

In re LSI Corp. Stockholders Litigation

COURT: Delaware Court of Chancery

CASE NUMBER: 9175-VCN

On January 2, 2014, BLB&G filed a verified class action complaint in the Delaware Court of Chancery on behalf of Melbourne Municipal Firefighters' Pension Trust Fund and all similarly situated public shareholders of LSI Corporation against the members of the board of directors of LSI for breach of their fiduciary duties, and against Avago Technologies LTD, Avago Technologies Wireless (U.S.A.) Manufacturing Inc., and Leopold Merger Sub, Inc. for aiding and abetting the same. This class action arises from the LSI Board's decision to inappropriately "lockup" the sale of the Company through, among other things, a provision in the merger agreement that contractually prohibits the Board from releasing any interested suitor from a previously entered into confidentiality agreement and standstill provision. Within the past year, this Court has several times specifically criticized the use of "Don't Ask, Don't Waive Standstill" devices. In the injunction ruling in *In re Ancestry.com Shareholders Litig.*, C.A. No. 7988-CS (Dec. 17, 2012), Chancellor Strine laid out for the corporate community an example of how these inherently suspect devices might be appropriately used. Plaintiff litigated to enjoin the deal protections and keep the Proposed Transaction open for a reasonable time to allow competing suitors to put in a topping bid, and, in the event that the Proposed Transaction is consummated at less than the highest price reasonably available for LSI, to recover damages as a result of the violations of law.

On January 23, 2014 Vice Chancellor Noble granted Plaintiffs City of Orlando Police Pension Fund and Northern California Pipe Trades Pension Plan's motion for appointment of Co-Lead Plaintiffs and appointment of Grant & Eisenhofer P.A. and Bernstein Litowitz Berger & Grossmann LLP as Co-Lead Counsel for the plaintiff class. In January 30, 2014, Plaintiffs filed an amended and consolidated class action complaint. [Click here](#). The parties then engaged in expedited discovery proceedings, including the production of documents and depositions.

After arm's-length negotiations, on March 7, 2014, the Parties, through their respective counsel, reached a settlement in principle of the Consolidated Action, and set forth that agreement in the Agreement of the Parties in Connection with Settlement filed with the Court on March 10, 2014. [Click here](#).

On April 15, 2014, the parties entered into Stipulation of Settlement (the "Stipulation") reflecting the terms of the proposed settlement. [Click here](#). A copy of the Stipulation is available on the Case Documents page. In connection with the proposed settlement, LSI shareholders have received notice of such settlement; however, LSI shareholders do not need to submit any claim forms to receive the benefits of this settlement. [Click here](#).

The Delaware Court of Chancery granted final approval of the settlement on June 10, 2014.

Case Documents

- January 30, 2014 - Verified Amended and Consolidated Class Action Complaint
- March 10, 2014 - Agreement of the Parties in Connection with Settlement
- April 15, 2014 - Stipulation and Agreement of Compromise, Settlement and Release
- March 14, 2014 - Notice of Pendency of Class Action, Proposed Settlement and Settlement Hearing