SUPREME COURT OF THE STATE OF DELAWARE

# Chicago Bridge & Iron Company N.V. v. Westinghouse Electric Company LLC and WSW Acquisition Co., LLC

Chicago Bridge & Iron Co. N.V. v. Westinghouse Electric Co. LLC and WSW Acquisition Co. LLC, 166 A.3d 912 (Del. 2017) · No. No. 573, 2016 · Decided June 28, 2017

## SUMMARY

The Delaware Supreme Court reversed the Court of Chancery in a dispute between Chicago Bridge & Iron Company N.V. and Westinghouse Electric Company LLC and WSW Acquisition Co., LLC. The court held that the purchase agreement required the closing payment and closing statements to comply with GAAP and that the independent auditor's authority extended to disputes concerning the objections statement and closing statement. The opinion was revised on June 28, 2017, to correct a mathematical error.

## OPINION

PER CURIAM.

SUPREME COURT OF DELAWARE LEO E. STR|NE. JR. THl-: RENAlssANcE Cl-:NTRE ¢H.gjugncg June 28, 2017 405 N. KiNG smE¢-:r, surrz 505 WlLM|NGTON. DELAWARE 19801 David E. Ross, Esquire Kevin Abrams, Esquire Garrett B. Moritz, Esquire John M. Seaman, Esquire Ross Aronstam & Moritz LLP Abrams & Bayliss LLP 100 South West Street, Suite 400 20 Montchanin Road, Suite 200 Wilmington, DE 19801 Wilrnington, DE 19807 RE: Chz'cago Bridge & Iron Company N. V. v. Westinghouse Electric Company LLC and WSWAcquisz'tion Co., LLC No. 573, 2016 Dear Counsel: The Opinion issued on June 27, 2017 in this matter has been revised to correct the mathematical error on page 26 which Was brought to our attention by Mr. Moritz.

The Opinion is being refiled today as reflected on the new cover page. The corrected pages are enclosed for your convenience. We are sorry for any inconvenience this may Chief Justice LESJr/ptp Enclosures cc: Honorable Karen L. Valihura Honorable Collins J. Seitz, Jr. IN THE SUPREME COURT OF THE STATE OF DELAWARE ACQUISITION CO., LLC, Defendants Below, Appellees.

CHICAGO BRIDGE & IRON § COMPANY N.V., § No. 573, 2016 § Plaintiff Below, § Court Below: Court of Chancery Appellant, § of the State of Delaware § v. § § C.A. No. 12585 W`ESTINGHOUSE ELECTRIC § COMPANY LLC and WSW § § § § § Subrnitted: May 3, 2017 Decided: June 27, 2017 Revised: June 28, 2017 Before STRINE, Chief]ustice; VALIHURA and SEITZ, Justices. Upon appeal from the Court of Chancery.

REVERSED. David E. Ross, Esquire, Garrett B. Moritz, Esquire, Ross Aronstarn & Moritz LLP, Wilmington, Delaware; Theodore N. Mirvis, Esquire (argued), Jonathan M. Moses, Esquire, Kevin S. Schwartz, Esquire, Andrew J.H. Cheung, Esquire, Cecilia A. Glass, Esquire, Bita Assad, Esquire, Wachtell, Lipton, Rosen & Katz, New York, New York, for Plaintiff Below, Appellant, Chicago Bridge & Iron Company N.V.

Kevin G. Abrarns, Esquire, John M. Seaman, Esquire, Abrarns & Bayliss LLP, Wilmington, Delaware; Peter N. Wang, Esquire (argued), Susan J. Schwartz, Esquire, Yonaton Aronoff, Esquire, Douglas S. Heffer, Esquire, for Defendants Below, Appellees, Westinghouse Electric Company LLC and WSW Acquisition Co., LLC, STRINE, Chief Justice: the unambiguous language of the Purchase Agreement required the Closing Payment Statement and Closing Statement to be GAAP compliant, and that the Independent Auditor's authority extends to all disputes related to the Objections Statement and Closing Statement.

This appeal followed. II. This Court reviews de novo the Court of Chancery's grant of a motion for judgment on the pleadings54 A motion for judgment on the pleadings may be granted only when no material issue of fact exists and the movant is entitled to judgment as a matter of law.55 "[J]udgment on the pleadings... is a proper framework for enforcing unambiguous contracts because there is no need to resolve material disputes of fact."§6 A. Chicago Bridge argues that the bulk of Westinghouse's changes to the Net Worl<ing Capital A.mount fall outside the scope of matters that the lndependent Auditor may resolve under the True Up because they implicate Stone's historical accounting practices.

According to Chicago Bridge, the vast majority of Westinghouse's claims-or around $1.93 billion57_really constitute alleged 54 Desert Equities, Inc. v. Morgan Stanley Leveraged Equity Fund, II, L.P., 624 A.2d 1199, 1204 (Del. 1993). 55 Id. at 1205. 56 NBC Universal v. Paxson Commc 'n.s' Corp., 2005 WL 103 8997, at *5 (Del. Ch. Apr. 29, 2005). 57 See supra note 44.