Davis Polk

Delaware Weighs in on the Meaning of "Substantially All" for a Series of Transactions

May 5, 2011 | Client Update

The Delaware Chancery Court, in an opinion written by Vice Chancellor J. Travis Laster, recently declined to find that a series of four spin-off and split-off transactions by Liberty Media Corporation over a seven-year period constituted, together, the transfer of "substantially all" of Liberty's assets in violation of the successor obligor provision in its bond indenture. In doing so, the court set out a "step-transaction test" to be used to ascertain whether a series of transactions should be aggregated when conducting an analysis of whether a transfer of "substantially all" assets will occur.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

John D. Amorosi
+1 212 450 4010
john.amorosi@davispolk.com

John A. Bick
+1 212 450 4350
john.bick@davispolk.com

Michael Kaplan
+1 212 450 4111
michael.kaplan@davispolk.com

Phillip R. Mills
+1 212 450 4618
phillip.mills@davispolk.com

Related materials

Read the full update