

## *In re Columbia Pipeline Group, Inc. Merger Litigation*

**COURT:** Delaware Court of Chancery  
**CASE NUMBER:** 2018-0484-JTL  
**CASE LEADERS:** Mark Lebovitch, Jeroen van Kwawegen, Christopher J. Orrico  
**CASE TEAM:** Alla Zayenchik, Margaret Sanborn-Lowing

This action challenges the 2016 sale of Columbia Pipeline Group, Inc. (“Columbia”) to TransCanada (the “Merger”). On March 9, 2020, BLB&G filed a class action complaint (the “Complaint”) in the Delaware Court of Chancery on behalf of Plaintiff Police & Fire Retirement System of the City of Detroit (“Plaintiff”), and all other similarly situated former stockholders of Columbia Pipeline Group, Inc. (“Columbia” or the “Company”), against Columbia’s former Chairman and Chief Executive Officer, Robert C. Skaggs (“Skaggs”), and Columbia’s former Chief Financial Officer, Stephen P. Smith (“Smith”), for breaching their duties as fiduciaries of Columbia, and against TransCanada Corporation (“TransCanada” and together with Skaggs and Smith, “Defendants”) for aiding-and-abetting Skaggs and Smith’s breaches of fiduciary duty and for unjust enrichment.

This Court previously adjudicated appraisal claims concerning the Merger in *In re Appraisal of Columbia Pipeline Group, Inc.*, C.A. No. 12736-VCL (the “Appraisal Action”). BLB&G acted as lead trial counsel in the Appraisal Action in which the Court held a five-day trial from October 29 through November 2, 2018. Following extensive post-trial briefing, the Court issued a post-trial Memorandum Opinion on August 12, 2019. *In re Appraisal of Columbia Pipeline Grp. Inc.*, 2019 WL 3778370 (Del. Ch. Aug. 12, 2019) (the “Appraisal Opinion”). In its Appraisal Opinion, the Court unambiguously ruled: “The petitioners proved that the Proxy contained material misstatements and omissions.” *Appraisal Opinion*, 2019 WL 3778370, at \*36. The Court identified three specific categories of material misstatements and omissions: (i) the Proxy’s failure to disclose Skaggs’s and Smith’s plans to retire in 2016 (*id.*); (ii) the Proxy’s materially incomplete disclosure regarding Smith’s January 7, 2016 meeting with TransCanada executive Francois Poirier (“Poirier”) (*id.*); and (iii) the Proxy’s incomplete and misleading disclosures concerning Columbia’s NDAs, including its failure to disclose that TransCanada had breached its standstill agreement (*id.* at\*35–36).

The misstatements and omissions identified by the Court in the Appraisal Opinion are the same misstatements and omissions on which Plaintiff’s duty of candor claims against Skaggs and Smith are based. As such, on March 23, 2020 Plaintiffs filed a Motion for Partial Summary Judgment because there is no issue of material fact as to whether Skaggs and Smith breached their fiduciary duty of candor and TransCanada aided and abetted those breaches of duty.

On March 1, 2021, the Court denied Defendants’ motion to dismiss the Complaint. On March 3, 2021, the Court partially granted Plaintiffs’ motion for summary judgment.

BLB&G continues to vigorously prosecute this action.

### **Case Documents**

- March 1, 2021: Memorandum Opinion Denying Motion to Dismiss
- March 24, 2020: Plaintiff Motion for Partial Summary Judgment
- February 24, 2020: Verified Amended Stockholder Class Action Complaint