Debevoise & Plimpton

Issue 12

SPECIAL COMMITTEE REPORT

Controller Take-Privates

Recent high-profile "DExits" have focused attention on the differences between Delaware's corporate-law regime and those of states perceived as more controller friendly, particularly Nevada and Texas. Companies including Fidelity National Financial, AMC Networks, and several Madison Square Garden entities have recently reincorporated in Nevada, while Coinbase, Tesla, and SpaceX have moved to Texas since 2024. These shifts raise a practical question for controlled companies: How would a controller take-private be treated in each jurisdiction?

This article compares Delaware, Nevada, and Texas with respect to the duties imposed on controlling stockholders, the procedures available to protect a transaction, and the residual litigation risk for the controller and the approving directors.

Delaware: A Mostly Predictable Path

Delaware has developed a substantial body of law governing the fiduciary duties of controlling stockholders. Under long-established Delaware precedent, controlling stockholders owe fiduciary duties to the corporation and its minority stockholders in certain circumstances, including when the controller transacts with the corporation or receives a non-ratable benefit in a transaction involving the corporation.[1]

Delaware's amended Section 144, enacted in 2025, provides a statutory safe harbor for controller take-privates under which such a transaction will not be the subject of equitable relief, or give rise to an award of damages against a director, officer, controlling stockholder, or member of a control group on the basis of a fiduciary-duty claim if the transaction is *both* approved or recommended in good faith by the majority of the disinterested directors serving on a qualifying special committee[2] *and* approved or ratified by an informed, uncoerced vote of a majority of the votes cast by disinterested stockholders.[3] Amended Section 144 also provides statutory guidance as to who is a controller for purposes of determining whether a transaction falls within the safe harbor—under Section 144, a stockholder holding less than one-third of the voting stock cannot be a controlling stockholder unless that stockholder has a right to cause the election of directors having a majority of the voting power on the board. That definition leaves open the question of when a more than one-third but less than majority stockholder might be considered a controller.

Thus, under the amended Delaware regime, there is a more or less predictable *ex ante* path for structuring controller take-privates, at least where controller status is not in doubt: a qualifying independent special committee and an informed, uncoerced vote of a majority of the votes cast by disinterested stockholders. While plaintiffs can still bring challenges based on compliance

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1 In addition, when a controller exercises stockholder-level rights, such as voting power, to change the corporate status quo, the controller may owe more limited duties not to intentionally harm the corporation or its minority stockholders and not to act with gross negligence. *In re Sears Hometown & Outlet Stores, Inc. S'holder Litig.*, 309 A.3d 474 (Del. Ch. 2024).

2 The committee must consist of at least two directors whom the board has determined to be disinterested.

3 8 *Del. C.* § 144(c).

with this regime—including whether the approving directors were disinterested and whether the stockholder vote was informed and uncoerced—the framework is designed to offer predictability.

Nevada: Controller Friendly but Largely Untested

Nevada's statutory regime appears on its face substantially more protective for controllers but is less tested. As a threshold matter, Nevada's statutory definition of controller is narrow: Only a stockholder with the voting power to elect at least a majority of the board will qualify.[4] Moreover, by statute, controllers in Nevada have only a single limited fiduciary duty in their capacity as stockholders: "to refrain from exerting undue influence over any director or officer of the corporation with the purposes and proximate effect of inducing a breach" in connection with certain specified transactions involving the controlling stockholder and its affiliates or associates and resulting in a material nonspeculative and non-ratable financial benefit to the controlling stockholder for which the director or officer would be liable under Nevada law.[5] Because Nevada also provides that directors or officers will ordinarily face damages liability only if the breach involves intentional misconduct, fraud, or a knowing violation of the law, the practical impact is that a controller will generally face damages exposure only if it exerts undue influence on directors or officers to engage in conduct rising to the level of fraud, intentional misconduct, or knowing violation of law.[6]

With regard to interested director or officer transactions, Nevada provides that any such transaction shall not be void or voidable due to the conflict as long as there is either approval by the majority of the disinterested members of a board or board committee, or by an informed vote of the majority of stockholders.[7] Separately, the controller will receive a rebuttable presumption that it did not breach its limited fiduciary duty if an all-disinterested committee approves the transaction or the board approves it in reliance on the committee's recommendation.[8] No vote of the minority stockholders is required to obtain the controller presumption, although the transaction may independently require ordinary stockholder approval under Nevada's merger statutes. The controller presumption is, however, rebuttable. We are unaware of any case law on what might be enough to rebut the presumption, which potentially introduces greater interpretive uncertainty than exists under Delaware's more developed regime.

The combination of the narrow controller duty and the committee-only controller-specific presumption suggests that, on the face of the statute, Nevada offers the least burdensome and potentially lowest-risk regime. That said, the lack of development of the law in Nevada creates some uncertainty. In addition, the lack of a required majority-of-the-minority vote may put additional pressure on special committee members, as their approval of a deal could become the last word.

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4 Nev. Rev. Stat. § 78.240(5)(d).

5 Nev. Rev. Stat. § 78.240(3).

6 Nev. Rev. Stat. § 78.138(7).

7 Nev. Rev. Stat. § 78.140(2).

8 Nev. Rev. Stat. § 78.240(4).

Texas: Uncertain Controller Exposure

Texas law provides little explicit guidance regarding the liability of controlling stockholders in controller transactions. Unlike Nevada, there are no statutorily prescribed duties imposed on controllers. And unlike Delaware, Texas has not developed a Delaware-style body of fiduciary-duty law governing controlling stockholders.

However, Texas's statutory requirements appear controller friendly. While Texas does not have any statutory protections directly addressing controller transactions, the Texas statute, as written, appears to allow a majority of an informed shareholder vote alone to cleanse a transaction with an interested director or officer, which could potentially include a controller take-private.[9] That approval may protect the transaction and directors or officers from consequences arising solely from the specified conflict, but the statute does not expressly immunize a controller acting solely as a shareholder.

As a practical matter, however, given the lack of clarity in Texas regarding controller duties and liability, a special committee process will likely provide a more defensible governance record because it allows for arm's-length negotiation and creates a record supporting the statutory presumptions applicable to officers and directors. In addition, Texas allows exchange-listed corporations and corporations that have elected into the relevant statutory regime to obtain a pre-transaction judicial determination of the independence and disinterestedness of a special committee; that finding is dispositive absent certain later-presented facts.[10] Combined with Texas's separate presumption that the directors and officers of publicly traded and other covered corporations act in good faith, on an informed basis, in furtherance of the corporation's interests, and in obedience to the law and the corporation's governing documents,[11] the special committee/board vote route appears to offer a more protective path, at least for the time being. The direct statutory benefits of that process, however, principally protect the directors and officers; Texas does not expressly provide a comparable presumption or safe harbor for a controller acting solely as a shareholder. And, as with Nevada, the lack of a required majority-of-the-minority vote may increase the pressure on special committee members.

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Delaware, Nevada, and Texas thus offer different forms of protection. Delaware has a more demanding process, with a required minority stockholder vote potentially adding deal completion risk, but supplies the clearest *ex ante* roadmap and the strongest express remedial protection once its dual requirements are satisfied. Nevada imposes a narrower controller duty and offers a controller-specific presumption based solely on an all-disinterested committee process, but that presumption is rebuttable and remains largely untested. Texas provides strong statutory presumptions for the directors and officers who approve a transaction and permits advance judicial confirmation of committee independence but leaves the controller's own duties and potential liability comparatively underdefined.

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9 TBOC § 21.418(b).

10 TBOC § 21.4161.

11 TBOC § 21.419(c).

Recent Delaware Decisions Affecting Special Committees

During the first half of 2026, the Delaware courts issued several decisions addressing the composition, authority, operation, and effectiveness of special committees. The decisions cover a range of issues, including implementation of the safe harbors enacted through Senate Bill 21 (S.B. 21), committee control over a transaction process, financial advisor conflicts, director exculpation, stockholder inspection rights, and the standards for determining director independence. Except as otherwise noted, the decisions discussed in this section apply Delaware law as it existed before the enactment of S.B. 21, either because the challenged conduct, transaction, or inspection demand predated the relevant statutory amendments or because the amendments were not otherwise implicated. The principal exceptions are *Rutledge v. Clearway Energy Group LLC*, which upheld the constitutionality and retroactive application of amended § 144, and *Ayers v. Foley*, which represents the Court of Chancery's first substantive application of amended § 144.

Delaware Supreme Court Removes the Constitutional Cloud over Amended § 144

As discussed in Issue 11 of this *Report*, the Delaware Supreme Court, sitting *en banc*, unanimously upheld the constitutionality of amended § 144 of the Delaware General Corporation Law (DGCL) in *Rutledge v. Clearway Energy Group LLC*. The underlying action challenged a transaction between Clearway Energy, Inc. and its majority stockholder. The transaction was purportedly approved by a committee of directors whom Clearway's board had determined were independent, but it was not approved by a majority-of-the-minority stockholder vote. On certification from the Court of Chancery, the Court considered two questions: whether amended § 144 unconstitutionally divests the court of its equitable jurisdiction by foreclosing equitable relief or damages when the statutory safe-harbor procedures are satisfied, and whether the amendments' application to acts and transactions occurring before S.B. 21's enactment impermissibly eliminates accrued or vested causes of action. The Court rejected both constitutional challenges.

The Court held that amended § 144 does not deprive the court of jurisdiction to adjudicate fiduciary claims or to determine whether the statutory safe-harbor predicates have been satisfied. Rather, the statute permissibly changes the substantive framework governing those claims and the remedies available when a transaction qualifies for statutory protection. The Court also upheld the amendments' retroactive application, concluding that the General Assembly had clearly expressed its intent and that the amendments did not impermissibly extinguish a vested property right. The decision removed the constitutional cloud over amended § 144 and shifts the focus of fiduciary litigation from constitutional boundaries to statutory compliance. For special committees, the emphasis will be on satisfying the safe harbor predicates, including the board's determination of committee member disinterestedness, the committee's composition, disclosure of material facts, good-faith approval, and, for controller take-private transactions, approval by the requisite disinterested stockholder vote. *Rutledge v. Clearway Energy Group LLC*, No. 248, 2025 (Del. Feb. 27, 2026).

A Special Committee's Limited Control over the Sale Process and Financial Advisor Conflicts Prevent Pleading-Stage Cleansing

The Delaware Court of Chancery issued a decision in *In re EngageSmart, Inc. S'holder Litig.* addressing both fiduciary duty and aiding and abetting claims arising from EngageSmart's $4 billion take-private transaction. The court held that it was reasonably conceivable that the minority stockholder vote was not fully informed, precluding the defendants from obtaining the protections of *Kahn v. M&F Worldwide Corp.* (*MFW*)[12] —namely, review under the deferential business judgment rule rather than entire fairness. The court also declined to dismiss an aiding and abetting claim against the company's financial advisor.

EngageSmart was controlled by a private equity sponsor who supported a transaction to take the company private through a sale to a financial buyer. The transaction was structured to comply with the framework established in *MFW*, with negotiations conducted by a special committee of independent directors of EngageSmart's board and conditioned on approval by a majority vote of the unaffiliated stockholders. The special committee retained its own independent financial advisor, while EngageSmart's long-standing financial advisor continued to serve as its advisor for the transaction. The transaction was ultimately approved by the minority stockholders.

The board had initially formed the special committee after the controller began exploring a potential liquidity transaction. When the initially favored buyer hesitated, however, the committee went into what the court described as "hibernation." During the approximately 10 months before the committee was reactivated, the controller and the company's financial advisor continued to consider strategic alternatives and develop a potential transaction structure. The complaint alleged that, after reactivating, the committee permitted the controller and the company's financial advisor to exercise substantial influence over the process. Among other things, they allegedly directed bidder outreach around the controller's preferred transaction structure, limited consideration of alternatives that the controller had not agreed to support, and provided information that favored the eventual buyer. The complaint also alleged that the company's financial advisor sought to limit the involvement of the special committee's financial advisor, including by excluding it from bidder communications and meetings and restricting its access to information. When the favored buyer ultimately proposed a control transaction, the committee allegedly permitted the controller to negotiate governance and other post-closing terms concurrently with the committee's price negotiations, even though those terms could affect the price available to the unaffiliated stockholders.

The defendants sought business judgment review under *MFW*. The court held that the complaint adequately alleged that the minority stockholder vote was not fully informed, preventing pleading-stage reliance on *MFW*. Among other things, the proxy allegedly failed to disclose adequately the nature and magnitude of the company financial advisor's actual advisory, lending, financing, and investment relationships with the controller, the buyer, and other transaction participants, as well as material aspects of the sale process. Generalized disclosures that the advisor "may" provide services or receive compensation were inadequate where relevant relationships already existed. The court also sustained an aiding-and-abetting claim against the company's financial advisor and allowed certain non-exculpated claims against individual fiduciaries to proceed.

EngageSmart illustrates that forming a special committee and giving it formal approval authority may not be sufficient where interested parties materially shape the transaction before

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12 *Kahn v. M&F Worldwide Corp.*, 88 A.3d 635 (Del. 2014).

the committee becomes active or continue to exercise substantial influence over the process afterward. A committee should be formed before the controller or other interested parties define the available transaction structures; remain actively engaged while alternatives are being considered; and control bidder outreach, process timing, negotiations, and the selection and supervision of advisors. Where the company and the committee retain separate financial advisors, the committee should establish protocols ensuring that its advisor receives timely access to bidder communications, meetings, and transaction information. The committee should also determine whether, when, and subject to what constraints an interested stockholder may negotiate rollover, governance, or other post-closing arrangements that could affect the consideration available to unaffiliated stockholders. Committee minutes and proxy disclosures should accurately identify the roles performed by the committee, the controller, management, and each advisor, as well as reflect who exercised actual control over material aspects of the process. *In re EngageSmart, Inc. S'holder Litig.*, C.A. No. 2023-1093-JTL (Del. Ch. Feb. 27, 2026).

Post-Demand Evidence and Reliable News Reporting May Support Inspection of Records Relating to a Controller-Influenced Sale Process

In *Paramount Global v. State of Rhode Island Office of the General Treasurer*, the Delaware Supreme Court affirmed a determination that a Paramount Global stockholder had established a credible basis to investigate potential wrongdoing associated with Shari Redstone's consideration of a sale of National Amusements, Inc., through which she controlled Paramount. The stockholder sought to investigate whether Redstone had blocked a potential sale of Paramount in favor of a transaction involving only National Amusements and its controlling interest.

The Supreme Court held that, although the general rule limits a § 220 petitioner to the information identified in the demand and available when the demand was made, the Court of Chancery may consider post-demand evidence in exceptional circumstances where the evidence is material to the credible-basis inquiry and its consideration does not prejudice the corporation. The Court also rejected a categorical objection to news articles relying on anonymous sources. Whether such reporting is sufficiently reliable requires a fact-specific inquiry considering matters such as the number and specificity of the reports, the reputation of the publications and journalists, corroboration by public filings, and the absence of indications of unreliability.

Although the decision did not evaluate a special committee's conduct directly, it affects the environment in which committees operate. Public reporting and post-demand corporate disclosures can contribute to a credible basis for investigating whether a controller influenced a committee or diverted a corporate opportunity. Companies therefore should assume that the record of a committee's formation, authority, communications with a controller, and response to competing proposals may later be tested in a books-and-records proceeding, even where the evidentiary basis available when the initial demand was submitted was limited. *Paramount Global v. State of Rhode Island Office of the General Treasurer*, No. 129, 2025 (Del. Mar. 25, 2026).

Alleged Process Failures Do Not, Without More, Plead Bad Faith by Special Committee Members

In *Fishel v. Liberty Media Corp.*, stockholders challenged a series of transactions involving the separation and combination of Liberty Media Corporation's SiriusXM tracking-stock business and SiriusXM Holdings Inc. The transactions eliminated a discount at which Liberty's tracking stock traded relative to the value of the underlying SiriusXM shares, allegedly providing Liberty with a unique, multibillion-dollar benefit. To address the conflict, SiriusXM's board formed a two-member special committee.

The plaintiffs alleged that the special committee failed to obtain consideration for the minority stockholders in exchange for eliminating the tracking-stock discount, did not insist on a majority-of-the-minority vote, and acquiesced in Liberty's preferred structure. They argued that the committee members had adopted a "controlled mindset" and acted in bad faith. The court dismissed the claims against the committee members. It explained that allegations of ineffective negotiations and similar process deficiencies generally implicate the duty of care and, standing alone, do not support a non-exculpated loyalty claim. Extreme process failures may contribute to an inference of bad faith when combined with other particularized allegations—such as controller domination, retribution, persistent interference, or a committee's unwillingness to exercise its authority to say "no"—but the complaint did not allege circumstances comparable to the cases in which such claims had survived. The court reached a different result as to certain non-committee directors. The complaint alleged that those directors lacked independence from the controller and affirmatively voted to approve the transactions. At the pleading stage, those allegations supported non-exculpated claims against them.

Fishel reinforces the director-by-director analysis required when exculpation is available. Committee members are not necessarily exposed to breach of duty or loyalty liability merely because their negotiations are alleged to have been ineffective. Nevertheless, committees should maintain a record showing that they understood and exercised their authority, considered alternatives, pushed back where appropriate, and remained willing to reject the proposed transaction. Directors who are interested or lack independence should also consider whether they should recuse themselves from the final board vote rather than relying solely on the committee's recommendation. *Fishel v. Liberty Media Corp,* C.A. No. 2024-1057-KSJM (Del. Ch. Apr. 13, 2026).

Isolating Rollover Stockholders from Negotiations Helps Preserve the Cleansing Effect of a Stockholder Vote

In *Le Clair v. KnowBe4, Inc.*, former KnowBe4, Inc. stockholders challenged the company's acquisition by Vista Equity Partners. KnowBe4's founder and two significant investors participated in the post-closing equity structure. The plaintiffs alleged that the rollover investors constituted a control group and that the transaction was therefore a conflicted-controller transaction.

The court held that the complaint did not adequately plead that the rollover investors had formed a control group. The alleged conflicts therefore existed at the board level rather than involving a controller standing on both sides of the transaction. Under the applicable legacy law, a fully informed and uncoerced stockholder vote could cleanse those conflicts under *Corwin*. The court rejected the plaintiffs' disclosure challenges and dismissed the fiduciary claims. In doing so, it credited the special committee's efforts to "quarantine" the rollover stockholders and their board designees from negotiations with the buyer. That separation was relevant to the court's conclusion that the financial advisor's investments involving one of the rollover investors did not constitute a material undisclosed conflict: The investor was not the buyer and had not participated in the committee's negotiations. The court also rejected challenges concerning the evolution of the rollover arrangements, a support agreement with a large stockholder, and alleged favoritism toward the successful bidder.

The decision highlights the threshold importance of determining whether significant stockholders constitute a controller or control group. Where no controller is present, a fully informed stockholder vote may provide an alternative path to business judgment review. A special committee can strengthen that path by clearly excluding rollover parties and their designees from negotiations, retaining control of the process, and ensuring that the proxy accurately describes the committee's work, advisor relationships, and the participants' economic arrangements. *Le Clair v. KnowBe4, Inc.*, C.A. No. 2024-1143-KSJM (Del. Ch. May 27, 2026).

Inaccurate Formal Records Concerning Committee-Member Departures Support Production of Informal Communications

In *Metropolitan Water Reclamation District Retirement Fund v. Paramount Global*, a Magistrate in Chancery issued a final post-trial report addressing stockholders' demands to inspect records concerning Paramount's acquisition by Skydance Media. The stockholders sought to investigate whether Redstone improperly influenced the special committee, including by preventing it from engaging with a bidder and affecting the departure of three committee members at a sensitive stage of the negotiations.

The Magistrate found a credible basis to investigate potential wrongdoing and concluded that informal board materials relating to the three directors' departures were necessary and essential to the stockholders' purpose. The formal board materials painted an inaccurate or incomplete picture of why the directors left the committee and Redstone's role in those events. The Magistrate therefore recommended production of relevant communications among directors, including informal electronic communications. The stockholders were not entitled to officer-level materials, however, because they had not demonstrated that company officers played a material role in the alleged wrongdoing.

The report demonstrates the importance of creating an accurate formal record of changes in committee composition. Minutes should explain why a member resigned, was removed, or ceased serving; identify material communications involving a controller; and accurately describe the committee's response. Minutes that omit or sanitize a significant event may make it more likely that a court will order the production of directors' emails, texts, or other informal communications. At the same time, a complete board-level record may help prevent inspection from expanding to officer-level materials.

The Magistrate expressly applied legacy § 220 because the relevant inspection demands were served before February 17, 2025. Under amended § 220, by contrast, a stockholder seeking comparable informal communications outside the statute's enumerated categories of formal corporate records must first satisfy § 220(b), including by making the demand in good faith and for a proper purpose, describing with reasonable particularity both the purpose and the records sought, and establishing that the requested records are specifically related to that purpose. The stockholder must then satisfy § 220(g)'s heightened requirements by showing a compelling need for the specific additional records to further the proper purpose and demonstrating by clear and convincing evidence that those records are necessary and essential to that purpose.

Metropolitan Water Reclamation District Retirement Fund v. Paramount Global, C.A. No. 2025-0377-CDW (Del. Ch. June 5, 2026).

First Substantive Application of Amended § 144 Highlights the Benefits—and Limits—of Committee Approval

In *Ayers v. Foley*, the Delaware Court of Chancery addressed for the first time the heightened presumption of director disinterestedness codified in amended § 144(d)(2) of the DGCL. The derivative action challenged two categories of compensation decisions by the board of Fidelity National Financial, Inc.: a $50 million equity grant to the company's founder and non-executive chairman, William P. Foley, and compensation awarded to the company's non-employee directors.

The court held that § 144(d)(2)'s heightened presumption is not limited to the statutory safe harbors in § 144 but also applies in the demand-futility context. For directors of listed companies who have been determined to satisfy applicable stock-exchange independence standards, the presumption may be rebutted only by "substantial and particularized facts" showing a material interest in the challenged act or transaction or a material relationship with an interested person. The court construed "substantial" qualitatively, requiring specific, non-conclusory facts sufficiently significant to support a reasonable inference that the alleged interest or relationship impaired the director's objective judgment. Applying that standard, the court dismissed the claims relating to Foley's equity grant for failure to plead demand futility. The court analyzed the Foley grant separately from the non-employee director compensation, emphasizing that the grant had been reviewed through a distinct process involving Fidelity National's compensation committee and related person transaction committee. Allegations of overlapping board service, business ties, and minority co-investments with Foley—including interests in professional sports teams—were insufficient to rebut the heightened statutory presumption absent particularized allegations showing that those relationships made the directors beholden to Foley or otherwise created a disabling bias, even though co-ownership of a professional sports team had previously been found by the court, in a 2018 decision,[13] to support an allegation of demand futility. The court similarly rejected allegations based on fees received for service on boards of other Foley-affiliated companies because the plaintiff had not alleged particularized facts showing that the fees were personally material to the directors.

The court reached a different result with respect to the directors' self-compensation. Because the compensation committee members were approving compensation that they themselves would receive, § 144(a)(1)'s disinterested director safe harbor was unavailable, and the court concluded that the plaintiff had adequately pleaded a claim subject to entire fairness review. The fiduciary duty claim therefore survived against the committee members who approved the challenged compensation, but not against directors who merely received the awards without participating in their approval. The related unjust-enrichment claim survived against all directors who retained the challenged compensation.

Ayers provides early guidance concerning both the significance and the limits of amended § 144(d)(2). A board's determination that directors satisfy applicable stock-exchange independence standards can meaningfully increase the plaintiff's burden to plead that those

13 *Cummings v. Edens*, C.A. No. 13007-VCS (Del. Ch. Feb. 20, 2018).

directors lacked independence. But the presumption remains transaction specific and does not make interested directors disinterested for other purposes, such as when they approve their own compensation. The decision accordingly underscores the importance of formally determining and documenting director independence and of assigning conflicted decisions to genuinely disinterested decision makers. *Ayers v. Foley*, C.A. No. 2025-0650-LWW (Del. Ch. June 15, 2026).

Special Committee Transactions Overview

Transaction Summary and Reasons for Special Committee	On February 4, 2026, MasterCraft Boat Holdings, Inc. (MasterCraft) entered into a definitive agreement to acquire Marine Products Corporation (Marine Products) for $2.43 in cash and 0.232 of a share of MasterCraft common stock per Marine Products share. Certain stockholders affiliated with the Rollins family, which collectively held approximately 69.1% of Marine Products' voting power, had interests in the transaction not shared by Marine Products' other stockholders, including rights under separate voting and post-closing governance arrangements with MasterCraft. Those arrangements included rights to designate directors to the MasterCraft board and certain registration rights. The transaction and the controlling stockholder arrangements were approved by a special committee of Marine Products' board of directors comprised solely of independent and disinterested directors. The transaction was subject to approval by holders of a majority of the outstanding Marine Products shares entitled to vote.
Announced Date	02/05/2026
Target Name	Marine Products Corporation (a Delaware corporation)
Acquirer Name	MasterCraft Boat Holdings, Inc. (a Delaware corporation)
Equity Value	$273,000,000
Transaction Status	Completed
DGCL § 144(b) Safe Harbor	Yes

Transaction Summary and Reasons for Special Committee	On February 9, 2026, affiliates of General Atlantic, L.P. (General Atlantic) entered into a definitive agreement to acquire the approximately 58% of the outstanding common stock of European Wax Center, Inc. (European Wax Center) not already owned by General Atlantic and its affiliates for $5.80 in cash per share. General Atlantic and its affiliates held approximately 42% of European Wax Center's voting power and, as members of the acquisition group, stood on both sides of the going-private transaction. The transaction was unanimously approved by a special committee of European Wax Center's board of directors comprised solely of independent and disinterested directors and was conditioned on approval by both the holders of a majority of the outstanding voting power and a majority of the votes cast by disinterested stockholders.
Announced Date	02/10/2026
Target Name	European Wax Center, Inc. (a Delaware corporation)
Acquirer Name	General Atlantic, L.P.
Equity Value	$147,000,000

Transaction Status	Completed
DGCL § 144(c) Safe Harbor	Yes

Transaction Summary and Reasons for Special Committee	On February 17, 2026, affiliates of Leonard Green & Partners, L.P. (LGP) entered into a definitive agreement to acquire the approximately 33% of the outstanding common stock of Mister Car Wash, Inc. (Mister Car Wash) not already owned by LGP and its affiliates for $7.00 in cash per share. LGP and its affiliates controlled approximately 67% of Mister Car Wash's outstanding common stock and stood on both sides of the going-private transaction. The transaction was approved by a special committee of Mister Car Wash's board of directors comprised solely of independent and disinterested directors. LGP declined to condition the transaction on approval by disinterested stockholders, and affiliates of LGP approved the merger by written consent.
Announced Date	02/18/2026
Target Name	Mister Car Wash, Inc. (a Delaware corporation)
Acquirer Name	Leonard Green & Partners, L.P.
Equity Value	$758,000,000
Transaction Status	Completed
DGCL § 144(c) Safe Harbor	No

Transaction Summary and Reasons for Special Committee	On February 22, 2026, Stanley Martin Holdings, LLC, a subsidiary of Daiwa House Industry Co., Ltd. (Daiwa House), entered into a definitive agreement to acquire United Homes Group, Inc. (United Homes) for $1.18 in cash per share of Class A and Class B common stock. Michael Nieri, United Homes' Executive Chairman and controlling stockholder, held approximately 80% of United Homes' voting power and had interests in the transaction not shared by United Homes' other stockholders, including amendments to his employment arrangements and certain property transactions involving his affiliates. A special committee of United Homes' board was formed to evaluate and negotiate the transaction and those controlling stockholder arrangements. The transaction was unanimously recommended by a special committee of United Homes' board of directors comprised solely of independent and disinterested directors. The merger was approved by written consent delivered by Mr. Nieri and his affiliates, which collectively held approximately 80% of United Homes' voting power.
Announced Date	02/23/2026
Target Name	United Homes Group, Inc. (a Delaware corporation)

Acquirer Name	Daiwa House Industry Co., Ltd. (a Japanese corporation), through its Stanley Martin Homes subsidiary
Equity Value	$69,000,000
Transaction Status	Completed
DGCL § 144(b) Safe Harbor	Yes

Transaction Summary and Reasons for Special Committee	On April 13, 2026, Amazon.com, Inc. (Amazon) entered into a definitive agreement to acquire Globalstar, Inc. (Globalstar), with Globalstar stockholders entitled to elect to receive either $90.00 in cash or 0.3210 of a share of Amazon common stock for each Globalstar share, subject to the proration and adjustment provisions of the merger agreement. Thermo Funding II, LLC and its affiliates, which collectively held a majority of Globalstar's voting power, entered into a support agreement approving the transaction and agreed to amendments providing for the automatic cashless exercise of Thermo's vested and unexercised Globalstar warrants immediately before closing and the termination of Thermo's guaranty upon Amazon's replacement of the underlying financing arrangements. Globalstar's board had previously established a Strategic Review Committee in light of Thermo's significant ownership and governance rights. In connection with the strategic review process, the Strategic Review Committee formed a special subcommittee comprised solely of independent and disinterested directors and authorized it to evaluate, negotiate, approve, or reject a potential sale of Globalstar. The transaction was unanimously approved by the special subcommittee, the Strategic Review Committee and Globalstar's board and was approved by written consent of stockholders holding a majority of Globalstar's voting power.
Announced Date	04/14/2026
Target Name	Globalstar, Inc. (a Delaware corporation)
Acquirer Name	Amazon.com, Inc. (a Delaware corporation)
Equity Value	$11,570,000,000
Transaction Status	Pending
DGCL Safe Harbor	Thermo, Globalstar's controlling stockholder, entered into transaction-related arrangements concerning the cashless exercise of its vested warrants and the termination of its guaranty. Although the filings do not clearly establish that those arrangements provided Thermo with value exceeding its preexisting contractual rights, they may constitute non-ratable benefits subject to § 144(b). The transaction and related arrangements were approved through a special committee process comprised solely of independent and disinterested directors.[14]

[14] If the warrant amendment is deemed to confer a non-ratable benefit to Thermo, then the transaction should satisfy the safe harbor requirements established under § 144(b). If the warrant amendment is not

Transaction Summary and Reasons for Special Committee	On May 2, 2026, Gaia Purchaser, Inc. (Purchaser), an acquisition vehicle formed by Long Lake Management Holdings Inc. (Long Lake), entered into a definitive agreement to acquire Global Business Travel Group, Inc. (Global Business Travel) for $9.50 in cash per share by means of a merger of a wholly owned subsidiary of Purchaser with and into Global Business Travel. Global Business Travel's ownership is concentrated in several significant stockholders with board representation and contractual governance rights, including American Express, QIA, and Expedia. Global Business Travel's board formed a special committee comprised solely of independent and disinterested directors because one or more of those stockholders could have interests different from those of other stockholders, including through participation as a bidder, an equity rollover or the renegotiation of commercial arrangements. Following announcement of the transaction, QIA entered into a special committee-approved agreement to roll a portion of its shares into the post-closing parent at the same per-share value paid in the merger and to receive a non-voting board observer right and customary minority investor protections. Those arrangements constituted transaction-specific benefits not offered to stockholders generally, although the filings do not establish that QIA was a controlling stockholder.
Announced Date	05/04/2026
Target Name	Global Business Travel Group, Inc. (a Delaware corporation)
Acquirer Name	Gaia Purchaser, Inc. (a Delaware corporation), an acquisition vehicle formed by Long Lake Management Holdings Inc.
Equity Value	$4,978,000,000
Transaction Status	Pending
DGCL Safe Harbor	DGCL safe harbors under § 144 are likely inapplicable because the filings do not identify QIA or another stockholder as a controlling stockholder. The third-party merger would generally be subject to the enhanced-scrutiny standard established under *Revlon*. The merger was not conditioned on approval by unaffiliated or disinterested stockholders, and stockholders subject to voting agreements covering approximately 69% of the outstanding shares agreed to vote in favor of the transaction.

considered a non-ratable benefit, the third-party merger would generally be subject to the enhanced-scrutiny standard established under *Revlon*.

Debevoise & Plimpton LLP has decades of experience in assisting special committees in transactions involving conflicted fiduciaries and other parties including controlling stockholders, other conflicted fiduciaries, and transactional counterparties in transactions involving special committees. We keep databases of information relevant to the formation of special committees and regularly present on topics relating to special committees. We welcome the opportunity to speak with corporate general counsel, directors, advisors, and others regarding these matters.

Please do not hesitate to contact us with any questions.

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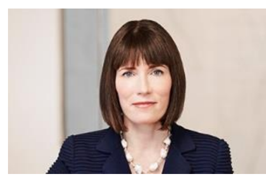

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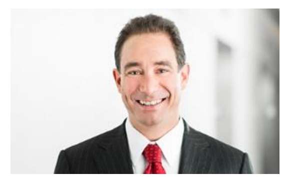

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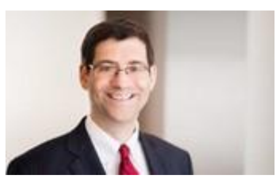

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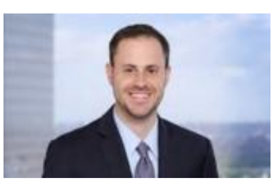

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