

Assad v. Telenav, Inc., et al.

COURT: Delaware Court of Chancery
CASE NUMBER: 2020-0950-JTL
CASE LEADERS: Edward G. Timlin

This is a class action asserting claims for breach of fiduciary duty and violations of Section 203 of the Delaware General Corporation Law arising from the acquisition of Telenav, Inc. ("Telenav") by V99, Inc., a corporation led by Telenav's co-founder and chief executive officer H.P. Jin ("Jin"). Jin had entered into an agreement with Samuel Chen ("Chen"), a Telenav director, that Chen would provide financing and voting support for a go-private transaction (the "Merger") led by Jin.

On November 6, 2020, BLB&G filed a verified class action complaint (the "Complaint") in the Delaware Court of Chancery on behalf of George P. Assad, Jr. ("Plaintiff") and similarly situated shareholders of Telenav against, among others, the members of Telenav's board of directors. The Complaint alleged that the agreement between Jin and Chen constituted an unapproved "agreement, arrangement or understanding" under Section 203 of the Delaware General Corporation Law ("Section 203"). As a result, the Merger would not be able to close for three years if the transaction was not conditioned on the approval required under Section 203 of 66-and-two-thirds percent of the vote of unaffiliated stockholders. The Delaware Court of Chancery approved expedited discovery.

On December 17, 2020, in response to the lawsuit, Telenav entered into an amendment to the Merger Agreement that expressly conditioned the Merger on approval by 66⅔% of the outstanding shares of Telenav common stock not beneficially owned by Jin, Chen or their affiliates. The Amendment mooted the lawsuit, which was dismissed on December 30, 2020. The Merger closed on February 17, 2021, the day after Telenav stockholders voted to approve the Merger.

Defendants have agreed to pay Plaintiff's counsel \$1,600,000.00 to the outstanding issue of attorneys' fees and expenses for the benefit Telenav stockholders received through the Amendment. The Delaware Court of Chancery has not been asked to review, and will pass no judgment on, the payment of fees and expenses or its reasonableness.

A copy of the Notice is available on the "Case Documents" page.

Case Documents

- June 2, 2021 - Notice to Stockholders of Telenav, Inc.