IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

UNICORN HRO, LLC, and UNICORN GROUP SUCCESSOR, LLC, Plaintiffs, v. PEOPLEGURU HOLDINGS, INC., and UNICORN HCM, INC., Defendants.	Civil Action No. 25-391-GBW

MEMORANDUM ORDER

Pending before the Court is Plaintiffs' Motion to Compel ("Plaintiffs' Motion"), which has been fully briefed (D.I. 58; D.I. 59). Plaintiffs Unicorn HRO, LLC ("Unicorn Seller") and Unicorn Group Successor, LLC ("Unicorn Parent") (together, "Plaintiffs") seek an Order compelling Defendants PeopleGuru Holdings, Inc. ("PeopleGuru Parent") and Unicorn HCM, Inc. ("PeopleGuru Buyer") (together, "Defendants") to supplement their responses to Request for Production ("RFP") Nos. 6-15, 17, 19-21, 23-30, and 32. *See* D.I. 58 ("Plaintiffs' Opening Letter"). Defendants oppose Plaintiffs' requests. *See* D.I. 59 ("Defendants' Response Letter"). For the following reasons, the Court grants-in-part and denies-in-part Plaintiffs' Motion.

I. BACKGROUND

The Court writes for the benefit of the parties and, thus, only briefly sets forth the facts and procedural history necessary for the discussion herein.[1]

[1] The Court recites facts from Plaintiffs' Complaint (D.I. 3), but recognizes that Defendants likely dispute the veracity of many of the allegations contained therein.

On or about July 18, 2023, Lee L. Haas formed PeopleGuru Buyer and "issued [redacted] shares of common stock of PeopleGuru Buyer to PeopleGuru Parent." D.I. 3 ¶ 7. On or around September 1, 2023, Plaintiffs and Defendants entered into an Asset Purchase Agreement ("Purchase Agreement"), whereby PeopleGuru Buyer purchased certain assets from Unicorn Seller. *Id.* ¶¶ 12, 13. "Pursuant to Section 2.5(a) of the Purchase Agreement, PeopleGuru Buyer was required to deliver to Unicorn Seller a 'Revenue True-Up Statement' at the end of" an agreed-upon measuring period which set forth PeopleGuru Buyer's determination of the amount of "Calculated Revenue" as defined in the Purchase Agreement. *Id.* ¶¶ 19, 27. The final Cash Payment owed to Unicorn Seller was contingent on the Calculated Revenue determination. *Id.* ¶¶ 24, 25.

On or about October 23, 2024, after the end-date of the measuring period, a controller at PeopleGuru Parent sent the indirect owner of Unicorn Seller the Revenue True-Up Statement. *Id.* ¶¶ 15, 30. As contemplated in the Purchase Agreement, PeopleGuru Buyer's determination of the Calculated Revenue excluded (1) revenue "derived from [c]lients that sent PeopleGuru Buyer a notice of cancellation, termination or non-renewal of a contract during the Measuring Period," (2) "revenue generated from Historical Access Agreements with Clients," and (3) "Open 4 and AS400 Clients" from the Calculated Revenue. *Id.* ¶¶ 32, 39, 41. Plaintiffs then sent a Dispute Notice to Defendants notifying Defendants of their breach and disputing the methods used to determine the Calculated Revenue, after which Defendants revised the final adjusted Cash Payment owed to Plaintiffs. *Id.* ¶¶ 44, 49-52.

On January 31, 2025, Plaintiffs filed a Complaint in the Superior Court of the State of Delaware alleging breaches of the Purchase Agreement for (1) failure to pay the undisputed portion of the Cash Payment owed under the Purchase Agreement, (2) failure to pay the disputed portion of the Cash Payment owed, and (3) breach of good faith and fair dealing. *See generally* D.I. 3. On March 28, 2025, the action was removed to this Court. D.I. 2.

II. LEGAL STANDARDS

Under Federal Rule of Civil Procedure 26, "[p]arties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claim or defense and proportional to the needs of the case." Fed. R. Civ. P. 26(b)(1). "For purposes of discovery, relevancy is broadly construed." *Inventio AG v. ThyssenKrupp Elevator Americas Corp.*, 662 F. Supp. 2d 375, 380 (D. Del. 2009). The moving party "bears the initial burden of establishing the relevance of the requested information." *Thompson-El v. Greater Dover Boys & Girls Club*, C.A. No. 18-1426-RGA, 2022 WL 606700, at *2 (D. Del. Jan. 28, 2022). Once the moving party meets its burden, the burden shifts to the party resisting discovery to demonstrate that the discovery is irrelevant or not proportional to the needs of the case, taking into consideration "the importance of the issues at stake in the action, the amount in controversy, the parties' relative access to relevant information, the parties' resources, the importance of the discovery in resolving the issues, and whether the burden or expense of the proposed discovery outweighs its likely benefit." Fed. R. Civ. P. 26(b)(1); *see also Thompson-El*, 2022 WL 606700, at *2.

Pursuant to Federal Rule of Civil Procedure 37, "a party may move for an order compelling disclosure or discovery. The motion must include a certification that the movant has in good faith conferred or attempted to confer with the person or party failing to make disclosure or discovery in an effort to obtain it without court action." Fed. R. Civ. P. 37(a)(1); *see also* D. Del. LR 7.1.1 (requiring the moving party to make "a reasonable effort . . . to reach agreement with the opposing party").

III. DISCUSSION

Plaintiffs' Opening Letter raises disputes regarding several categories of documents: (1) internal communications regarding the Revenue True-Up and APA drafting, (2) Historical Access Agreements, (3) retention bonus documentation, (4) client-specific revenue information, and (5) purchase price allocation documents. D.I. 58 at 1. The Court addresses each category in turn.

A. Internal Communications (RFP Nos. 6-8, 13-15, 17, 19, 29-30, 32)

RFP Nos. 6-8, 13-14, 17, and 19 seek correspondence and communications regarding the Purchase Agreement. *See* D.I. 58-1, Supplemental Responses and Objections to Plaintiffs' First Set of Requests for Production, at 7-17. Defendants have agreed to produce non-privileged documents responsive to these requests. *See id.* However, Plaintiffs assert that "Defendants have produced virtually no internal communications concerning the preparation of the Revenue True-Up Statement, the exclusion of clients from Calculated Revenue, the treatment of Historical Access Agreements, retention bonuses, or interest payments affecting the Final Cash Payment." In Defendants' view, Plaintiffs' request is premature because (1) there are no "imminent deadline[s] that would be affected by the current state of document production, and (2) Defendants have regularly supplemented their responses and produced additional relevant documents throughout the meet-and-confer process. D.I. 59 at 1-2.

The Court agrees with Plaintiffs that Defendants must produce non-privileged documents responsive to these RFPs. Plaintiffs' Opening Letter demonstrates that the documents sought in these RFPs are relevant to the issue of determining the Cash Payment as contemplated in the Purchase Agreement, and Defendants do not contend otherwise. *See* D.I. 58 at 2 ("Plaintiffs' complaint challenges whether Defendants properly calculated the Calculated Revenue, whether revenue associated with certain clients was improperly excluded from the Revenue True-Up Statement, and whether the adjustments reflected in the Final Cash Payment, including deductions for retention bonuses and other adjustments, are supported by contemporaneous documents and analyses."); *see generally* D.I. 59 (not disputing relevance). Defendants' arguments regarding the early stage of litigation and their ongoing supplementation are unpersuasive. *See* D.I. 59 at 1-2 (mentioning that trial is two years away). While the Court recognizes that Defendants have produced several batches of non-privileged responsive documents to date, and acknowledges Defendants' good-faith efforts to supplement their responses and communicate with Plaintiffs regarding status of discovery, Defendants themselves have noted that issues remain regarding the scope of documents collected. *See* D.I. 59-1 ("[W]e continue to discuss these issues with our client, including a supplemental collection of documents."). With the close of fact discovery approaching in under two months, Defendants should have already collected and produced a substantial number of documents by June 26, 2026, the date of Plaintiffs' Opening Letter. That Defendants have not yet done so despite ongoing correspondence and meet-and-confers with Plaintiffs over several months suggests that judicial intervention is appropriate to ensure the timely production of documents prior to the close of fact discovery. For all these reasons, the Court grants Plaintiffs' Motion to compel Defendants to produce all non-privileged documents responsive to RFP Nos. 6-8, 13-14, 17, and 19.

With respect to RFP Nos. 15, 29, 30, and 32, Defendants claim to have identified no non-privileged records responsive to those RFPs. *See* D.I. 58-1, Supplemental Responses and Objections to Plaintiffs' First Set of Requests for Production, at 14, 23-25. Plaintiffs respond that, "[g]iven the nature of the Revenue True-Up process and the contractual requirement that Defendants substantiate their calculations with supporting information, it is implausible that responsive documents of this nature do not exist." D.I. 58 at 2. Defendants' Response Letter does not address Plaintiffs' concern about whether responsive documents exist.

To the extent that Defendants assert that they have no non-privileged responsive documents in their possession, Defendants must provide either an affidavit or certified letter indicating that no non-privileged responsive documents exist and explaining why such documents do not exist. To the extent that Defendants assert privilege for documents that are otherwise responsive to RFP Nos. 15, 29, 30, and/or 32, Defendants must provide a privilege log to Plaintiffs detailing the nature of the privilege asserted and sufficient information about the document withheld (date, author(s), recipient(s), subject, etc.) to assess the propriety of the privilege asserted.

B. Historical Access Agreements (RFP No. 20)

RFP No. 20 seeks all documents involving "correspondence related to clients with Historical Access Agreements" and "communications concerning the exclusion of any Historical Access Agreements from the Calculated Revenue." D.I. 58-1, Supplemental Responses and Objections to Plaintiffs' First Set of Requests for Production, at 17. Plaintiffs have demonstrated that these documents are relevant to determining "whether Defendants properly calculated the Calculated Revenue, whether revenue associated with certain clients was improperly excluded from the Revenue True-Up Statement, and whether the adjustments reflected in the Final Cash Payment," D.I. 58 at 2, and Defendants do not contend otherwise. *See generally* D.I. 59 (not disputing relevance). Defendants merely rely on the argument regarding the stage of litigation and their ongoing supplementation of documents, which the Court has already found unpersuasive.

In addition to correspondence with clients regarding Historical Access Agreements, Plaintiffs ask the Court to compel Defendants to produce the underlying Historical Access Agreements. Defendants disagree, maintaining that the Historical Access Agreements themselves "are not relevant to the claims at issue in this case." D.I. 59 at 2. The Court agrees with Defendants. Plaintiffs have not demonstrated in their Opening Letter that the Historical Access Agreements themselves are relevant to this litigation. *See* D.I. 58 (not discussing). As Plaintiffs'

Complaint details, it is the revenue *derived* from such agreements that is relevant to the issues in this litigation. *See* D.I. 3 ¶¶ 39-40. Moreover, the Historical Access Agreements themselves are outside the scope of RFP No. 20, which only requests all documents that involve "correspondence" and "communications." D.I. 58-1, Supplemental Responses and Objections to Plaintiffs' First Set of Requests for Production, at 17.

For these reasons, to the extent that Plaintiffs ask the Court to compel Defendants to produce non-privileged, responsive documents regarding correspondence and communications within the scope of RFP No. 20, Plaintiffs' Motion is granted for the same reasons discussed *supra* Section III.A with respect to RFP Nos. 6-8, 13-14, 17, 19. To the extent that Plaintiffs ask the Court to compel Defendants to produce the Historical Access Agreements themselves pursuant to RFP No. 20, Plaintiffs' Motion is denied.

C. Retention Bonus Documentation (RFP No. 28)

RFP No. 28 requests documents related to the provision, payment, or reduction of retention bonuses. D.I. 58-1, Supplemental Responses and Objections to Plaintiffs' First Set of Requests for Production, at 22-23. Plaintiffs have demonstrated that these documents are relevant to the litigation because Plaintiffs' Complaint challenges "whether the adjustments reflected in the Final Cash Payment, including deductions for retention bonuses and other adjustments, are supported by contemporaneous documents and analyses." D.I. 58 at 2. Defendants do not contend otherwise. *See generally* D.I. 59 (not disputing relevance). Defendants again rely on the argument regarding the stage of litigation and their ongoing supplementation of documents, which the Court has already found unpersuasive. Thus, for the same reasons articulated *supra* Section III.A with respect to RFP Nos. 6-8, 13-14, 17, 19, the Court grants Plaintiffs' Motion to compel Defendants to produce non-privileged, responsive documents within the scope of RFP No. 28.

D. Client-Specific Revenue Information (RFP Nos. 21, 23-27)

RFP Nos. 21 and 23-27 request documents regarding client retention and termination, as relevant for determining client exclusion in determining Calculated Revenue. D.I. 58-1, Supplemental Responses and Objections to Plaintiffs' First Set of Requests for Production, at 18-22. Plaintiffs have demonstrated that these documents are relevant to the issue of whether Defendants properly calculated the Calculated Revenue, and Defendants do not contend otherwise. *See* D.I. 58 at 2; D.I. 59 (not disputing relevance). Defendants again rely on the argument regarding the stage of litigation and their ongoing supplementation of documents, which the Court has already found unpersuasive. Thus, for the same reasons articulated *supra* Section III.A with respect to RFP Nos. 6-8, 13-14, 17, 19, the Court grants Plaintiffs' Motion to compel Defendants to produce non-privileged, responsive documents within the scope of RFP Nos. 21 and 23-27.

E. Purchase Price Allocation Documents (RFP Nos. 9-12)

RFP Nos. 9-12 request documents relating to federal income tax returns, tax allocations, and the valuation of assets, as related to the Purchase Agreement. D.I. 58-1, Supplemental Responses and Objections to Plaintiffs' First Set of Requests for Production, at 9-12. Plaintiffs have demonstrated that these documents are relevant to "Defendants' treatment of those assets following the closing, including the manner in which Defendants calculated the Revenue True-Up Statement and treated revenue generated by the acquired customer relationships." D.I. 58- at 2. Defendants do not contend otherwise. *See* D.I. 59 (not disputing relevance). Defendants again rely on the argument regarding the stage of litigation and their ongoing supplementation of documents, which the Court has already found unpersuasive. Thus, for the same reasons *supra* Section III.A with respect to RFP Nos. 6-8, 13-14, 17, 19, the Court grants Plaintiffs' Motion to compel Defendants to produce non-privileged, responsive documents within the scope of RFP Nos. 9-12.

IV. CONCLUSION

For the foregoing reasons, the Court grants Plaintiffs' Motion (D.I. 58) with respect to RFP Nos. 6-12, 13-14, 17, 19, 21, 23-28. The Court also grants Plaintiffs' Motion to compel Defendants to produce non-privileged correspondence and communications responsive to RFP No. 20, but denies Plaintiffs' Motion to compel production of the underlying Historical Access Agreements. Lastly, with respect to RFP Nos. 15, 29, 30, and 32, the Court compels Defendant to submit a sworn affidavit or certified letter verifying that no non-privileged responsive documents exist and explaining why such documents do not exist. To the extent that Defendants assert privilege for documents that are otherwise responsive to RFP Nos. 15, 29, 30, and/or 32, Defendants must provide a privilege log to Plaintiffs.

WHEREFORE, at Wilmington this 10th day of July 2026, **IT IS HEREBY ORDERED** that:

1. Plaintiffs' Motion to Compel ("Plaintiffs' Motion") Defendants to produce non-privileged documents responsive to RFP Nos. 6-12, 13-14, 17, 19, 21, 23-28 is **GRANTED**. By no later than July 24, 2026, Defendants must complete a substantial production of non-privileged documents responsive to RFP Nos. 6-12, 13-14, 17, 19, 21, 23-28.
2. To the extent RFP No. 20 seeks production of documents regarding correspondence and communications involving the Historical Access Agreements, Plaintiffs' Motion is **GRANTED**. By no later than July 24, 2026, Defendants must complete a substantial production of non-privileged documents responsive to RFP No. 20.
3. To the extent RFP No. 20 seeks production of the Historical Access Agreements, Plaintiffs' Motion is **DENIED.**

4. By no later than July 24, 2026, Defendant must submit a sworn affidavit or certified letter verifying that no non-privileged responsive documents to RFP Nos. 15, 29, 30, and/or 32 exist and explaining why such documents do not exist. To the extent that Defendants assert privilege for documents that are otherwise responsive to RFP Nos. 15, 29, 30, and/or 32, Defendants must provide a privilege log to Plaintiffs by no later than July 24, 2026.
5. Because this Memorandum Order is filed under seal, the parties shall meet and confer and, no later than twenty-one (21) days after entry of this Memorandum Order, submit a joint proposed redacted version of the Memorandum Order accompanied by a supporting memorandum, detailing how, under applicable law, the Court may approve any requested redactions. In the absence of a timely, compliant request, the Court will unseal the Memorandum Order in its entirety.

GREGORY B. WILLIAMS
UNITED STATES DISTRICT JUDGE