

Corporate Governance & Shareholder Rights



Selendy & Gay’s partners—who include a former clerk of the Delaware Court of Chancery, a former M&A attorney, and a former investment banker—have successfully represented plaintiffs and defendants in high-value, high-profile corporate governance litigation, including disputes among members of alternative entities such as LLCs. We continuously display our high level of expertise within the field, and have been recognized for our work in Corporate Governance and Compliance Law in the 2019 and 2020 editions of U.S. News & World Report’s “Best Law Firms.”

Disputes of this nature are often fluid and fast-moving; our deep knowledge of the Delaware Code, applicable SEC rules and regulations, and caselaw allows us to provide real-time advice to our clients, craft long term-litigation strategies, and ultimately navigate successful outcomes.

Our representative engagements include:

- **Crestview Partners**, a private equity firm, in a six-day trial in the Delaware Court of Chancery against billionaire William Koch to enforce the contractual right to conduct a sale of Koch’s Oxbow Carbon LLC in which the fund had bought a minority interest. The court ruled in favor of our client, permitting the firm to cash out its \$150 million investment in the company.
- **Athilon Capital Corp.**, a financial services firm, in a trial victory in the Delaware Court of Chancery involving claims of breach of fiduciary duty, breach of contract, and fraudulent transfer claims that sought hundreds of millions of dollars in damages, as well as a court order which would have forced our client, the defendant, to liquidate its assets and close the business entirely. The press described this trial victory as a “resounding win” in a “literal bet-the-company case” that set precedent concerning the test for insolvency under Delaware law and that was affirmed by the Delaware Supreme Court.
- **Mudrick Capital**, an investment advisor, in a trial victory in the Delaware Court of Chancery, resulting from an action commenced under Section 220 of Delaware’s General Corporation Law seeking corporate books and records to investigate an allegedly unfair merger. In an order adopting many of our factual allegations regarding the proposed merger, the defendant was ordered to produce e-mails from each of its CEO, the general counsel, and the chair of the special committee that had approved the merger. One day after the ruling, the defendant-company called off the challenged merger rather than face potential applications to enjoin the merger and breach of fiduciary claims—an extremely rare but favorable result for our client.

- **MassMutual**, one of the largest U.S. insurance companies, in a corporate governance suit arising out of its investment in Scottish Re. We achieved a full dismissal in the New York State Commercial Division of breach of fiduciary duty and waste claims asserted against shareholder clients, with the dismissal upheld on appeal.
- A **New York partnership**, in obtaining a landmark decision from the New York Court of Appeals that upheld the application of a series of valuation discounts in the case of a wrongful partnership dissolution. This decision ultimately set forth the standards for the dissolution of partnerships under New York law.
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Directors of MSR Hotels & Resorts Inc., in a three-day hearing in the Southern District of New York Bankruptcy Court. We successfully represented defendant investment fund directors and executives against claims of breach of fiduciary duty. All claims were dismissed in their entirety.