

Edwards et al. v. McDermott International, Inc. et al.

COURT: United States District Court for the Southern District of Texas
CASE NUMBER: 4:18-cv-04330
CASE LEADERS: John Rizio-Hamilton, Katherine M. Sinderson
CASE TEAM: Jonathan G. D’Errico, Aasiya Glover

This securities class action was filed on behalf of all persons and entities that held McDermott International, Inc. (“McDermott”) common stock as of April 4, 2018, and had the right to vote on the Chicago Bridge & Iron Company N.V. (“CB&I”) merger (the “Merger”) pursuant to the Proxy Statement dated March 29, 2018, and were damaged thereby (the “Action”).

McDermott shares closed at \$20.70 on May 10, 2018, the closing date of the Merger. On October 30, 2018, after the market closed, McDermott disclosed a \$744 million change in the value of certain long-term contracts it had acquired as part of its acquisition of CB&I. As a result of this news, McDermott declined \$5.14 per share or approximately 40%, to close at \$7.73 per share on October 31, 2018. McDermott shareholders who were entitled to vote on the merger lost approximately two-third of the value of their shares as a consequence of the merger. The Action alleges that the Proxy Statement contained materially false and misleading statements concerning the Merger and seeks to recover damages for violations of Sections 14(a) and 20(a) of the Securities Exchange Act of 1934.

On March 31, 2021, the Court denied Defendants’ motion to dismiss in its entirety, with its reasoning outlined in a memorandum opinion and order on April 13, 2021. The parties have proceeded to discovery.

Case Documents

- April 13, 2021 - Opinion Denying Defendants’ Motion to Dismiss
- June 15, 2020 - The Section 14(a) Lead Plaintiff’s Opposition to Defendants’ Motion to Dismiss
- September 19, 2019 - Amended Class Action Complaint