

COURT OF CHANCERY  
OF THE  
STATE OF DELAWARE

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GROVER C. BROWN  
CHANCELLOR

April 12, 1983

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Re: Weinberger v. UOP, Inc.,  
et al., C. A. No. 5642

Gentlemen:

Please accept my apologies for my inability to respond sooner to the matters presented on March 17.

I have considered the motion of the defendants for a preliminary proceeding to determine the appropriate standards to be considered at the valuation hearing to be held in the above case pursuant to the directive of the remand of the Delaware Supreme Court. Under the circumstances of this case, I find the motion to be well taken and I conclude that it should be granted.

At the risk of appearing shallow, I must confess at this point to some uncertainty as to the precise holding of the Supreme Court on the fair price aspect of its decision. If nothing else, a preliminary effort as suggested by defendants would likely be of assistance to the Court. In addition, the language of the Supreme Court opinion, cited in the motion of the defendants specifically indicates that the standards for determining fair price on remand shall include the elements of rescissory damages "if the Chancellor considers them susceptible of proof and a remedy appropriate to all the issues of fairness before him."

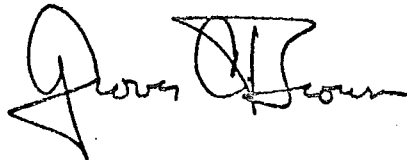
This language obviously indicates that the element of rescissory damages will not form a part of the proceedings on remand unless (a) I find that it should and (b) I find rescissory damages to be susceptible proof in this particular case.

No doubt this latter aspect of the matter would filter out after a hearing of all the evidence at a final hearing. However, in view of the amount of discovery and attendant expense that would necessarily be involved in preparing for the rescissory damage issue, I think it only fair to the parties that the Court should make some effort in advance of the final remand hearing to ascertain whether the element of rescissory damage is to be a part of the case. Accordingly, I will grant a stay of all discovery pending further order of the Court and, in addition, I shall establish a date for a preliminary proceeding during which the parties may put forth their respective positions on the course to be followed from here.

To this end I ask initially that the defendants advise me by letter of the nature of the presentation they seek to make. Plaintiff can then do likewise. This, of course, will have a bearing on the scheduling of the matter.

I shall be in touch with you shortly with regard to the form of order and notice to be used in the class action certification.

Very truly yours,



GCB:mlw  
cc: Register in Chancery