

ages, and walks of life are able to work with dignity and are paid fairly in accordance with their rights. The Workers Dignity Project routinely helps low-wage earners recover unpaid and often stolen wages from powerful employers, landlords, and developers and aids renters and displaced persons with fair housing disputes. The Workers Dignity Project has been an active force for working-class people throughout Middle Tennessee and the south and remains committed to helping its members achieve their goals.

PARTIES

2. Plaintiff Maribel Calderon (“Calderon”) is a natural person living in Davidson County, Tennessee and has been a member of the Board of the Workers Dignity Project since **2021**.

3. Plaintiff Armando Arzate (“Arzate”) is a natural person living in Davidson County, Tennessee and has been a member of the Board of the Workers Dignity Project since **2019**.

4. Plaintiff Santiago Tovar (“Tovar”) is a natural person living in Davidson County, Tennessee and has been a member of the Board of the Workers Dignity Project since **2020**.

5. The Workers Dignity Project is a Tennessee non-profit corporation founded on June 29, 2011 with its principal place of business located at 335 WHITSETT RD NASHVILLE, TN 37210-5347. Calderon, Arzate, and Tovar are the sole and exclusive Board Members for the Workers Dignity Project and all previous directors have either resigned or not been re-elected. Throughout this Complaint, the Board of Directors shall be referred to as the “Arzate Board” since Arzate has been the long-serving chairperson of the Board of Directors for the Workers Dignity Project.

6. Defendant Santa Cecilia Prado (“Prado”) is a natural person living in Davidson County, Tennessee. She was the Executive Director of the Workers Dignity Project from

December 2019 through March of 2023. She may be served at the Workers Dignity Project headquarters located at 335 Whitsett Rd, Nashville, TN 37211, or wherever she may be found.

JURISDICTION AND VENUE

7. This Court has jurisdiction over this proceeding pursuant to T.C.A. § 16-11-101 because a substantial amount of the actions and inactions giving rise to these claims occurred in Davidson County, Tennessee. Jurisdiction is also proper because at all relevant times hereto, the Defendant Prado has lived and worked in Davidson County, Tennessee.

8. Venue is proper pursuant to T.C.A. § 20-4-101(a) in that it is a transitory action for declaratory relief and all or a substantial portion of the actions and inactions that gave rise to these claims occurred within this County. Venue is also proper under T.C.A. § 16-11-115 in that the services Defendant Prado was to provide as Executive Director were to be performed primarily in this county.

FACTUAL ALLEGATIONS

9. A true and correct copy of the current bylaws of the Workers Dignity Project is attached as Exhibit A.

10. Calderon was elected to her board position in 2021 and has remained a board member in good standing since that time.

11. Arzate was elected to his board position in 2019 and has remained a board member in good standing since that time.

12. Tovar was elected to his board position in 2022 and has remained a board member in good standing since that time.

13. As of March 1, 2023, Calderon, Arzate, and Tovar were the only members of the Board of Directors for the Workers Dignity Project.

14. The Arzate Board appointed Defendant Prado as Executive Director for the Workers Dignity Project in December 2019.

15. Defendant Prado along with four other staff persons ran the day-to-day business operations of the Workers Dignity Project. According to the Bylaws, “the policymaking and governing powers of the Corporation shall be vested in the Board [of Directors], which shall have charge, control, and management of the policies, property, affairs, and funds of the Corporation.” Under the clear language of the Workers Dignity Project’s bylaws, the Board of Directors at all times had the authority and capacity to hire and fire the person holding the Executive Director’s position for the organization.

16. From early on in Defendant Prado’s tenure as Executive Director Defendant Prado had a fraught relationship with the Arzate Board and the Workers Dignity Project’s other employees.

17. Things came to a particular head in the middle of 2022. Specifically, that summer, six staff members of Workers Dignity Project called a meeting with the Arzate Board and accused Defendant Prado of threatening to fire an employee who had raised concerns about Defendant Prado’s leadership. At this meeting these staff members demanded that the Arzate Board immediately terminate Defendant Prado or all six staff members would quit. The Arzate Board did not immediately terminate Defendant Prado and as a result the six staff members promptly quit the organization.

18. This left Workers Dignity Project understaffed and the Arzate Board had to quickly act to replace staff and allow operations to continue. The Arzate Board reprimanded Defendant Prado for her leadership actions and demanded she begin treating the workers she supervised with dignity and respect and threatened termination if Defendant Prado continued to mistreat staff.

19. Following this incident, members and staff members communicated with the Arzate Board that a contractor, who was being supervised by Prado, had been accused of sexually harassing Workers Dignity Project's members and staff. During the investigation of these claims, the Arzate Board learned that Defendant Prado was engaged in an intimate relationship with the contractor. The Arzate Board decided to terminate the contractor given these issues. Defendant Prado, in violation of the Board directive, **extended** the contractor's contract with the Workers Dignity Project an additional six months without the Arzate Board's approval and in direct violation of the directive not to continue his employment. When asked to account for her actions, Defendant Prado indicated that the Arzate Board did not get a say in the matter and its opinions did not matter.

20. The Arzate Board promptly dismissed the contractor. Prior to this dismissal, Defendant Prado threatened that if the Arzate Board took this action, Defendant Prado would cease working. The Arzate Board proceeded with the termination and Defendant Prado followed through with her threat to quit working for a period of time.

21. Members of the Arzate Board attempted to confront Defendant Prado about these events at a meeting on or around September 23, 2022. She refused to take instruction from the Arzate Board.

22. During the following months, Defendant Prado steadfastly refused to take any instruction from the Arzate Board and the Arzate Board had routine communications with Defendant Prado regarding ongoing operations of the Workers Dignity Project. During this time it became clear that the relationship between the Arzate Board and Defendant Prado was too strained to continue and as a result on March 6, 2023, the Arzate Board terminated Defendant Prado from her role as Executive Director.

23. Not taking her termination as effective, Defendant Prado sought to call an *ultra vires* meeting of the members of the Workers Dignity Project for the sole purpose of electing new members to the Board of Directors. On **March 12, 2023** without giving the required 30 days notice to all members as required by Section 3.3 of the Bylaws, Defendant Prado attempted to hold a membership vote to install new members to the Board of Directors and attempted to add additional members.

24. Then on **March 19, 2023**, Defendant Prado again sought to call an *ultra vires* meeting of the members of the Workers Dignity Project for the sole purpose of electing new members to the Board of Directors. Without giving the required 30 days notice to all members as required by Section 3.3 of the Bylaws, Defendant Prado attempted to hold a membership vote to install new members to the Board of Directors and attempted to add more members.

25. Since her termination in March of 2023, Defendant Prado has refused to vacate the business premises of the Workers Dignity Project located at 335 Whitsett Road and has barricaded herself and other members of the Workers Dignity Project staff within the headquarters. Defendant Prado has refused to give over access credentials for the Workers Dignity Project's social media accounts and Defendant Prado continues to use her access to the Workers Dignity Project's social media accounts to communicate with the Workers Dignity Project members and undermine the legitimacy of the Arzate Board by claiming that a newly elected board of directors is the "real" board of the Workers Dignity Project.

26. Any attempt at electing new board members by Defendant Prado after her termination must be null and void as she has not right to act on behalf of the Workers Dignity Project yet nevertheless continues to occupy its headquarters, run its social media, and direct staff members.

27. These actions are causing irreparable harm to the Workers Dignity Project and undermining the legitimacy of the Arzate Board, the only true board vested with the power to direct and control the Workers Dignity Project.

**COUNT I – DECLARATION THAT THE ARZATE BOARD IS THE TRUE AND
DULY APPOINTED BOARD OF DIRECTORS OF THE WORKERS DIGNITY
PROJECT AND DEFENDANT PRADO HAS BEEN DULY TERMINATED AS THE
EXECUTIVE DIRECTOR**

28. Plaintiff incorporates by reference the previous allegations set forth above into this count.

29. There is a genuine dispute between the Plaintiffs and Defendant Prado as to her status with the Workers Dignity Project. Plaintiffs maintain that Defendant Prado has been terminated from her Executive Director position and has no right to continue to conduct any business on behalf of the Workers Dignity Project.

30. Defendant Prado claims that she can remain as the Executive Director and has continued to operate the Workers Dignity Project's social media accounts, direct staff, and communicate with members claiming that she remains the Executive Director.

31. Therefore, Plaintiffs seek the following declarations:

- that Calderon, Arzate, and Tovar are the only duly appointed members of the Workers Dignity Project's Board of Directors;
- that the Arzate Board terminated Defendant Prado from her role as Executive Director for the Workers Dignity Project on **March 6, 2023**; and
- that Defendant Prado has no authority to act on behalf of the Workers Dignity Project and that she has no right to call meetings, direct staff, or call for votes of the members of the Workers Dignity Project.

32. In the alternative, Plaintiff seeks injunctive relief from this Court requiring Defendant Prado to vacate the Workers Dignity Project's offices, to cease using any social media accounts maintained on behalf of the Workers Dignity Project or directing others to use such social media accounts, and to cease communicating with members of the Workers Dignity Project claiming that Defendant Prado is the executive director of the Workers Dignity Project or holds any leadership position whatsoever within the organization.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs requests the following relief:

- A. for an Order from this Court for a speedy hearing of this declaratory judgment action pursuant to Rule 57 of the Tennessee Rules of Civil Procedure;
- B. for a declaration of rights that Plaintiffs Calderon, Arzate, and Tovar are the sole and exclusive members of the Workers Dignity Project's Board of Directors;
- C. for a declaration of rights that Defendant Prado is no longer the Executive Director of the Workers Dignity Project;
- D. for a declaration of rights that Defendant Prado is no longer permitted to occupy or use any property belonging to the Workers Dignity Project including its headquarters and social media accounts;
- E. for a grant of injunctive relief preventing Defendant Prado from occupying or using any Workers Dignity Project's property including its headquarters and social media accounts;
- F. for costs of this cause, including but not limited to pre-judgment and post-judgment interest, and all other costs allowed by law; and
- G. for such further relief as the Court may deem just and proper.

DATED: March 22, 2023

Respectfully submitted,

/s/ Benjamin A. Gastel

Benjamin A. Gastel (TN BPR # 28699)
Herzfeld, Suetholz, Gastel, Leniski and Wall
PLLC
The Freedom Center, Suite 301
223 Rosa L. Parks Avenue
Nashville, TN 37203
(615) 800-6225
beng@hsglawgroup.com