

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

BRIAN SCOTT, Individually and on Behalf  
of All Others Similarly Situated,

Plaintiff,

v.

DST SYSTEMS, INC., STEPHEN C.  
HOOLEY, GARY D. FORSEE, CHARLES  
EDGAR HALDEMAN, SAMUEL G. LISS,  
JEROME H. BAILEY, JOSEPH C.  
ANTONELLIS, LOWELL L. BRYAN, and  
LYNN DORSEY BLEIL,

Defendants.

Civil Action No. 1:18-cv-00286-RGA

JAMES D. WILLIAMS,

Plaintiff,

vs.

DST SYSTEMS, INC., STEPHEN C.  
HOOLEY, CHARLES E. HALDEMAN,  
SAMUEL G. LISS, LOWELL L. BRYAN,  
LYNN D. BLIEL, JEROME H. BAILEY,  
JOSEPH C. ANTONELLIS, and GARY D.  
FORSEE,

Defendants.

Civil Action No. 1:18-cv-00322-RGA

**ORDER**

Upon preliminary review of Plaintiffs' motions for attorneys' fees (C.A. 18-286, D.I. 19; C.A. 18-322, D.I. 7), the Court requests the following:

1. I previously found that plaintiffs successfully provoke additional disclosures in 91.7% of cases of this type in the District of Delaware. *Sehrgosha v. Kindred Healthcare, Inc.*, No.

18-cv-00230-RGA, D.I. 47 at 2 n.1 (D. Del. February 5, 2019). The Parties are requested to comment on my previous analysis and on the probability of a plaintiff successfully obtaining additional disclosures when proxy statements are challenged on grounds similar to those raised in this case.

2. The Parties request fees for three virtually identical lawsuits. Why should three plaintiffs receive attorneys' fees for the same supplemental disclosures?
3. Plaintiffs heavily rely on Delaware law to support their position. (*See, e.g.*, C.A. 18-286, D.I. 19-20). Why is Delaware law a basis for awarding fees for a federal claim? Additionally, it is my understanding that the Court of Chancery has soured on awarding fees in these types of cases as a matter of course. *In re Trulia, Inc. Stockholder Litig.*, 129 A.3d 884, 898 (Del. Ch. 2016) (warning that "practitioners should expect that disclosure settlements are likely to be met with continued disfavor in the future unless the supplemental disclosures address a plainly material misrepresentation or omission"). Plaintiffs cite several pre-*Trulia* Delaware cases in support of their motions. What impact does *Trulia* have on the persuasive weight of those opinions?
4. Dennis Pratt, a plaintiff in a now-settled Missouri suit, has not entered an appearance in either case, but is requesting that I award him attorneys' fees. What legal authority supports the propriety of Mr. Pratt's request? Also, as it is not clear from the briefing, are Mr. Pratt's attorneys' fees included in the amount requested in the *Scott* action? If so, what is the amount requested by Mr. Scott alone? If not, what additional amount is Mr. Pratt seeking?

5. Plaintiff Scott raises new arguments and allegations on the materiality of projected Unlevered Free Cash Flows in his reply. (C.A. 18-286, D.I. 28 at 3-5). Defendants are requested to respond.

The Parties' responses to this Order are due in two weeks.

IT IS SO ORDERED this 12 day of April 2019.



Richard G. Andrews  
United States District Judge