissions vehicle from the ground up to solve the unique challenges of autonomous mobility. That is, unlike automotive companies that are developing self-driving capacities simply as a feature for otherwise-normal vehicles, Zoox is developing a “robotaxi” that is designed from the outset to be self-driving – with no steering wheel or pedals, seats that face each other, and a host of special safety features, as well as a proprietary mobile app with which customers would summon a ride. Analysts consider it a leader in the nascent, yet lucrative industry.

9. As a private company, Zoox has disclosed very limited information to the public or its common stockholders. What can be pieced together from the available information, however, includes the following.

10. Zoox was officially founded in 2014 in Menlo Park, California by Dr. Jesse Levinson and Tim Kentley-Klay. Kentley-Klay – “a brash salesman with good taste and hyperbolic levels of ambition” who some analogized to Steve Jobs of Apple Inc. – served as chief executive officer, while Levinson – “the quiet, genius engineer playing the role of Steve Wozniak” – was chief technology officer.

11. After its founding, Zoox initially raised \$40 million through a seed round in 2015, describing itself at that time as a “DFJ-funded robotics startup.” In

May 2016, it raised another \$250 million, issuing Series A preferred shares at an \$800 million pre-money valuation. DFJ Venture LLC (now Threshold Ventures) co-lead that round of financing with Australian billionaire Michael Cannon-Brookes's Blackbird Ventures.

12. On July 8, 2018, Zoox announced its Series B funding, raising \$465 million at a pre-money valuation of \$2.7 billion, primarily from funds affiliated with Cannon-Brookes's GrokCo Pty Ltd. and Zooma Investment Limited. Zoox's Series B preferred shares reportedly had "ratchet" protections, which guaranteed Series B investors would recoup their investment back in full in the event Zoox sold for any price over about \$500 million.

13. Shortly after the Series B transaction, Kentley-Klay was fired from his CEO position in a move he described as "Silicon Valley up to its worst tricks," where "the board chose a path of fear, optimizing for a little money in hand at the expense of profound progress for the Universe."

14. In October 2019, the Company issued \$200 million in convertible notes to insiders. The holders of those notes are entitled to be paid [REDACTED]

[REDACTED]

[REDACTED].

15. On June 24, 2020, the Board agreed to the Acquisition, in which Amazon will buy Zoox for about \$1.3 billion. Of that \$1.3 billion headline amount, Zoox’s current common stockholders are set to receive [REDACTED]. Zoox insiders, directors, and fiduciaries are attempting to divert the lion’s share of the Acquisition consideration to themselves.

16. While the information statement disseminated to Zoox stockholders on or about July 6, 2020 (the “Information Statement”) claims that the COVID-19 pandemic was a principal justification for both the purported difficulty in obtaining Series C financing and the sale itself, by December 6, 2019 (long before the pandemic), the Board had already tasked Qatalyst Partners LLC (“Qatalyst”) with running a formal process to find an acquirer. As a result of that outreach, Zoox received four non-binding indications of interest between April 20, 2020 and May 12, 2020. The Information Statement, however, does not even outline the terms of two of those indications.

17. On an unknown date between April 20, 2020 and May 12, 2020, Zoox received a proposal from a “strategic investor” (“Company A”) offering \$ [REDACTED]. Company A’s proposal would have certainly allowed the

Company to continue to operate well past the purported July 2020 date [REDACTED] [REDACTED] according to the Information Statement. Company A's proposal was [REDACTED], but Zoox did not even try to do so after May 13, 2020, when it entered into an exclusivity agreement with Amazon.

18. The circumstances surrounding the May 13, 2020 Term Sheet and Exclusivity Agreement with Amazon are concerning. According to the Information Statement, Zoox received an indication of interest on May 11 or May 12, 2020, yet Zoox/Levinson had already agreed to a fully-baked term sheet and exclusivity with Amazon about a day later on May 13, 2020. In addition, the Company did not engage its legal counsel, Goodwin Procter LLP ("Goodwin") until May 11, 2020, just two days before the Amazon Term Sheet/Exclusivity Agreement was signed.

19. The Amazon Term Sheet/Exclusivity Agreement prematurely ended the sale process. It prohibited Zoox and Levinson from negotiating with any entity other than Amazon through June 27, 2020 (except in limited unspecified circumstances). Zoox and Amazon signed the Merger Agreement before that period expired.

20. The Amazon Term Sheet incentivized Zoox insiders to complete a deal with Amazon and Amazon alone. It included special incentives to employees of Zoox, including [REDACTED]

[REDACTED]. At least one of those employees, Levinson, appears to have negotiated for those extra incentives directly with Amazon – the Information Statement contains no indication that a special committee was established or that any beneficiary of those provisions was walled off from the term sheet negotiations with Amazon. Rather, Levinson is specifically designated as a signatory to the agreements with Amazon.

21. Less than three weeks after the Company executed the Amazon Term Sheet/Exclusivity Agreement, on May 30, 2020, Zoox received a revised non-binding proposal for an acquisition of \$ [REDACTED] from another entity (“Company B”). Hamstrung by the Amazon Exclusivity Agreement, Zoox did not directly respond to Company B and instead passed along the proposal to Amazon. Company B’s \$ [REDACTED] proposal is [REDACTED] than the \$1.3 billion headline Amazon Acquisition price when factoring in the onerous terms for common

stockholders inherent in the Merger Agreement, including, but not limited to, the \$ [REDACTED] and the \$ [REDACTED] [REDACTED].

22. The Board approved the Acquisition on June 24, 2020. Remarkably, the Information Statement contains no reference to any fairness opinion received by the Board, even though the Board purportedly conducted a “thorough evaluation of . . . the value to the Company Stockholders.” The Information Statement also claims that the Board and the Company “determined that as of June 24, 2020, . . . \$ [REDACTED] represents the fair market value of each dissenting share of Common Stock,” but provides no actual support for that claim.

23. The Board also agreed that stockholders would indemnify Amazon for a variety of claims, thereby potentially suffering a coercive penalty for exercising preexisting legal rights and guarantees as stockholders under Delaware, California, and federal law. Such claims include those brought by stockholders in connection with the allocation of the Merger Consideration, exercising dissenter’s rights, and bringing a lawsuit against the Board for breaching its fiduciary duties. The Board also agreed that stockholders should indemnify Amazon should Company insiders, or the Board itself, be found to have acted fraudulently in connection with the

Acquisition. The Information Statement also threatens stockholders by claiming that they may be required to indemnify Amazon, out of pocket, for losses in excess of the \$ [REDACTED] for successful breach of fiduciary duty or appraisal claims (among others). That is, the more fraudulent the conduct by insiders and the more undervalued the deal, the Board claims that stockholders may be required to pay even more to Amazon. That is illogical and unfair.

24. The Board agreed to improperly preclusive deal protection devices in the Merger Agreement. Under §4.6 of the Merger Agreement, Zoox agreed to not accept any existing proposal or offer. Further, Zoox agreed to terminate negotiation discussions and shut down any ongoing due diligence activity. Zoox agreed to not “solicit, initiate, facilitate or encourage, engage in discussions or negotiations with, or furnish information to, any Person other than Parent with respect to a Competing Transaction,” broadly defined to include “any merger, consolidation, share exchange, recapitalization, or establishment of or investment in the Company.” Zoox agreed “not to, directly or indirectly, deal with any Person other than [Amazon] with respect to discussing or negotiating any Competing Transaction” and to notify Amazon within 24 hours of any inquiry or proposal. There is no “fiduciary out” that would allow the Board to terminate the Merger Agreement in favor of a superior

proposal. These terms prevent Zoox from entertaining better offers, determining if Companies A or B could improve on their earlier proposals, seeking alternative financing sources, or even terminating the Merger Agreement in the event of a clearly superior proposal.

Interests of the Company's Directors and Officers

25. A majority of the Board is conflicted, relative to common stockholders, in the Acquisition.

26. Aicha Evans is Zoox's chief executive officer and a member of the Board. Zoox's Board selected Evans as CEO to replace Tim Kentley-Klay, whom the Board ousted in August 2018. If the Acquisition closes, Evans will receive a \$ [REDACTED]. Evans also holds [REDACTED] Company RSUs, which, if vested in full at the midpoint of the estimated Acquisition payout for Zoox common stock (\$ [REDACTED] per share), would be worth \$ [REDACTED]. Put differently, Evans is set to receive Acquisition-related compensation in the form of an Executive Bonus that [REDACTED]. Evans is also set to receive an unspecified amount of cash as a Transaction Bonus Pool recipient, as well as \$ [REDACTED] and [REDACTED] following the closing. Despite these conflicts, the Information Statement contains no indication that Evans

was walled off from substantive negotiations or deliberations regarding the Acquisition.

27. Jesse Levinson is Zoox's chief technology officer and a Member of the Board. Former Zoox CEO Tim Kentley-Klay recruited Levinson in 2014 to serve as CTO. Levinson holds [REDACTED] shares of Zoox, for which Amazon will compensate Levinson approximately \$ [REDACTED] 40% of which will be spread out over the course of three yearly payments. Levinson is also set to receive an unspecified amount of cash as a Transaction Bonus Pool recipient, as well as [REDACTED] following the closing. Despite these conflicts, the Information Statement contains no indication that Levinson was walled off from substantive negotiations or deliberations regarding the Acquisition. To the contrary, the Information Statement indicates that Levinson was a principal negotiator with Amazon.

28. Heidi Roizen was one of five DFJ Venture partners who heard a pitch from Kentley-Klay and Levinson in December 2014, and decided that day to invest in Zoox. Roizen had joined Draper Fisher Jurvetson in 2012. According to her LinkedIn profile, Roizen joined the Zoox board in May 2016. Roizen is now a Partner at and invests in Zoox through Threshold Ventures, which is "an early stage

venture capital firm that spun out from DFJ Venture.” Roizen serves on the board of Planet Labs Inc. with Carl Bass, another Zoox director. Roizen’s affiliates (Threshold Ventures I Partners Fund, LLC and Threshold Ventures I, LP) own a total of [REDACTED] common shares, [REDACTED] Series A preferred shares, and [REDACTED] Series B preferred shares in Zoox. From the Acquisition, Roizen and Threshold Ventures are set to receive an estimated \$ [REDACTED] (at the midpoint of the estimated payout for Zoox common stock, \$ [REDACTED] per share), \$ [REDACTED] and \$ [REDACTED] respectively, for these shares. In addition, Roizen’s affiliates invested \$ [REDACTED] in exchange for two Convertible Notes. Roizen’s financial interests in the Acquisition are thus heavily weighted towards her preferred shares. Despite these conflicts, the Information Statement contains no indication that Roizen was walled off from substantive negotiations or deliberations regarding the Acquisition.

29. Daniel Cooperman joined the Zoox board in December 2015 and chairs the Audit Committee. Cooperman retains [REDACTED] Company Options. If these options vested in full, these options would be paid out at \$ [REDACTED] in the Acquisition (at the midpoint of the estimated payout for Zoox common stock, \$ [REDACTED] per share).

30. Laurie Yoler joined the Board in December 2015 and also describes herself as serving as a “Strategic Advisor” to the Company. Shortly after the Board

ousted Kentley-Klay, Yoler attended a conference in Sydney hosted by BlackBird Ventures, which co-led Zoox's Series A funding and where Cannon-Brookes is a Venture Partner. Yoler told investors that the Board fired Kentley-Klay in part because it had grown increasingly nervous about his insistence that Zoox remain fully independent. Yoler later told investors in September 2018 that Zoox was still on track to launch its first commercial vehicles by 2020. Yoler owns [REDACTED] shares of Zoox common stock and retains [REDACTED] Company RSUs and [REDACTED] in Company Options. At \$ [REDACTED] per share and assuming they vest in full, she is set to receive an estimated \$ [REDACTED] \$ [REDACTED] and \$ [REDACTED] respectively, for these interests.

31. Carl Bass joined the Zoox board in October 2017. Bass temporarily stepped into the Executive Chairman role when the Zoox board ousted Kentley-Klay in August 2018. Bass is an investor and board member in Planet Labs, along with Heidi Roizen. Bass currently retains [REDACTED] Company RSUs, which if fully vested would be subject to payment of \$ [REDACTED] in connection with the Acquisition (at the midpoint of the estimated payout for Zoox common stock, \$ [REDACTED] per share). Bass also retains [REDACTED] Company Options, which, if fully vested would be subject to payment of \$ [REDACTED] in connection with the Acquisition (at the midpoint of the

estimated payout for Zoox common stock, \$ [REDACTED] per share). Bass further invested \$ [REDACTED] in exchange for a Convertible Note on October 18, 2019.

32. Michael Cannon-Brookes has been involved with Zoox since its earliest days as an investor in Australia-based venture fund Blackbird Ventures, where Cannon-Brookes is a Venture Partner and which invested in Zoox's Series A preferred shares. Cannon-Brookes joined the Board after he led Zoox's \$ [REDACTED] Series B investment through Grok Nominees Pty Ltd. and GrokCo Pty Ltd. on July 8, 2018. Cannon-Brookes and the GrokCo entities currently own [REDACTED] Series B preferred shares, worth an estimated \$ [REDACTED] at the Acquisition payout amounts. Cannon-Brookes reportedly negotiated a ratchet provision that guaranteed he would recoup his investment in the event Zoox sold for any price greater than about \$ [REDACTED]. In addition, in October 2019, Cannon-Brookes further invested \$ [REDACTED] in exchange for a Convertible Note. The Information Statement does not disclose whether Cannon-Brookes retains any interest in Zoox via Blackbird Ventures, or the size and nature of Blackbird's current stake in Zoox. Despite these conflicts, the Information Statement contains no indication that Cannon-Brookes was walled off from substantive negotiations or deliberations regarding the Acquisition.

33. Zu Liu “Fred” Hu, a chairman, partner, and founder at Primavera Capital, joined the Zoox Board when Hu’s affiliate Zooma Investment Limited purchased [REDACTED] in Zoox’s Series B preferred shares. Hu also reportedly negotiated a ratchet provision that guaranteed he would recoup his investment in the event Zoox sold for any price greater than about \$ [REDACTED]. As a result of that investment, Hu and Zooma are set to receive an estimated \$ [REDACTED] in the Acquisition, according to the Information Statement. In addition, Hu’s affiliate Zooma Investment Limited invested \$ [REDACTED] in exchange for a Convertible Note on October 22, 2019. Despite these conflicts, the Information Statement contains no indication that Hu was walled off from substantive negotiations or deliberations regarding the Acquisition.

34. The Zoox directors’ ownership stakes are broken out as follows:

| <u>Director</u> | <u>Common Stock</u> | <u>Series A</u> | <u>Series B</u> | <u>Company RSUs</u> | <u>Company Warrant to purchase Series B</u> | <u>Options</u> | <u>Convertible Note</u> |
|-----------------|---------------------|-----------------|-----------------|---------------------|---|----------------|-------------------------|
| Evans | | | | ██████████ | ██████████ ¹ | | |
| Levinson | ██████████ | | | | | | |
| Cooperman | | | | | | ██████████ | |
| Roizen | ██████████ | ██████████ | ██████████ | | | | \$ ██████████ |
| Yoler | ██████████ | | | ██████████ | | ██████████ | |
| Bass | | | | ██████████ | | ██████████ | \$ ██████████ |
| Cannon-Brookes | | | ██████████ | | | | \$ ██████████ |
| Hu | | | ██████████ | | | | \$ ██████████ |

35. Plaintiffs seek inspection of books and records in order to ascertain the material facts about each of these issues, and how they impacted the Acquisition and the process that led to it. Based on the limited available information, however, the Plaintiffs have more than a credible basis to suspect wrongdoing in connection with the Acquisition, and that the Information Statement omits material information.

THE DEMAND FOR INSPECTION

36. On August 5, 2020, Plaintiffs served on the Company written demands to inspect and copy certain books and records of the Company pursuant to Section 220 (the “Demand Letters”). The Demand Letters meet all of the requirements of

¹ Per page 35 of the Information Statement, Evans will not receive compensation for her Company Warrant to purchase Series B preferred shares because the “exercise price thereof exceeds the applicable Per Share Merger Consideration.”

Section 220, and are targeted to seek the information that is necessary for Plaintiffs to ascertain the value of their shares; to determine whether or not to withdraw their demands for appraisal pursuant to 8 *Del. C.* §262 within the time allowed under 8 *Del. C.* §262(e); to investigate the events leading to the Acquisition in order to determine whether it is appropriate to pursue litigation against all or some members of the Board and/or Company management or others based on the apparent wrongdoing in connection with the Acquisition; to investigate how Zoox's directors and senior officers are compensated (both generally and in connection with the Acquisition) and whether they are the beneficiaries of any related-party transactions; and to investigate the independence and disinterestedness of the directors generally and with respect to the Acquisition. The Demand Letters are attached hereto as Exhibits 1 and 2.

37. The Demand Letters requested inspection of the following categories of documents:

1. Copies of the Company's certificate of incorporation, bylaws, certificates of designation, stockholder agreements, investors' rights agreements, voting agreements, right of first refusal and co-sale agreements, management rights agreements, and any similar constitutive documents or instruments governing the rights and relationships among the Company's stockholders, officers, and directors in effect at any time since July 1, 2015;

2. The Company's stock ledger and list of stockholders;

3. Books and records sufficient to show the terms of all of the Company's debt, including convertible notes, and outstanding balances on such debt as of June 30, 2018, December 31, 2018, June 30, 2019, December 31, 2019 and June 30, 2020, and at closing of the Acquisition;

4. Books and records sufficient to show the amount of all vested and unvested restricted stock units ("RSUs"), options and warrants, including any applicable exercise prices, and to identify the holders of all such RSUs, options and warrants, as of June 30, 2018, December 31, 2018, June 30, 2019, December 31, 2019 and June 30, 2020, and at closing of the Acquisition;

5. Books and records sufficient to identify the Company's directors and officers, and their respective roles, at any time since July 1, 2015;

6. Books and records sufficient to show all compensation paid to any of the Company's directors and officers at any time since July 1, 2015;

7. All books and records concerning any related-party transactions with the Company's officers or directors at any time since July 1, 2015;

8. Monthly, quarterly and/or other periodic financial summaries provided to the Board or any committee thereof, or to any subset of the Company's stockholders in their capacity as such, since July 1, 2015, concerning the Company's historical and projected financial performance;

9. Business plans, budgets, operating plans, financial guidance, forecasts, or projections provided by Zoon management to the Board or any committee thereof, or to Qatalyst . . . since July 1, 2015;

10. All valuations or appraisals of Zoon shares or securities, including, but not limited to, Zoon common stock, since July 1, 2015, including any valuations pursuant to §409A of the Internal Revenue Code;

11. Presentations or memoranda prepared by Qatalyst or any other financial advisors, before or after they were officially engaged, and provided to the Board or the Company's executive officers since January 1, 2019, regarding the Acquisition and/or consideration of strategic alternatives;

12. Minutes of meetings of the Board or any committee thereof since January 1, 2019 (final versions or the most recent draft where final versions are not available), together with any attachments, presentations, reports, or other materials provided to Board members in preparation for or reviewed at those meetings, as well as written consents and any attachments, presentations, reports, or other materials provided to Board members in connection with requests for action by written consent, relating to the Merger Agreement, the Stockholder Written Consent approving the Merger Agreement, the Joinder Agreement, the Information Statement (defined below), the Acquisition, employee compensation in connection with the Acquisition (including, but not limited to, transaction bonuses, executive bonuses, or issuance of restricted stock units or similar instruments of Amazon to Zoox employees), potential Series C financing transactions, potential sale transactions, potential initial public offerings, or any other strategic transactions or alternatives;

13. Any indications of interest, term sheets, draft acquisition agreements, draft investment agreements, draft credit agreements, draft licensing agreements, or similar offers relating to the Company or any division thereof, together with any presentations or materials in support of such offers, provided to the Company by Amazon or any other potential investor or acquiror since January 1, 2019, including, but not limited to, the “four non-binding indications of interest for potential financing and sale transactions” referenced on page 8 of the Information Statement and the “non-binding acquisition proposal for \$ [REDACTED]” referenced on page 9 of the Information Statement (as well as the original and any other revised versions of that proposal);

14. Books and records sufficient to show the interests, financial or otherwise, of any director or officer of the Company in the Acquisition or any strategic alternative, including with respect to potential post-acquisition employment, consulting, equity, profits interest, or other side agreements, or with respect to the receipt of payments in connection with a change of control;

15. Books and records sufficient to identify the “Transaction Bonus Recipients” as that term is used in the Merger Agreement and the amount of the bonus to be received by each Transaction Bonus Recipient;

16. Books and records sufficient to identify the Key Employees and Offered Employees listed on Schedule 5.6 (and its subparts) to the “Disclosure Memorandum” to the Merger Agreement;

17. Any materials created, modified, or provided to the Board or any committee thereof since January 1, 2019 concerning the independence or non-independence of any director, including any disclosure questionnaires and any books and records relating to appointment of directors to serve on any committee of the Board;

18. All books and records reflecting communications since January 1, 2019 between and among any of Aicha Evans, Jesse Levinson, Dan Cooperman, Heidi Roizen, Laurie Yoler, Carl Bass, Mike Cannon-Brookes, Fred Hu, Qatalyst, Amazon, Amazon’s advisors with respect to the Acquisition, and any other potential investors or acquirors, including the “12 parties” identified on page 8 of the Information Statement, including notes, calendar entries, and electronic communications relating to the Merger Agreement, the Stockholder Written Consent approving the Merger Agreement, the Joinder Agreement, the Information Statement, the Acquisition, employee compensation in connection with the Acquisition (including, but not limited to, transaction bonuses, executive bonuses, or issuance of restricted stock units or similar instruments of Amazon to Zoox employees), potential Series C financing transactions, potential sale transactions, potential initial public offerings, any other strategic transactions or alternatives, or consulting, profit-interest, or other side agreements between Zoox directors or officers (including their affiliated venture capital firms) and Amazon;

19. Copies of all confidentiality agreements between the Company and any potential acquiror or investor that were in effect at any time since January 1, 2019;

20. Copies of all engagement letter agreements between the Company and Qatalyst, and any amendments, supplements, or attachments thereto, including any relationship disclosures;

21. Copies of the books and records provided to the individuals who drafted the information statement disseminated to Zoox stockholders on or about July 6, 2020, and any amendment thereto (the “Information Statement”), in connection with the drafting of the Information Statement, or referred to by those individuals in

connection with the drafting of the Information Statement, including all correspondence described in the Information Statement;

22. Books and records sufficient to identify any other stockholder who has demanded appraisal pursuant to 8 *Del. C.* §262 and the number of shares as to which such stockholder demanded appraisal; and

23. All documents produced to any other stockholder or their counsel in response to a demand pursuant to §220 or in connection with any stockholder litigation that relates to the Acquisition (including any appraisal action), as well as transcripts of any depositions of the Company's officers or directors taken in connection with any such litigation.

Ex. 1, at 2-5 (footnotes omitted); Ex. 2 at 2-5 (footnotes omitted).

38. Plaintiffs' purpose for the Demand Letters was and is proper. Plaintiffs seek: (a) to ascertain the value of their shares; (b) to determine whether or not to withdraw their demands for appraisal pursuant to 8 *Del. C.* §262 within the time allowed under 8 *Del. C.* §262(e); (c) to investigate the events leading to the Acquisition in order to determine whether it is appropriate to pursue litigation against all or some members of the Board and/or Company management or others based on the apparent wrongdoing in connection with the Acquisition; (d) to investigate how Zoox's directors and senior officers are compensated (both generally and in connection with the Acquisition) and whether they are the beneficiaries of any related-party transactions; and (e) to investigate the independence and disinterestedness of the directors generally and with respect to the

Acquisition. Each of the foregoing purposes is proper. As summarized above, Plaintiffs have more than a credible basis to suspect wrongdoing that is worthy of investigation.

39. As of the close of business on August 12, 2020, the Company had not produced or agreed to produce the books and records demanded.

40. In short, although Plaintiffs are entitled to inspection of the categories of documents articulated in the Demand Letter, Defendant has failed to make those documents available to Plaintiffs. Accordingly, Plaintiffs seek a summary order under §220(c) requiring Defendant to produce all of the requested documents forthwith.

FIRST CAUSE OF ACTION

(Inspection of Books and Records Under 8 *Del. C.* Section 220)

41. Plaintiffs repeat and reallege all of the allegations above as though fully set forth herein.

42. On August 5, 2020, Plaintiffs served upon the Company demands for the inspection of the books, records and documents identified in Plaintiffs' Demand Letters.

43. Plaintiffs have fully complied with all of the requirements of Section 220 with respect to the form and manner of making a demand for the inspection of the Company's books and records.

44. Plaintiffs' demands for inspection are made for a proper purpose, which includes ascertaining the value of their shares; determining whether or not to withdraw their demands for appraisal pursuant to 8 *Del. C.* §262 within the time allowed under 8 *Del. C.* §262(e); investigating the events leading to the Acquisition in order to determine whether it is appropriate to pursue litigation against all or some members of the Board and/or Company management or others based on the apparent wrongdoing in connection with the Acquisition; investigating how Zoox's directors and senior officers are compensated (both generally and in connection with the Acquisition) and whether they are the beneficiaries of any related-party transactions; and investigating the independence and disinterestedness of the directors generally and with respect to the Acquisition.

45. The Company has failed to provide Plaintiffs with access to the books and records demanded in the Demand Letters.

46. By reason of the foregoing and pursuant to Section 220, Plaintiffs request a summary order permitting them to inspect and make copies of the books and records identified in Plaintiffs' Demand Letters.

47. Plaintiffs have no adequate remedy at law.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray that this Court summarily enter judgment in favor of Plaintiffs and against Defendant:

A. Ordering the Company to produce to Plaintiffs the books and records identified in Plaintiffs' Demand Letters;

B. Awarding Plaintiffs their costs and expenses incurred in this action, including reasonable attorneys' fees; and

C. Granting Plaintiffs any and all further relief as the Court deems just and proper.

FRIEDLANDER & GORRIS, P.A.

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Dated: August 13, 2020