

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2025 ()



ARTICLE 107 OF THE COMPANIES ACT (2025 REVISION)

IN THE MATTER OF DISTRIBUTED SYSTEMS LIMITED

WINDING UP PETITION

TO: The Grand Court of the Cayman Islands

THE HUMBLE PETITION of Soroush Ghodsi Boushehri of 19 Bolsover Street, London, United Kingdom shows that:

Preamble

1. Mr Ghodsi Boushehri respectfully seeks an order under section 95(3)(d) of the Companies Act (2025 Revision) (the **Companies Act**) providing for the purchase of his shares in Distributed Systems Limited (the **Company**) by either the Company or by the other members. In the alternative, Mr Ghodsi Boushehri seeks an order under section 92(e) of the Companies Act, that the Company be wound up on the basis that it is just and equitable to do so.

2. The grounds for this Petition can be summarised as follows:

a) Irretrievable breakdown in trust and confidence between participating members;

- b) exclusion from management and breach of Mr Ghodsi Boushehri's legitimate expectations;
- c) breach of legal bargain.

The Company

3. The Company is a Cayman Islands exempted company, with registration number **398221**, incorporated on 8 March 2023. The registered office of the Company is at Harneys Fiduciary (Cayman) Limited, 103 South Church Street, P O Box 10240, Grand Cayman KY1-1002, Cayman Islands. The principal place of business is London, England.
4. The purpose of the Company was to act as the legal entity through which the crypto platform, Synapse, operates (the **Business**). The Synapse platform is a bridge which allows users to transfer crypto between different blockchains. Since inception, it has been used by over two million users, including many large institutions for transferring funds. The Company developed the code for Synapse, and the servers which run the platform are hosted by the Company. Product updates and development, marketing, customer support and all decisions in relation to Synapse are controlled by the Company.
5. In addition, in 2024 the Company launched the Cortex Protocol (**Cortex**) which is an AI powered crypto interface which allows the user to execute crypto transactions through natural text.
6. Both Cortex and Synapse have tokens associated with the platforms; the 'Synapse Token' (\$SYN) and the 'Cortex Token' (\$CX). When Cortex was launched, it was agreed by the Co-Founders (as defined below) that the two tokens would be inter-changeable and those who already held Synapse Tokens would receive the new Cortex Token in exchange. Subsequently, any new grants of tokens by the Company have been in \$CX rather than \$SYN. The total tokens issued are 1,646,590,000, of which 436,590,000 are held by the Company, as the largest tokenholder.

7. Synapse generates an income through charging a percentage fee for each transfer or exchange which is processed through the platform. These fees are collected in crypto-wallets which are held and controlled by the Company. The Company, as the controlling tokenholder and owner of Synapse, is the ultimate beneficiary of the platform's profits.
8. The Company is governed by its Memorandum and Articles of Association dated 8 March 2023 (the **Articles**). The authorised share capital of the Company was initially US\$3,000, divided into 300,000 ordinary shares with a par value of \$0.01 each. The following individuals (each a **Co-Founder**, together the **Co-Founders**) became shareholders and directors of the Company on 8 March 2023 and were allotted the following portions of 100,000 of those shares:
- | | |
|-----------------------------|------------------|
| a) Soroush Ghodsi Boushehri | 100,000 (33.33%) |
| b) Stefan Stokic | 100,000 (33.33%) |
| c) Jake Sylvestre | 100,000 (33.33%) |
9. Pursuant to the Articles, the Co-Founders' shares were not issued on a redeemable basis. Although the Company is able to purchase shares back from a member, such an action can only occur through a resolution of the board of directors (in effect requiring the support of two of the three directors). There is, therefore, a restriction upon the transfer of a Co-Founder's interest in the Company

The Petitioner

10. Mr Ghodsi Boushehri has been a Co-founder, shareholder (33.33%) and director of the Company since its inception on 8 March 2023 and as recorded in the Company's register of members and register of directors. He jointly developed Synapse with Mr Stokic and is currently the 'President' of Synapse.

Formation of the Company and understanding between the three shareholders

11. The Company was formed and operated as a quasi-partnership, the understanding being that each shareholder was to be treated, in effect, as a partner in the Company.
12. The Petitioner and Mr Stokic initially met around 2014 and begun working on coding projects and building websites together. At the time Mr Ghodsi Boushehri was 13 and Mr Stokic was 14. In 2016, they successfully launched their first business together called 'Slik' and subsequently moved to Silicon Valley, California, where they lived as flatmates. Following this business venture, they both pursued educational objectives for a time, before moving to New York in around 2020, where they again lived together, to continue developing their business interests.
13. Synapse was first conceived and developed by Mr Ghodsi Boushehri and Mr Stokic. In early 2021, they began developing a crypto exchange platform called 'Nerve' which later evolved into Synapse. Mr Sylvestre joined the business later in 2021. In early 2023, the Company was set up by the Co-Founders as the legal entity through which Synapse would operate.
14. Over time, the Co-Founders have all contributed to the development of the Business and the Company. In the early days of Synapse, Mr Ghodsi Boushehri and Mr Stokic were both involved in developing the code and building the platform as well as marketing the Business to investors. Once Nerve evolved into Synapse and in more recent years as the platform has grown, their roles have expanded. Mr Ghodsi Boushehri's current role as President has been primarily focused on the day-to-day running of the Company including recruitment, decisions relating to product development, strategic decisions as to the development of the platform, investment and business development. Mr Stokic as CEO and Mr Sylvestre as CTO, have been more focused on coding and the technical development of the platform.
15. These roles have not been exclusive however, and there is significant overlap between the business streams and the work performed by the three Co-Founders. The Co-Founders have all participated in the management of Synapse and decisions concerning its operations, and the structure of the business and the Company.

16. When the Company was formed in 2023 and prior to that as Synapse was developed, there were no written agreements or strict allocations of responsibility between the Co-Founders. The priority was to build the platform offering and develop the Business. As the Business has grown and become more established, although the Co-Founders' roles have become more specialised and defined, they have continued to operate much of the Business without formal written agreements. Both the Business and the Company have been managed based on the long-standing relationship of trust and confidence between the Co-Founders and on the understanding that they would each contribute to the management of the Business and the Company and share the rewards.
17. In addition, the understanding that the Business and the Company would be jointly owned and managed is reflected in the fact that each Co-Founder holds an equal shareholding in the Company (as set out above at paragraph 8), and they are each paid an equal salary of US\$240,000 per annum. This salary was agreed between the Co-Founders and was set in the Company's payroll software. It has not changed since then. They are also each due to receive an equal token allocation of Cortex Tokens in the amount of 84,084,000 as set out below at paragraphs 23 and 24.

Exclusion from management

18. In or around December 2024, there was a breakdown in the relationship between Mr Ghodsi Boushehri, and Mr Stokic and Mr Sylvestre following Mr Ghodsi Boushehri raising concerns about the lack of technical development in relation to the Synapse platform. Mr Ghodsi Boushehri expressed his concerns during various telephone calls with the other Co-Founders during December 2024 and January 2025. The three also exchanged a number of messages in a 'Slack' channel. These discussions, and the concerns raised by the Petitioner appear to have triggered a breakdown in the relationship.
19. Since that time, the following steps have been taken by Mr Stokic and Mr Sylvestre to remove and exclude Mr Ghodsi Boushehri from management of the Business and the Company:

- a) Mr Ghodsi Boushehri has been excluded and removed from all communications with third-parties, such as investors and partners, and is prevented from fulfilling his day-to-day duties in this regard.
 - b) Similarly, Mr Ghodsi Boushehri has been removed from communications with employees, no longer has oversight into their work, and is no longer involved in any decisions around staffing and management.
 - c) Mr Ghodsi Boushehri has been excluded from communications, discussions and decisions concerning the operations of the Business and product development.
 - d) Mr Ghodsi Boushehri has been excluded from communications, discussions and decisions concerning the Company's finances and no longer has any control as to how funds are being allocated and spent, nor how the Cortex Tokens are being granted. He has also been removed from the Company's bank accounts.
20. The steps taken by Mr Sylvestre and Mr Stokic are contrary to the Petitioner's understanding and legitimate expectation that all three Co-Founders would participate in and contribute to the management of the Business and the Company.
21. In addition to these steps being taken to exclude the Petitioner from management of the Business and the Company, in a telephone call between Mr Ghodsi Boushehri and Mr Stokic on 2 April 2025, Mr Stokic told Mr Ghodsi Boushehri that he and Mr Sylvestre wished to part ways with him and that they intended to remove Mr Ghodsi Boushehri from the Business and the Company. Following this telephone call, on 8 April 2025, Mr Stokic sent Mr Ghodsi Boushehri a message via 'Signal' which detailed an offer in exchange for his exit from the Company. This offer included US\$500,000 for Mr Ghodsi Boushehri's equity, 0.75% of the \$CX advisory tokens and "*deferred non-equity upside: one-time subordinated non-equity payout of 2.5% of the company's exit value (capped at 250m), only triggered on future change of control*".

22. The offer made by Mr Stokic in no way reflects Mr Ghodsi Boushehri's 33.33 percent interest in the Company and is not based on any kind of valuation or proper assessment of the true market value of the Company, Synapse and Cortex.

Failure to transfer tokens to the Petitioner

23. The Co-Founders agreed that they would each receive tokens in Cortex as part of their remuneration package. It is Mr Ghodsi Boushehri's understanding that he was to receive the same amount of tokens as both Mr Sylvestre and Mr Stokic, such that the Co-Founders would each hold an equal amount of tokens. The decision that they would each receive an equal allocation of Cortex Tokens was recorded in a spreadsheet and then reflected in the 'Token Grant Agreement 2024 Token Incentive Plan and Policy' dated 3 October 2024 and the 'Repurchase Amendment' dated 2 February 2025 (together the **Token Agreement**) between the Company and Mr Ghodsi Boushehri. It is understood that each Co-Founder was offered an agreement on identical terms.
24. Pursuant to the terms of the Token Agreement, Mr Ghodsi Boushehri is entitled to receive 84,084,000 Cortex Tokens, which as explained above at paragraph 6, are interchangeable with Synapse Tokens. The Token Agreement provided for the tokens to be released to Mr Ghodsi Boushehri in set amounts over time. The timing relating to the release of tokens was subsequently amended (and reduced) on 2 February 2025 by way of the Repurchase Amendment. To date, Mr Ghodsi Boushehri has not received any tokens notwithstanding the obligation to transfer a total of 12,262,250 tokens to him as at 30 April 2025.

Irretrievable breakdown in trust and confidence between participating members

25. For the reasons explained above, there has been an irretrievable breakdown in trust and confidence between the Co-Founders. The Co-Founders are unable to continue operating the Company and running the Business as they originally intended.

Grounds for relief sought

26. Mr Ghodsi Boushehri primarily seeks that the Court order that his shares in the Company be purchased by either the Company or any of its other members for fair value, and that an independent valuation be obtained to determine this.
27. In the alternative, Mr Ghodsi Boushehri seeks a winding up of the Company, on the basis that it is just and equitable to wind it up on the following grounds.

Ground one: Irretrievable breakdown in the relationship between the Co-Founders

28. The Company was set up as a quasi-partnership and that relationship has now irretrievably broken down as a result of the actions of Mr Stokic and Mr Sylvestre.
29. Due to this breakdown, the Company can no longer be managed between the Co-Founders in the manner intended, with all three members participating equally in the Business and Company.

Ground two: Breach of Mr Ghodsi Boushehri's legitimate expectations

30. Mr Ghodsi Boushehri had a legitimate expectation, based upon the personal relationship and mutual understanding with the other members/directors, that he would participate in the management of the Business and the Company and receive the same rewards as the other co-Founders. Mr Stokic and Mr Sylvestre have breached Mr Ghodsi Boushehri's legitimate expectations by excluding him from the Business and the Company and refusing to provide him with the same rewards as they are awarding to themselves.

Ground three: Breach of legal bargain

31. In seeking to exclude Mr Ghodsi Boushehri from the Business and the Company, Mr Stokic and Mr Sylvestre have caused the Company to breach its legal obligations to Mr Ghodsi Boushehri, including those set out in the Token Agreement.

Ground Four: loss of trust and confidence

32. As a result of the matters pleaded above, Mr Ghodsi Boushehri has justifiably and irreversibly lost all trust and confidence in the ability of Mr Stokic and Mr Sylvestre to manage the Business and the Company's affairs in its best interests and to treat him fairly as an equal in the Company.

THE PETITIONER THEREFORE HUMBLY PRAYS THAT:-

- (1) An order be made under section 95(1)(d) of the Companies Act requiring the other Co-Founders or the Company to purchase Mr Ghodsi Boushehri's shares in the Company (and related interest in the Business) for fair value.
- (2) Alternatively, the Company be wound up in accordance with section 92(e) of the Companies Act.
- (3) Gordon MacRae and Cassandra Ronaldson of Interpath (Cayman) Limited be appointed as Joint Official Liquidators of the Company (the **Joint Official Liquidators**) and be granted the power to act jointly and severally.
- (4) The Joint Official Liquidators shall not be required to give security for their appointment.
- (5) The Joint Official Liquidators shall be authorised to take any such action as may be necessary or desirable to obtain recognition of the Joint Official Liquidators and/or their appointment in any other relevant jurisdiction and to make application to the courts of such jurisdiction for that purpose.
- (6) The Joint Official Liquidators be authorised to take such steps as may be necessary or expedient for the protection of the Company's assets and, for that purpose, may exercise any power conferred on them by section 110 and Part I, paragraphs 10 (power

to engage staff) and 11 (power to engage attorneys and other professionally qualified persons) and Part II of the Third Schedule of the Companies Act without further sanction or intervention of the Court and, for the avoidance of doubt, may exercise those powers within or outside the Cayman Islands.

- (7) The Joint Official Liquidators be authorised to carry on the business of the Company so far as may be necessary for its beneficial winding up.
- (8) The Joint Official Liquidators' remuneration and expenses be paid out of the assets of the Company in accordance with the Insolvency Practitioners' Regulations 2023 (as amended) and the Companies Winding Up Rules, 2023 (as amended) (the **CWR**).
- (9) No disposition of the Company's property by or with the authority of the Joint Official Liquidators in carrying out their duties and functions and the exercise of their powers under the order appointing them shall be voided by virtue of section 99 of the Companies Act.
- (10) No suit, action or other proceeding shall be commenced or proceeded with against the Company except with the leave of the Court and subject to such terms as the Court may impose.
- (11) The Joint Official Liquidators shall have the authority and are directed to take possession of, collect and get in any property of the Company and for that purpose to take any proceedings in any jurisdiction that they consider necessary.
- (12) The Joint Official Liquidators have authority and are directed to take all necessary steps to take control of the Company's subsidiaries, if any, including by exercising voting or other rights attached to the shares in the Company's subsidiaries and/or by causing themselves to be registered as holders of the Company's shares in their subsidiaries in place of the Company.

- (13) The Joint Official Liquidators be at liberty to appoint counsel, attorneys, professional advisors, whether in the Cayman Islands or elsewhere as they may consider necessary to advise and assist them in the performance of their duties and on such terms as they may think fit and to remunerate them out of the assets of the Company in accordance with CWR Order 25.
- (14) The Joint Official Liquidators shall be at liberty to meet all disbursements reasonably incurred in connection with the performance of their duties and, for the avoidance of doubt, all such payments shall be made as and when they fall due out of the assets of the Company as an expense of the liquidation.
- (15) The Joint Official Liquidators shall be at liberty to apply generally to the Court to make such orders for regulating the future conduct of the affairs of the Company as the Court shall see fit.
- (16) The Joint Official Liquidators shall be at liberty to apply generally.
- (17) The cost of and incidental to the Petition shall be paid forthwith out of the assets of the Company as an expense of the liquidation.
- (18) Such further order or relief be granted as the Court deems appropriate.

AND your Petitioner will ever pray etc.

Dated the 13 day of May 2025

Filed the day of May 2025

Mourant Ozannes (Cayman) LLP

MOURANT OZANNES (CAYMAN) LLP
Attorneys for the Petitioner

NOTE: This Petition is intended to be served on Distributed Systems Limited (the Company) by hand delivery at its registered office.