

Fishel v. Liberty Media, et al.

COURT: Delaware Court of Chancery
CASE LEADERS: Jeroen van Kwawegen, Gregory V. Varallo, Thomas James
CASE TEAM: Eric J. Riedel

On September 23, 2021, BLB&G filed a class action and derivative complaint (the “Original Complaint”) in the Delaware Court of Chancery on behalf of Plaintiff Vladimir Fishel and similarly situated stockholders of Nominal Defendant Sirius XM Holdings, Inc. (“Sirius XM” or the “Company”). The Original Complaint asserted breach of fiduciary duty claims derivatively and directly against the Company’s board of directors and its controlling stockholder, Liberty Media Corporation (“Liberty Media”) in connection with the Company’s repurchase of its own shares, which had the effect of increasing Liberty Media’s proportionate ownership of Sirius XM. The Original Complaint alleged that the Company’s stock repurchases allowed Liberty Media to extract non-ratable benefits from Sirius XM and positioned Liberty Media to potentially execute a coercive short form merger. Plaintiff’s derivative claims challenged harm to Sirius XM in the form of the Board’s alleged failure to extract benefits from Liberty Media in exchange for the non-ratable benefits Liberty Media received. Plaintiff’s direct, class action claims challenged harms to the minority stockholders in the form of structural coercion in the face of an impending short form merger or other transaction and sought injunctive relief to halt the repurchase program as well as any future Liberty Media squeeze-out. A link to the publicly filed version of the Original Complaint can be found [here](#) or under the **Case Documents** section of this page.

Subsequently, BLB&G filed a supplemental complaint on February 2, 2022 (the “Supplemental Complaint”), which sought a declaration that, in connection with the approval of any short-form merger by Liberty Media, members of a special committee formed by the Board would owe fiduciary duties and that any decision to approve such a transaction would be subject to judicial review. A link to the publicly filed version of the Supplemental Complaint can be found [here](#) or under the **Case Documents** section of this page.

Defendants moved to dismiss the Original and Supplemental Complaints. After oral argument, Chancellor Kathaleen St. Jude McCormick denied Defendants’ motions to dismiss on November 1, 2022. A link to the motion to dismiss transcript can be found [here](#) or under the **Case Documents** section of this page. Thereafter, the Court entered a scheduling order setting trial for October 2023.

After pursuing discovery and engaging in arm’s length negotiations, Plaintiff and Defendants agreed to settle the action for \$36 million (the “Settlement”). The Settlement consideration will be paid directly to the Company’s unaffiliated minority stockholders. Links to the stipulation of settlement and exhibits thereto can be found under the **Case Documents** section of this page. On April 8, 2024, the Court granted final approval of the settlement.

The settlement administration concluded in December 2024. On December 6, 2024, Lead Counsel filed an Unopposed Motion for Class Distribution Order seeking the Court’s permission to distribute the proceeds of the net settlement fund. On December 20, 2024, the Court entered the Class Distribution Order approving the Distribution Plan. The distribution to settlement payment recipients will occur in January 2025.

Case Documents

- December 20, 2024 - Sirius Granted Class Distribution Order

- April 9, 2024 - Granted Order and Final Judgment
- January 9, 2024 - Stipulation and Agreement of Settlement Compromise and Release
- January 9, 2024 - Exhibit A - Stipulation and Agreement of Settlement Compromise and Release
- January 9, 2024 - Exhibit B - Stipulation and Agreement of Settlement Compromise and Release
- January 9, 2024 - Exhibit C - Stipulation and Agreement of Settlement Compromise and Release
- January 9, 2024 - Exhibit D - Stipulation and Agreement of Settlement Compromise and Release
- January 9, 2024 - Exhibit E - Stipulation and Agreement of Settlement Compromise and Release
- November 1, 2022 - Transcript of Telephonic Bench Ruling on Motion to Dismiss
- February 9, 2022 - Supplement to Plaintiff's Class Action and Derivative Complaint
- September 23, 2021 - Class Action and Derivative Complaint