

# Delaware Court of Chancery

The Delaware Court of Chancery widely is recognized as one of the nation's preeminent business courts. Its bench is among the most sophisticated in the country, possessing proficiency in business litigation. The Court of Chancery is known for its well-developed interpretation of corporate law and its prompt, efficient and balanced adjudication of business disputes. As the state of incorporation for over 60% of the nation's Fortune 500 business entities, the Court of Chancery is a forum of first resort for business litigation involving Delaware corporations.

Polsinelli has assembled a team of Delaware business litigators who are active and visible in the Delaware State Bar and appears regularly before Delaware's judicial officers. Polsinelli's litigators represent not only Polsinelli's deep bench of business clients, but also serve as primary counsel for business entities, stockholders, members, officers, trustees and trust beneficiaries, managers, directors, boards, special committees, independent directors and legal and financial advisors located throughout the United States and abroad. These attorneys also serve as Delaware counsel in coordination with reputable regional, national and international law firms.

Polsinelli's Delaware litigators have litigated or provided counsel on a variety of matters critical to clients' business objectives, including:

- Direct, class, and derivative claims involving complex business transactions, corporate governance, securities and special proceedings under the Delaware General Corporation Law ("DGCL") and alternative entity laws (e.g., Delaware's Limited Liability Company Act)
- Post-merger and indemnification disputes
- Joint venture disputes and business divorce cases
- Attempts to pierce the corporate veil
- Breach of fiduciary duties and related claims against officers, directors and members
- Commercial contract disputes
- Business torts arising in the context of asset sale agreements and other business transactions
- Books and records demands under DGCL § 220
- Assisting transaction counsel in recommending and overseeing the implementation of procedural safeguards such as recusal, special committee processes and disclosures in the context of change in control transactions
- Counsel in connection with internal investigations of possible director misconduct, including the appointment of an independent director or special committee

# Matters

---

- Successfully defeated TRO brought in Delaware Chancery Court seeking to enjoin our client's acquisition of an international precious metals company.
- Represented the President and CEO of the world's largest marketplace for personalized products in a dispute over the composition of the Board of Directors in the Delaware Court of Chancery. Negotiated successful resolution through the sale of the company to a third-party private equity firm with founders retaining ownership interest.
- Successfully defended Delaware corporation against a books and records action ("220") filed by minority shareholders in the Delaware Court of Chancery. Without needing a hearing, the dispute was resolved with shareholders.
- Mediated a successful resolution of a stock valuation dispute through the Delaware Court of Chancery mediation program before litigation was initiated against the client company by a minority shareholder.
- Successful representation of settlors of Delaware asset protection trusts in an action brought by bank creditors alleging fraudulent conveyance. Court of Chancery granted the client's partial summary judgment motion based on the statute of limitations barring New York bank creditors' claims against assets transferred by a New York resident client to fund several Delaware asset protection trusts.
- Successfully petitioned for mediation of a technology dispute was filed and resolved by the Delaware Court of Chancery's Mediation Only Program under 10 Del.C. § 346.
- Obtained a favorable decision in an appeal to the Delaware Supreme Court on a post-merger issue from a stock purchase agreement decided after trial by the Delaware Court of Chancery.
- Represented a publicly traded company in a dispute involving a pharmaceutical supply contract with a manufacturer. The dispute was resolved through mediation by a Vice-Chancellor under the Delaware Court of Chancery Rules for resolving business conflicts pertaining to 10 Del. C. §§ 346, 347.
- Obtained judgment in excess of \$20 million against certain directors for breach of fiduciary duty after the Delaware Court of Chancery trial.
- Represented Hawaiian minority members in an action filed in the Delaware Court of Chancery by the controlling members of a Delaware limited liability company that operates a wind farm. Polsinelli's attorneys obtained a favorable decision from the Court granting the clients' motion for dismissal and enforcing an arbitration provision that directs the parties to arbitrate their disputes in Hawaii.
- Defended action filed by a judgment creditor in the Delaware Court of Chancery seeking to pierce the corporate veil of a Delaware limited liability company holding real property for residential and commercial development. The Court granted a motion to dismiss, and the creditor's action was dismissed.
- Represented a minority member of a Delaware limited liability company requesting binding arbitration with the other members pursuant to the company's operating agreement through the American Arbitration Association. The client received a favorable award from a panel of three arbitrators involving the development of real estate owned by the client.