COURT OF CHANCERY OF THE STATE OF DELAWARE

In re Orbit/FR, Inc. Stockholders Litig.

Orbit/FR · No. C.A. No. 2018-0340-JTL · Decided April 13, 2026

SUMMARY

The Delaware Court of Chancery grants lead plaintiff AB Value Partners, L.P.'s request for a $730,000 incentive award in a stockholders' class action that settled for $17.85 million. The court based the award on AB Value's substantial time, effort, financial resources, litigation contributions, and the significant benefit obtained for the class, while finding no problematic conflicts or perverse incentives.

CASE DETAILS

COURT	Court of Chancery of the State of Delaware
WRITING FOR THE COURT	Laster, V.C.
JURISDICTION	Delaware Court of Chancery
DECIDED	April 13, 2026
DOCKET	C.A. No. 2018-0340-JTL
DISPOSITION	other
PROCEDURAL POSTURE	Lead plaintiff AB Value Partners, L.P. sought an incentive award after taking over a stockholder class action, defeating an earlier settlement, pursuing additional claims and discovery, and helping obtain a substantially larger settlement.
PRECEDENTIAL VALUE	published

TOPICS

class actions · remedies · commercial litigation · corporate law · civil procedure

PRACTICE AREAS

class actions · corporate law · commercial litigation · remedies

QUESTIONS PRESENTED

1. Whether a named plaintiff who makes an exceptional contribution to a class action may receive an incentive award as restitution for time, effort, expertise, costs, and risks undertaken for the class.

2. Whether AB Value's contributions, resources expended, benefit obtained for the class, and lack of problematic incentives justified an incentive award.
3. What amount of incentive award was appropriate under the circumstances.

HOLDINGS

1. A class representative may receive a restitution-based incentive award when the representative has devoted substantial time, effort, expertise, and resources to the litigation and generated a significant benefit for the class.
2. AB Value was entitled to an incentive award because it made an exceptional contribution to the litigation, invested substantial personal and financial resources, assumed significant downside risk, and helped obtain a major benefit for the class.
3. An incentive award of $730,000 was appropriate.

KEY QUOTATIONS

> *"A lead plaintiff made an exceptional contribution to a class action that generated a successful settlement. The named plaintiff seeks an incentive award for its contributions. This decision grants the request."* (at 6)

> *"A restitution-based award necessarily includes out-of-pocket costs, but it must go beyond that to fulfill its mission."* (at 7)

> *"Without an incentive award to make the named plaintiff whole, the plaintiff receives less than the other class members."* (at 7)

FACTUAL BACKGROUND

Microwave Vision Group S.A. owned 61.6% of Orbit/FR, Inc. and pursued a squeeze-out merger of the minority stockholders. The merger initially offered $2.82 per share and ultimately closed at $3.30 per share despite valuation concerns, transfer-pricing issues, and a later indication that the company was worth substantially more. After an original plaintiff negotiated an $825,000 settlement, AB Value objected, assumed leadership of the litigation, invested substantial time and resources, pursued new theories and extensive discovery, and helped secure a $17,850,000 settlement representing a 235% premium over the deal price.

PROCEDURAL HISTORY

Minerva Group, LP filed a stockholder action challenging a squeeze-out merger and alleging breaches of fiduciary duty. The court denied a motion to dismiss, but original counsel later negotiated an $825,000 settlement. AB Value objected, successfully defeated the original settlement, became lead plaintiff, pursued additional theories and discovery, and helped obtain a $17,850,000 settlement. After the settlement, AB Value requested an incentive award, which the court granted in the amount of $730,000.

DISPOSITION

other

CASES CITED

- In re Dell Techs. Inc. v. Class V. S'holders Litig., 300 A.3d 679, 733 (Del. Ch. 2023)
- Raider v. Sunderland, 2006 WL 75310, at *1 (Del. Ch. Jan. 4, 2006)
- Verma v. Costolo, C.A. No. 2018-0509-PAF, at 52-53 (Del. Ch. July 27, 2021) (TRANSCRIPT)
- Chen v. Howard-Anderson, 2017 WL 2842185, at *4, *6 (Del. Ch. June 30, 2017)
- Steinhardt v. Howard-Anderson, 2012 WL 29340 (Del. Ch. Jan. 6, 2012)
- Ginsburg v. Phila Stock Exch., Inc., 2008 WL 2901814, at *1-2 (Del. Ch. July 2, 2008) (ORDER)
- Baker v. Sadiq, 2016 WL 4375250, at *6 (Del. Ch. Aug. 16, 2016)
- In re Harvest Cap. Credit Corp. S'holder Litig., C.A. No. 2021-0164, at 31-32 (Del. Ch. July 2, 2024) (TRANSCRIPT)
- Ams. Mining Corp. v. Theriault, 51 A.3d 1213 (Del. 2012)
- Olson v. EV3, Inc., 2011 WL 704409, at *8 (Del. Ch. Feb. 21, 2011)
- In re Santander Consumer USA Hldgs. Inc. S'holders Litig., 2025 WL 1012345, at *2, *4, *5, *7 (Del. Ch. Mar. 31, 2025)
- Oliver v. Bos. Univ., 2009 WL 1515607, at *1 (Del. Ch. May 29, 2009)
- Virtus Cap. L.P. v. Sterling Chems., Inc., C.A. No. 6951-VCL, at 20, 54-56 (Del. Ch. Jan. 5, 2017) (TRANSCRIPT)
- In re El Paso Pipeline P'rs, L.P., 2016 WL 451320, at *2 (Del. Ch. Feb. 4, 2016) (ORDER)
- El Paso Pipeline GP Co. v. Brinckerhoff, 152 A.3d 1248 (Del. 2016)
- In re M & F Worldwide Corp. S'holders Litig., 799 A.2d 1164, 1177 (Del. Ch. 2002)
- Sciabacucchi v. Salzberg, 2018 WL 6719718, at *8 (Del. Ch. Dec. 19, 2018)
- In re Trulia, Inc. S'holder Litig., 129 A.3d 884, 891-99 (Del. Ch. 2016)
- In re Emerson Radio S'holder Derivative Litig., 2011 WL 1135006, at *4 (Del. Ch. Mar. 28, 2011)
