IN THE SUPERIOR COURT OF THE STATE OF DELAWARE

STONE KEY PARTNERS, LLC,	)	
	)	
Plaintiff,	)	
	)	
	)	
v.	)	C.A. No. N24C-03-016 PAW CCLD
	)	
	)	
MPHASIS CORPORATION,	)	
	)	
Defendant.	)	

Submitted: December 1, 2025
Decided: February 26, 2026

POST-TRIAL DECISION

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WINSTON, J.

I. INTRODUCTION

This opinion resolves a quantum meruit action concerning a global IT service management company and a boutique investment bank. The investment bank provided the IT company with services to help facilitate the IT company's acquisition of a target company. But the IT company and the investment bank neither executed an engagement letter nor did they come to any sort of agreement about the fees the IT company owed the investment bank. The IT company has not made any payment to the investment bank, leading to the dispute before the Court. Everyone agrees that the investment bank is entitled to some payment for its services. The core of this dispute is just how much. The investment bank contends it is entitled to a premium fee between $4.2 and $6.0 million. The IT company insists the bank is entitled to a fee between $993,750 and $1,325,000.

In the end, the Court awards the investment bank $3.13 million. That is the median of the fees in investment bank's expert's fee run. It is less than the mean-to-75th-percentile range—$4.2 million to $6 million—the expert recommended. The Court finds that investment bank provided reasonably valuable buy-side investment banking services throughout this transaction, and the median fee from comparable transactions is reasonable compensation for those services. In addition, consistent with this Delaware law's award of prejudgment interest and as a matter of right and common practice of paying M&A investment bankers at the time of closing, the

investment bank is entitled to prejudgment interest running from the time the transaction closed.

II. FINDINGS OF FACT [1]

The facts recited in this opinion are the Court's findings based on testimonial and documentary evidence submitted during a six-day trial in July of 2025. The record includes a Pre-Trial Stipulation containing 15 undisputed facts, over 600 exhibits, and the live testimony of fact and expert witnesses. The Court accords the evidence the weight and credibility it finds it deserves. Any fact not stipulated to and discussed herein was proven by a preponderance of the evidence.

A. MPHASIS ENGAGES STONE KEY TO BE ITS INVESTMENT BANKER IN CONNECTION WITH THE SILVERLINE TRANSACTION

Stone Key Partners, LLC, is a boutique investment bank organized under the laws of the State of Delaware.[2] Stone Key assists clients in executing mergers and acquisitions transactions.[3] Mphasis Corporation is a global IT services management

[1] This section sets forth certain relevant facts as the Court finds them after considering the evidence at trial. To the extent that additional facts are relevant to the Court's legal conclusions, those facts, and their application to the law, are set forth in the Legal Analysis section below. Citations in the form of "Trial Tr. [Date]" refer to witness testimony from the trial transcript. Citations in the form "JX --- at ---" refer to joint trial exhibits and the relevant page number, if any. Citations in the form of "D.I. ---" refer to docket entries in this action.

[2] D.I. 88 (hereinafter "Pre-Trial Stipulation") at 2.

[3] Trial Tr. 12:6-9, July 21, 2025.

company organized under the laws of the State of Delaware.[4] Mphasis helps businesses build and maintain software applications.[5] The CEO of Mphasis is Nitin Rakesh.[6]

In late October of 2022, Rakesh and Stone Key partner Sumit Laddha met at a social event in New York City.[7] Laddha was aware of Mphasis and Rakesh because Laddha's work as an investment banker focuses primarily on the commercial IT services sector.[8] Rakesh knew that Laddha worked in the realm of mergers and acquisitions, and Mphasis was interested in potentially acquiring a new business.[9] The chance encounter led to a meeting in Rakesh's office in early November.[10] During this meeting, Laddha learned that Mphasis was interested in companies that provide or implement software as a service.[11] Specifically, Mphasis was interested in companies that implement applications on the Salesforce platform.[12]

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[4] Pre-Trial Stipulation 2.

[5] Trial Tr. 32:18-33:1, July 25, 2025.

[6] *Id.* 32:15-16.

[7] Pre-Trial Stipulation 5; Trial Tr. 13:15-14:1, July 21, 2025; Trial Tr. 49:12-50:1, July 25, 2025.

[8] Trial Tr. 12:12-18, 13:5-10, July 21, 2025.

[9] *Id.* 13:20-14:15.

[10] Pre-Trial Stipulation 6.

[11] Trial Tr. 17:1-8, July 21, 2025.

[12] *Id.*; Trial Tr. 51:14-52:11, July 25, 2025.

Laddha suggested that Mphasis consider acquiring Silverline, among other companies.[13] Silverline was a company that provided implementation and advisory services related to Salesforce.[14] Mphasis had previously considered acquiring Silverline but opted not to. This was because at the time Mphasis was considering acquiring it, Silverline's valuation was too high and its earnings were too low to make an acquisition of the company financially viable.[15] After their meeting, Rakesh connected Laddha with Jayant Chauhan, Mphasis's Head of Mergers and Acquisitions.[16] Laddha and Chauhan discussed Silverline as a potential acquisition target during their discussion.[17]

Mphasis suggests that because it was previously aware of Silverline, Laddha's suggestion of the company was "neither new nor particularly valuable information to Mphasis."[18] But it is not disputed that until Rakesh and Chauhan had met with Laddha, Mphasis was not considering acquiring Silverline.[19] The Court cannot conclude that Mphasis's decision to re-engage with Silverline after meeting with

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[13] Trial Tr. 19:14-20:8, July 21, 2025; Trial Tr. 51:23-52:11, July 25, 2025.

[14] Trial Tr. 19:12-21:12, July 21, 2025.

[15] JX 17.

[16] Pre-Trial Stipulation 6; Trial Tr. 207:23-208:21, July 22, 2025.

[17] Trial Tr. 26:4-17, July 21, 2025; Trial Tr. 210:11-20, July 22, 2025.

[18] D.I. 100 (hereinafter "Def.'s Op. Br.") at 5.

[19] Trial Tr. 75:20-76:1, July 23, 2025; Trial Tr. 103:8-15, July 25, 2025.

Laddha was merely coincidental, or that Mphasis did not benefit from Laddha identifying Silverline as a target simply because Mphasis had previously been aware of the company.

Laddha also contacted Jim Suprenant and Mike McCourt, both of whom were investment bankers at Guggenheim Partners and represented Silverline as its sell-side bankers.[20] Together, Laddha and Suprenant arranged a meeting between Rakesh and Silverline CEO Gireesh Sonnad.[21] The meeting went well, and the parties scheduled another meeting—this time between the management of both organizations.[22] Chauhan provided a draft of the meeting agenda, which Laddha made edits to.[23] After the management meeting, the parties organized and attended several financial meetings.[24]

In February of 2023, Suprenant and Laddha had a meeting in which Suprenant told Laddha that Silverline's earnings were going to be "soft," with their projected earnings being revised downward.[25] In response, Laddha informed Suprenant that an acquisition price of $175 million, which had previously been floated, was "off the

[20] Trial Tr. 28:16-29:17, July 21, 2025.

[21] JX 32.

[22] Trial Tr. 50:4-8, July 21, 2025; Trial Tr. 58:16-22, July 25, 2025.

[23] JX 41; Trial Tr. 50:9-51:15, July 21, 2025.

[24] Trial Tr. 52:16-57:1, July 21, 2025.

[25] *Id.* 58:6-17; JX 50.

table."[26] Laddha requested that Suprenant provide Mphasis with an equity waterfall analysis with cost basis, and Suprenant obliged.[27] This analysis contained information concerning the cost basis of Silverline equity holders, allowing for a more informed negotiation.[28] In connection with the cost basis analysis, Stone Key performed several transaction consideration analyses.[29] The information allowed Mphasis to format a strategy of pricing the transaction such that the Silverline equity holders would just break even on their investment.[30]

Following these discussions, Stone Key conducted several rounds of varying types of valuation analyses.[31] These included WACC (weighted average cost of capital);[32] comparable company;[33] and discounted cash flow analyses.[34] The parties

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[26] JX 50; Trial Tr. 58:6-17, July 21, 2025.

[27] JX 82; Trial Tr. 61:18-22, July 21, 2025.

[28] Trial Tr. 62:1-17, July 21, 2025.

[29] JX 73; JX 88; JX 99; JX 103.

[30] JX104; Trial Tr. 62:9-17, July 21, 2025.

[31] At trial, Mphasis objected to all of these valuations as being hearsay. However, none of these valuations were offered for the truth of the matter asserted in the valuations. Rather, they were offered to show the amount of work Stone Key did on the transaction. Because Delaware Rule of Evidence 801(c) only applies to statements being offered for their truth, these valuations are not hearsay.

[32] JX 66.

[33] JX 70; JX 72; JX 76; JX 197.

[34] JX 95.

began negotiations on price, with Stone Key often negotiating directly with Guggenheim on behalf of Mphasis.[35]

Ultimately, the parties executed a letter of intent in May of 2023, which set out $133 million in cash consideration.[36] It also included retention payments for Silverline employees and an exclusivity period so that Mphasis would be the only potential acquirer for an extendable period of 30 days.[37] This was relevant because, prior to the execution of the engagement letter, Guggenheim had floated the possibility of calling other potential buyers if Mphasis failed to agree on a price above $130 million.[38]

But the agreement in principle on a $133 million purchase price was short-lived. More poor financial information from Silverline led the parties to renegotiate the price in August of 2023.[39] Again, Stone Key played a key role in negotiating the price further downward given the updated information, meeting with Guggenheim to discuss a "go-forward construct."[40] Stone Key negotiated directly with Guggenheim in an effort to meet on a mutually agreeable price given the poorer

[35] JX 50; JX 115; JX 240.

[36] JX 157.

[37] *Id.*

[38] JX 96.

[39] Trial Tr. 121:4-122:2, 123:7-17, 123:18-22, July 23, 2025.

[40] JX 501.

financials.[41] In October of 2023, the deal closed with a base purchase price of $109,030,000, which would be adjusted by factors like the Company Cash and Net Working Capital (as defined by the merger agreement).[42] The reported total closing cost was $132.5 million.[43] $132.5 million is also the size of the transaction according to Mphasis's expert.[44]

B. THE PARTIES FAILED TO AGREE ON A FEE FOR STONE KEY.

Throughout the process, there were several attempts to nail down an engagement fee for Stone Key. Laddha testified that he first broached the issue of fees in January, and that Chauhan suggested discussions be delayed until Mphasis and Silverline had signed an LOI.[45] Chauhan testified, however, that it was Laddha's idea to wait for the LOI to be signed before engaging in fee discussions.[46] Ultimately, internal communications sent by Chauhan indicate that it was Chauhan's idea.[47]

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[41] JX 240.

[42] JX 441 § 2.2.

[43] Trial Tr. 50:6-12, July 28, 2025.

[44] JX 455 at 9.

[45] Trial Tr. 149:16-150:12, July 21, 2025.

[46] Trial Tr. 141:14-142:13, July 23, 2025.

[47] JX 52 ("Given the relationship with Sumit and in principle alignment of going with Stonekey, [sic] I thought the best time to discuss commercials will be when we make a LOI submission decision or not").

In June of 2023, Mphasis assigned General Counsel Eric Winston[48] to handle fee negotiations with Laddha.[49] The two met on June 23.[50] Laddha testified that on this call, he proposed a fee of $2.5 million.[51] Winston testified that he didn't recall specific numbers being floated during the meeting.[52] However, he also testified that during the call, the parties were not aligned regarding the amount of fees that were owed.[53] Winston told Laddha that he would get back to him after discussing the matter internally.[54]

Following the discussion, Silverline's poor financial numbers necessitated a re-negotiation of the purchase price in August of 2023, as discussed above. Around the time discussions had gotten back on track, Winston reached out to several internal stakeholders to determine what an appropriate fee might be, including Rakesh and Mphasis's outside counsel (who provided their own fee run).[55] He also

[48] No relation to the undersigned.

[49] JX 171.

[50] JX 172.

[51] Trial Tr. 155:18-21, July 21, 2025.

[52] Trial Tr. 253:4-8, July 25, 2025.

[53] Trial Tr. 57:3-9, July 28, 2025.

[54] *Id.* 62:21-63:8.

[55] JX 245; JX 252.

looked to a fee arrangement Mphasis had previously agreed to with another buy-side advisor, Quantfin.[56]

On September 28 Laddha reached back out to Silverline to again discuss the issue of fees.[57] Hearing no response, he followed up on October 8.[58] Winston agreed to meet on October 12, but cancelled the meeting, citing the fact that the Mphasis team was busy with closing.[59] This is understandable, as the closing occurred that day. That evening, Laddha emailed Mphasis CFO Manish Dugar, inquiring about when a meeting could occur.[60] He followed up again on October 16, 17, and 19.[61] On October 19, Winston replied and offered to meet the next day.[62] Dugar, Winston, and Laddha met the next day.[63] This meeting was not successful either, as on October 24 Laddha emailed and asked Mphasis to "let [him] know if [they] were able to discuss internally and if it makes sense for us to speak."[64] He followed up

[56] JX 245.

[57] JX 324.

[58] *Id.*

[59] JX 352.

[60] JX 492.

[61] JX 382.

[62] *Id.*

[63] Trial Tr. 165:11-166:7, July 21, 2025.

[64] JX 382.

again on October 26.[65] This time Dugar replied, saying he had been in transit and would follow up with Winston.[66] On October 27, 30, and 31, Laddha followed up again.[67] On October 31, Winston replied, offering to meet that week.[68]

During this meeting, the Mphasis team told Laddha that "[they] didn't see this as a full-blown buy-side mandate and that there was a lot of work that Stone Key had not engaged in in this transaction and therefore [they] had a different point of view on . . . how much [Stone Key] ought to be paid."[69] Specifically, Winston viewed the engagement as not being a "full-blown" buy-side engagement in part because Stone Key did not do extensive research into potential acquisition targets.[70]

But as Laddha pointed out in his testimony, he is an experienced investment banker who focuses specifically on the IT services sector, and a substantial component of his job is keeping his "ears to the ground, knowing companies that are providing services and certain types of activities, and being aware of [what] their priorities are in terms of potentially looking at a transaction."[71] He also testified

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[65] *Id.*

[66] *Id.*

[67] *Id.*

[68] JX 381; JX 382; JX 385.

[69] Trial Tr. 11:1-6, July 28, 2025.

[70] *Id.* 11:19-12:1.

[71] Trial Tr. 171:2-17, July 21, 2025.

that, until this meeting, nobody at Mphasis had ever indicated they considered his engagement to be limited.[72]

A familiar turn of events occurred following this meeting. Winston and Laddha again met on November 9 and did not come to an agreement.[73] Laddha followed up on November 15 and 21 to try and meet again.[74] They had yet another unsuccessful discussion on November 21 by phone.[75] The two met again on December 8.[76] In this discussion, Winston proposed a fee of $750,000 (payable in two installments) and an additional $500,000 contingent upon the company hitting a "joint synergy target."[77] Laddha found this proposal "insulting."[78] Winston testified that he thinks this was the first time Mphasis proposed a specific fee,[79] and further, that he does not think Mphasis ever made a written fee proposal to Laddha or anyone else at Stone Key.[80]

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[72] *Id.* 172:6-10.

[73] Trial Tr. 13:18-14:20, July 28, 2025.

[74] JX 397.

[75] *Id.*

[76] JX 409.

[77] Trial Tr. 178:10-179:4, July 21, 2025.

[78] *Id.* 179:5-7.

[79] Trial Tr. 152:16-22, July 28, 2025.

[80] *Id.* 155:10-12.

Laddha made one more round of attempts to finalize a fee by going over Winston's head and texting with Rakesh on December 8 and 11.[81] Rakesh agreed to meet on December 14, but this meeting didn't occur because Rakesh was involved in a car accident.[82] Laddha spoke again with Winston at this time instead.[83] Laddha testified that in this meeting he told Winston he was willing to accept any fee around $2 million.[84] This conversation, too, was unsuccessful.[85] Laddha texted Rakesh several more times to arrange a meeting, understanding that Rakesh was still recovering from the accident and needed stitches removed.[86] The two eventually spoke on December 22 and had a heated conversation.[87] Rakesh and the Mphasis team worked internally to try and finalize an offer after this discussion, and Winston

[81] JX 452.

[82] Trial Tr. 181:15-21, July 21, 2025.

[83] *Id.* 181:22-23.

[84] *Id.* 182:3-13.

[85] JX 512.

[86] JX 452.

[87] Trial Tr. 183:7-15, July 21, 2025; Trial Tr. 190:5-18, July 25, 2025.

proposed an email to send to Sumit,[88] but the email was never sent, and an offer was never made.[89] Stone Key filed suit in March of 2024.[90]

III. ANALYSIS

A. QUANTUM MERUIT AND THE PARTIES' DISPUTE

"Quantum meruit is a restitutionary theory of recovery available in a quasi-contractual relationship. A quasi-contract is one where the law will infer the existence of a contractual relationship without regard to the actual intention of the parties where circumstances are such that justice warrants a recovery as though there had been a promise or contract."[91] To prevail under a theory of quantum meruit, "Plaintiff must show at trial that [she] provided services to Defendants and that [she] performed the services with the expectation that Defendants would pay for them. Plaintiff must also show that the circumstances should have put Defendants on notice that Plaintiff expected to be paid"[92]

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[88] JX 429. Even if the email had been sent, the Court notes that it appears to contain substantially the same proposal Winston made on the December 8 phone call.

[89] Trial Tr. 184:9-13, July 21, 2025; Trial Tr. 196:3-11, July 25, 2025; Trial Tr. 155:10-12, July 28, 2025.

[90] *See* D.I. 1.

[91] *LCT Capital, LLC v. NGL Energy Partners LP*, 2022 WL 17851423, at *4 (Del. Super. Dec. 22, 2022) (internal citations omitted).

[92] *Hynansky v. 1492 Hosp. Grp., Inc.*, 2007 WL 2319191, at *1 (Del. Super. Aug. 15, 2007).

Here, it is effectively undisputed that Stone Key (1) provided services to Mphasis, (2) with the expectations that Mphasis would pay for them, and (3) Mphasis was on notice that Stone Key expected to be paid. It is hard to imagine a circumstance in which all three elements are more clearly met than where, as is the case here, two sophisticated parties engage in contractual negotiations throughout the course of performance but fail to ever reach an agreement even after performance has been completed. As detailed above, Stone Key provided extensive services to Mphasis, all while the parties were engaged in fee negotiations. Clearly, Mphasis was on notice that Stone Key expected to be paid, because it assigned its general counsel to negotiate such a payment on its behalf.

The only disputed issue is damages. "*Quantum meruit* damages are based on an objective reasonable valuation of the services provided by reference to the fair market value of those services. A reasonable valuation is the amount for which such services could have been purchased from one in the plaintiff's position at the time and place the services were rendered."[93] While the Court looks to objective measures to determine the reasonable value of services rendered, it may also take into account the particular circumstances of the parties.[94] As explained below,

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[93] *LCT Capital, LLC*, 2022 WL 17851423, at *4.

[94] *Id.*, at *14 (noting that "the jury should not be solely confined to hearing [objective evidence of typical fees], but should have the opportunity to weigh this evidence against the parties' discussions of the appropriate fee for Plaintiff's services."). This

however, the Court considers the evidence surrounding those circumstances and weighs them against objective factors.

B. STONE KEY'S EXPERT PROVIDES REASONABLY RELIABLE OBJECTIVE EVIDENCE OF FAIR MARKET VALUE.

In arguing for its proposed damages, Stone Key relies most heavily on the testimony of its expert, Peter Boukouzis. Boukouzis's methodology was based on an analysis of prior comparable transactions. After evaluating Stone Key's efforts in this transaction and comparing Stone Key's work to work done in prior transactions, Boukouzis concludes that it should be awarded a fee of 4.2 million to $6 million, which is between the mean and 75th percentile of the fees in the comparable prior transactions. As explained further below, the Court finds that Boukouzis is qualified and that his fee run provides objective evidence of fair market value, which the Court grants the greatest weight.

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is consistent with Delaware caselaw considering appropriate fees in other contexts. *See e.g.*, *In re Tesla Motors, Inc. S'holder Litig.*, 298 A.3d 667, 701 (Del. 2023) (explaining that, in the entire fairness context, "[t]his Court has held that arm's-length negotiation provides 'strong evidence that the transaction meets the test of fairness'" (quoting *Cinerama, Inc. v. Technicolor, Inc.*, 663 A.2d 1156, 1172 (Del. 1995))); *Dell, Inc. v. Magnetar Glob. Event Driven Master Fund Ltd*, 177 A.3d 1, 30-31 (Del. 2017) (explaining that, in the appraisal context, negotiated deal price may be afforded substantial weight in appropriate circumstances).

1. BOUKOUZIS IS QUALIFIED TO TESTIFY AS AN EXPERT.

Boukouzis is a mergers and acquisitions investment banker employed by Reynolds Advisory Partners. He has worked in the mergers and acquisitions space for over 20 years.[95] Mphasis notes that Boukouzis has worked primarily in the oil and gas sector, and suggests that his background focusing on the energy sector makes him unqualified to opine on appropriate fees in this case.[96]

However, Boukouzis's expertise in mergers and acquisitions extends beyond the oil and gas industry. A review of the transactions he has worked on as a banker include transactions in the healthcare, industrial products, media, and consumer products sectors.[97] Boukouzis also provides instruction to business students on investment banking, without regard to sector.[98] Boukouzis is qualified to provide an opinion on quantum meruit damages in this case.

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[95] JX 456 at 2.

[96] Def.'s Op. Br. at 20.

[97] JX 456 App. A.

[98] Trial Tr. 175:17-176:10, July 23, 2025.

2. BOUKOUZIS'S REPORT PROVIDES OBJECTIVE EVIDENCE OF FAIR MARKET VALUE.

Boukouzis's methodology began with comparing the advisory services provided by Stone Key to a "full suite"[99] of buy-side investment banking services.[100] Out of the thirteen sets of services included in a full suite, Boukouzis found that Stone Key provided all but one of them.[101] Boukouzis also took note of the "relative value add" of each service, arguing that "Stone Key's advisory services . . . represented the highest value-added investment banking services for a buyside assignment."[102] Boukouzis further represented that Stone Key provided services

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[99] JX 456 at 10-11.

[100] *Id.* Ex. 1. These include identifying potential target companies; contacting potential targets or their advisors and convincing the target to engage; convincing potential targets or their advisors to allow the company to engage in acquisitions on an exclusive basis; managing the overall acquisition process; analyzing financial information of the target, including the review and creation of financial models; performing valuation analyses of the target; assisting in the preparation and negotiation of the letter of intent; facilitating and coordinating the due diligence process; conducting negotiations with the target on behalf of the acquirer; creating, providing comments on, or editing presentations and other materials for the acquirer's board of directors; reviewing and commenting on definitive documentation pertaining to the transaction; and reviewing or drafting acquirer disclosures related to the transaction.

[101] *Id.*; *Id.* App. C. The service Boukouzis found Stone Key did not provide was reviewing transaction disclosures.

[102] JX 456 at 6. Boukouzis asserts that not all investment banking services offer the same value to clients. For instance, he points out that identifying a target company is more beneficial to a buy-side client than assisting with the due diligence process. *See Id.* Ex. 1.

beyond what is typically provided in a buy-side engagement.[103] For example, Boukouzis noted that Stone Key obtained a waterfall analysis and drafted earnout language for the purchase agreement.[104]

Boukouzis asserts that because Stone Key provided nearly all a buy-side banker could provide to a client and more, Stone Key "deserves to be compensated at the highest levels of comparable M&A buyside investment banking compensation."[105] And to determine what constitutes comparable M&A compensation, Boukouzis created and consulted a fee run.[106] A fee run is a tool to determine an appropriate fee for a banker in a transaction by consulting reputable sources of fees paid to bankers in comparable precedent transactions. Boukouzis writes that, importantly, the transactions should be comparable as to the type of assignment at issue,[107] the transaction size, the geographic area at issue, and the industry involved.[108]

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[103] *Id.* at 29.

[104] *Id.* at 30.

[105] *Id.* at 31.

[106] *Id.* at 31-41.

[107] For example, it would be inappropriate to compare a fairness opinion to a full advisory assignment, as the latter is much more time and labor intensive than the former.

[108] JX 456 at 33-34.

With all of this in mind, Boukouzis ran a search across four separate data providers for comparable fees, and ultimately came to a list of 12 comparable transactions with publicly available buy-side advisory fees paid.[109] He did so after setting specific search parameters that excluded transactions in industries that do not have similar transaction pricing to the industry Silverline operates in (which include financial sectors, utilities, real estate, and natural resources) as well as transactions which had values significantly smaller or significantly larger than the Silverline transaction.[110] The lowest of the fees paid in the 12 transactions was $1.5 million, the median was $3.13 million, the mean was $4.15 million, the 75th percentile was 6.04 million, and the highest was $9.5 million.[111]

The final step in Boukouzis's analysis was to compare the work done in the precedent transactions to the work Stone Key did, by reviewing publicly available information on each transaction. In doing so, he determined that Stone Key provided a fuller suite of services to its clients than the other bankers did in the precedent transactions.[112] Because Stone Key performed a greater number of services (including those with a higher value add) than what was provided in the precedent

[109] *Id.* Ex. 5.

[110] *Id.* at 37-39.

[111] *Id.* Ex. 6.

[112] *Id.* App. C.

transactions, Boukouzis insists Stone Key is entitled to a fee in the range of $4.2 million and $6.04 million (representing roughly the mean and the 75th percentile of fees in the precedent transaction).[113] The Court observes that this is in line with Stone Key General Counsel Allen Weingarten's assertion that Stone Key is entitled to a "premium fee" of around $4.5 million.[114]

Mphasis contends that "fee runs are distillations of limited data about other finalized merger and acquisition deals that vary widely due to many factors and specifics of particular transactions."[115] But this Court has previously held that fee run data can be admitted for the purposes of helping to determine the reasonable value of an investment banker's work in a quantum meruit action. In *LCT Capital*, this Court denied a motion to exclude evidence of a "typical" investment banker's fee (*i.e.* fee runs) where the plaintiff argued including it would be contrary to Delaware quantum meruit case law.

While the Court acknowledged the shortcomings of fee run data (particularly the fact that the publicly available fees on which fee runs are based represents only a portion of all comparable fees), the Court recognized that "presentation of such

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[113] *Id.* at 41.

[114] JX 436 at 3.

[115] Def.'s Op. Br. 21.

evidence is not novel to this case or within *quantum meruit* case law."[116] The Court also noted that "[t]ypical investment banker fees are likely to be more closely aligned to *quantum meruit* damages" than other "typical fees" evidence, because investment banking fees that would appear in a fee run are generally "agreed upon midstream when some of the services have already been provided and when the scope of future work is more ascertainable."[117] Accordingly, the Court affords the Boukouzis report a significant amount of weight, particularly regarding the lack of other objective evidence presented, as discussed *infra*.

C. MPHASIS DOES NOT PROVIDE A BASIS TO ABANDON STONE KEY'S EXPERT'S OBJECTIVE METHODOLOGY, BUT THE COURT TAKES ITS ARGUMENTS INTO ACCOUNT IN DETERMINING A REASONABLE AWARD.

Mphasis argues for a smaller award in the range of $993,750 to $1,325,000. It relies on its expert report in addition to other purportedly "objective data points." The Court will address each in turn.

1. MPHASIS'S EXPERT PROVIDES SOME PERSPECTIVE ON STONE KEY'S WORK, BUT HE DOES NOT PROVIDE AN OBJECTIVE MEASURE OF FAIR MARKET VALUE.

Patrick O'Shea is a former investment banker with approximately 30 years of investment banking experience.[118] His work experience includes serving as a senior

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[116] *LCT Capital, LLC*, 2022 WL 17851423, at *13.

[117] *Id.*

[118] Trial Tr. 76:21-23, July 24, 2025.

managing director of BB&T Capital Markets, where he oversaw the firm's investment banking operations, including its mergers and acquisitions operations.[119]

Stone Key argues that O'Shea's testimony should be disregarded for two reasons:[120] First, because O'Shea was the supervisor of mergers and acquisitions bankers, and was not himself a mergers and acquisitions banker engaged in the day-to-day issues of the transactions, including fee discussions.[121] Second, because O'Shea's methodology (discussed *infra*) admittedly relies on "a great deal of subjectivity" and does not cite to specific data points.[122]

Stone Key says this is problematic because of the well-settled principle that the opinions of expert witnesses must be "based in science and not 'subjective belief or speculation.'"[123] The Court will give O'Shea's testimony and report the weight it deserves, and notes that O'Shea's report seems primarily focused on rebutting Stone Key's assertion that it delivered above average quality work, itself a subjective conclusion.

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[119] *Id.* 85:12-88:2.

[120] D.I. 101 at 32-36.

[121] *Id.* (citing Trial Tr. 202:7-203:22, July 24, 2025).

[122] *Id.* (citing Trial Tr. 300:17-22, July 24, 2025).

[123] *Arroyo v. Regal Builders, LLC*, 2015 WL 6000464, at *2 (Del. Super. Sept. 29, 2015) (citing *Price v. Blood Bank of Delaware, Inc.*, 790 A.2d 1203, 1210 (Del. 2002)).

O'Shea's methodology is simpler and more qualitative than Boukouzis's. In O'Shea's report, he "graded" Stone Key's performance in six categories of tasks on a scale ranging from "low compensation grade" to (presumably at least in theory) "high compensation grade.[124] Unlike Boukouzis's report, O'Shea's report does not assign relative importance to any particular task. Out of the six categories of tasks, O'Shea assigned grades of "low" to three of categories, and grades of "medium" to the other three categories.[125]

As evidence of Stone Key's work deserving a "low compensation grade" for the tasks of identifying a target and defining the scope of the assignment, O'Shea points to the fact that Silverline was identified as an acquisition target early in the process, sparing the need for an extensive target search.[126] O'Shea also said that Stone Key's work on the task of "reach[ing a] mutual understanding with [Mphasis] as to fee formula and expectations" warranted a low compensation grade because Laddha had deferred fee discussions until after the letter of intent was finalized, and because Stone Key created an unnecessary risk for itself by not sending an engagement letter to Mphasis.[127]

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[124] JX 455 at 4-9. A compensation grade of "medium" was the highest grade awarded by O'Shea.

[125] *Id.*

[126] *Id.* at 4.

[127] *Id.* at 5-9.

In the closing of his report, O'Shea concludes that "Stone Key is entitled to be paid fairly for the work it performed on the Silverline transaction," but that there is "no objective evidence that the Stone Key's [sic] Silverline work was exceptional or above industry standards" and that accordingly a fee in the range of 0.75% to 1% of the transaction size is appropriate.[128] This translates to a fee between $993,750 and $1.325 million.[129]

The fundamental flaw of O'Shea's report is that it makes no real effort to explain *why*, even given the lack of exceptionality of Stone Key's work, it should be entitled to a fee of *specifically* between 0.75% and 1% of the total transaction cost. In other words, O'Shea does a fine job of explaining why, in his opinion, Stone Key's work was unexceptional. However, it does not even attempt to explain why it came to the number it came to. When asked on cross-exam if he had any data points to support his proposed fee range, he responded by saying "[n]o. It's a recommendation that has a great deal of subjectivity to it, which is what this case is all about."[130]

But this case is not about subjectivity. Indeed, damages in this case are about objectivity. "Experts opining on *quantum meruit* damages are obligated to base

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[128] *Id.* at 9.

[129] *Id*.

[130] Trial Tr. 300:17-22, July 24, 2025.

their analysis on an objective valuation of the services provided by reference to data as well as their own specialized knowledge and experiences in the field."[131] Because O'Shea's report's ultimate proposed figure is not tied to any objective measure, the Court cannot rely on it to inform damages. However, given that he has sufficient experience in the world of investment banking, the Court will take his perspective and testimony into account.

2. THE COURT TAKES ACCOUNT OF MPHASIS'S OTHER "DATA POINTS," BUT ALL ARE ENTITLED TO LITTLE OR NO WEIGHT.

In addition to its expert's report, Mphasis cites to "five objective data points for an appropriate fee" in its opening brief.[132]

a. STONE KEY'S REAL-TIME FEE POSITIONS

The first data point Mphasis points to is the fact that during negotiations, Stone Key requested a fee in the range of $2 million, rather than the $4.2 to $6 million it is requesting in this action.[133] Although a party's negotiating positions may seem relevant in revealing how a party values its own services, negotiating positions are not decisive in a quantum meruit action. This is because "*[q]uantum meruit* literally means 'as much as she deserves' . . . it is the reasonable worth or

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[131] *LCT Capital, LLC*, 2022 WL 17851423, at *5.

[132] Def.'s Op. Br. 2-3.

[133] *Id.* 13-15, 27-19 ("[T]he last number Mr. Laddha asked Mphasis to consider had 'a two handle.' In stark contrast, Mr. Boukouzis determined that a fee in the range of $4.2 to $6 million is appropriate.").

value of services rendered for the benefit of another."[134] Still, as previously discussed, the Court may consider the particular circumstances of the parties, including offers made in negotiations, but it must do so weighing them against objective evidence.[135] Here, there are reasons to weigh Stone Key's real-time offers less heavily in determining the value of its services rendered.

At post-trial argument, Mphasis cited to *Bellanca v. Bellanca Corp*[136] which concerned a quantum meruit dispute between a plaintiff who sought compensation from a defendant corporation for services rendered in procuring a purchaser for the corporation's assets. In that case, the Supreme Court observed that "the Jury had before it [the plaintiff's] testimony that he had been promised a 5% commission."[137] But the Supreme Court did not hold that this testimony was evidence of the plaintiff's *negotiating position*. It was not, as Mphasis asserted at post-trial argument, evidence of "what [the plaintiff] value[s] their services at."[138] Rather, it was evidence of an *exact figure* the defendant promised to pay plaintiff in return for his services.

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[134] *Marta v. Nepa*, 385 A.2d 727, 729–30 (Del. 1978) (citation modified).

[135] *LCT Capital, LLC*, 2022 WL 17851423, at *14.

[136] 169 A.2d 620 (Del. 1961).

[137] *Id.* at 626.

[138] D.I. 110 (hereinafter "Post Trial Arg. Tr.") at 52:7-10.

More on point is *Middle States Drywall, Inc. v. DMS Properties-First Inc.,*[139] decided 35 years after *Bellanca*. In that case, this Court found that a drywall company was entitled to quantum meruit damages for services rendered to a construction company. The Court noted that the construction company consistently pointed to the drywall company's initial bid for the basis of their proposed damages calculation. But the Court held that "*[q]uantum meruit* recovery is not based on what may or may not have been bid for a job, it is based on the value of what was actually received."[140]

A party may offer a discounted or increased fee for various reasons. For example, a party may offer a discounted fee if it would help them to establish a presence in a new market, or it might offer a higher fee if taking on a client limits their ability to accept more work. In this action, Laddha credibly testified that his initial offer for $2.5 million was a discounted rate offered in an attempt to establish a long-term relationship with Mphasis,[141] which is bolstered by the fact that he understood Mphasis to have a renewed interest in M&A.[142] This Court has previously recognized that "most evidence relating to the parties' fee negotiations is

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[139] 1996 WL 453420 (Del. Super. July 2, 1996).

[140] *Id.* at *1.

[141] Trial Tr. 154:23-155:21, July 21, 2025.

[142] *Id.* 13:20-14:1.

subjective in nature insofar as it conveys the parties' perceptions of value" and that relying on "evidence of subjective perceptions of value is contrary to case law stating that *quantum meruit* damages are to be based solely on objective measures of a plaintiff's services."[143] Accordingly, the Court affords the real-time fee positions little weight.

b. STONE KEY'S BUY-SIDE FEE HISTORY

Mphasis's next datapoint is the fee Stone Key received in connection with another buy-side engagement.[144] Stone Key had advised Wipro Services LLC ("Wipro") in two prior simultaneous acquisitions.[145] In one acquisition, which closed for $230 million, Stone Key received a fee of $1.75 million.[146] In the second acquisition, which closed for $21 million, Stone Key received a fee of $1 million.[147]

Citing only to the first acquisition, Mphasis argues that "if Stone Key's fee calculation from the Wipro deal is applied to its work for Mphasis, Stone Key would receive a fee of approximately $1 million, which is consistent with Mphasis's position on an appropriate fee."[148] But even putting aside the fact that Mphasis

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[143] *LCT Capital, LLC*, 2022 WL 17851423, at *14.

[144] Def.'s Op. Br. 23-24.

[145] JX 9.

[146] JX 601 App. A.

[147] *Id*.

[148] Def.'s Op. Br. 24 (citation modified).

ignores the second transaction,[149] Mphasis has presented no meaningful evidence that the work Stone Key performed for Wipro is comparable to the work Stone Key performed for Mphasis.

Mphasis only references language from Stone Key's draft engagement letter for Mphasis and its executed engagement letter for Wipro, both of which describe the work Stone Key would perform in identical terms. But it describes this work in a broad, boilerplate manner, such as by saying Stone Key would "advise the company with respect to the valuation of the proposed Transaction," and "develop a strategy to effectuate the proposed transaction."[150] The Wipro transaction and fee do not—without more—provide objective evidence of the services actually performed by Stone Key in this matter, making them unhelpful to the Court for the purposes of determining quantum meruit damages.

c. MPHASIS'S CALCULATION BASED ON THE QUANTFIN ENGAGEMENT

Mphasis also suggests that a prior fee it agreed to with another investment banking firm, Quantfin, is an objective datapoint to inform damages in this case.[151]

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[149] Mphasis does not explain why they only looked at the first transaction, but there are potentially valid reasons for doing so (for example, only the first transaction was for over $100 million, like the transaction at issue here).

[150] Def.'s Op. Br. 24 (comparing JX 349 to JX 9) (citation modified).

[151] *Id.* 9-10, 27.

Specifically, Mphasis points to Winston's use of the fee Mphasis calculated with Quantfin to determine an "analogous" fee for Stone Key.[152] But using the Quantfin comparison as an objective datapoint suffers from precisely the same flaw that using the Wipro transaction suffers from: there is no evidence the engagements were comparable. Indeed, Winston testified that he did no analysis to determine whether there were any meaningful similarities between the Quantfin and Stone Key engagements.[153] For the same reasons the Court affords the Wipro evidence no weight, the Court affords this datapoint no weight.

d. CHAUHAN'S "OBSERVATION" OF APPROPRIATE FEES

The fourth datapoint Mphasis points to is Chauhan's observation (himself an experienced investment banker) that an appropriate fee would be in the range of $1.2 million to 1.3 million.[154] The issue here is that the only source of this "observation" appears to be Rakesh's testimony of what Winston told Rakesh about what Chauhan told Winston.[155]

Chauhan himself never testified to what an appropriate fee for Stone Key might be, and indeed, in his deposition he testified that he *did not* provide a number

[152] *Id.* 9-10; JX 245; JX 602.

[153] Trial Tr. 70:19-23, July 28, 2025.

[154] Def.'s Op. Br. 10.

[155] Trial Tr. 137:18-20, July 25, 2025.

for what an appropriate fee for Stone Key might be, instead deferring to O'Shea's report.[156] Because Chauhan is a more credible source of testimony about his own opinion (or lack thereof) than Rakesh or Winston, the Court assigns this "observation" no weight.

e. THE GUGGENHEIM FEE

The final datapoint Mphasis offers is the fee Guggenheim received as the sell-side banker in this transaction. Mphasis writes that "[f]or Guggenheim's sell-side work on behalf of Silverline—work which was significantly more extensive than Stone Key's and typically merits a higher fee than buy-side work—Guggenheim received a fee of $2.53 million."[157] Mphasis notes that Guggenheim had previously overseen a failed auction on behalf of Silverline, and represented Silverline for a longer period of time than Stone Key worked for Mphasis.[158] It further asserts that generally speaking, sell-side investment bankers garner higher fees than buy-side investment bankers.[159]

However, this general rule is not without exceptions. As Stone Key points out, its expert report included an example of a buy-side advisor receiving a higher

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[156] JX 482 at 183:20-184:2; JX488 at 297:3-10.

[157] Def.'s Op. Br. 15.

[158] *Id.* 34-35.

[159] Trial Tr. 24:10-21, July 25, 2025.

fee than a sell-side advisor in a precedent transaction.[160] Additionally, the fee that Guggenheim received was the minimum guaranteed fee—the lowest possible fee they could have received in the transaction, due to the low price at which Guggenheim was able to sell Silverline.[161] Ultimately, the fact that Silverline was sold at a lower price only benefited Mphasis. Using the fact that Guggenheim received their minimum guaranteed fee as a basis for giving Stone Key a lower fee would not be reasonable.

D. WEIGHING THE EVIDENCE, THE COURT AWARDS STONE KEY $3.13 MILLION FOR ITS INVESTMENT BANKING SERVICES.

Boukouzis's report is the only report presented that is both based on an objective valuation of the services provided by reference to data (specifically fee run data), while also being informed by his specialized knowledge and experience in the field (specifically his understanding of what constitutes a full suite of buy-side investment banking services).

Additionally, Boukouzis's methodology was not as simple as pulling a fee run and taking an average of the precedent transactions. Rather, Boukouzis examined the work done by the buy-side advisors in each precedent transaction by looking to publicly available data, and compared it to the work done by Stone Key in the instant case. Specifically, Boukouzis was looking to identify—based on his

[160] JX 511 at 8.

[161] JX 11 § 4.

experience as an investment banker—the extent to which each precedent buy-side banker had provided as full of a "suite" as what Stone Key provided. However, this analysis is inherently limited. Just as the available fee data is constrained by the fact that most fees are not publicly disclosed, even less public information exists regarding the specific services provided. For example, every single precedent transaction has at least one service being listed as "unknown," and for seven of the twelve precedent transactions, roughly half of the services were listed as "unknown."[162]

Further, while the Court did not find O'Shea's report useful in providing an objective measure on which to base damages, it did find his testimony credible and his perspective valuable. The Court is permitted to take into account his "specialized knowledge and experiences in the field."[163] O'Shea testified that by industry standards, Stone Key's work was not "exceptional."[164] Additionally, the Court found testimony from Chauhan—who described himself as the "quarterback" in the transaction—credible.[165] At a high level, Chauhan testified that Stone Key's performance was helpful, but not extraordinary. As he put it, Stone Key "performed

[162] JX 456 App. C.

[163] *LCT Capital, LLC*, 2022 WL 17851423 at *5.

[164] Trial Tr. 158:11-14, July 24, 2025.

[165] Trial Tr. 7:23-8:5, July 23, 2025.

satisf[actor]y work as expected."[166] Chauhan repeatedly and credibly asserted that Stone Key's work was "ordinary," "usual," "standard," and "typical."[167]

A typical performance warrants typical fees. Ultimately, only Boukouzis's report provides an objective data source on what a typical fee might be. The Court is satisfied that Boukouzis's report should inform damages in this case. The Court finds that Stone Key is entitled to a fee of $3.13 million, representing the median of fees paid in precedent transactions.

E. STONE KEY IS ENTITLED TO PRE- AND POST-JUDGMENT INTEREST RUNNING FROM THE TIME OF CLOSING.

The final topic the Court must turn its attention to is that of pre- and post-judgment interest. "In Delaware, prejudgment interest is awarded as a matter of right [and] is to be computed from the date payment is due . . . [however,] the trial court has some discretion in fixing the amount of interest where there has been inordinate delay caused by one of the parties."[168] Mphasis asserts that pre-judgment interest is not appropriate here because Stone Key failed to "continu[e] to negotiate" after Mphasis made its offer in December of 2023.[169] But this argument fails to address the record evidence showing that the parties had negotiated for months

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[166] *Id.* 133:10-14.

[167] Trial Tr. 255:16-256:8, 263:8-22, July 22, 2025; Trial Tr. 88:5-10, July 23, 2025.

[168] *Citadel Holding Corp. v. Roven*, 603 A.2d 818, 826 (Del. 1992).

[169] Def.'s Op. Br. 36-37.

before Mphasis made its one and only offer. It also fails to address the repeated follow up messages—which the record is replete with—Stone Key had to send Mphasis to get someone to discuss fees with it.

The only question is the date at which prejudgment interest should be computed from. Only Stone Key has offered a date, which is the date of the Mphasis-Silverline closing—October 12, 2023.[170] This is because investment bankers are typically paid at the time of closing. Accordingly, the Court grants Stone Key pre-judgment interest accruing from October 12, 2023.

Further, Stone Key is entitled to post-judgment interest because "Delaware law provides that Post–Judgment Interest is a right belonging to the prevailing plaintiff and is not [dependent] upon the trial court's discretion. Interest on a judgment begins to accrue when the judgment is entered as final and determinative of a party's rights."[171] The Court grants Stone Key post-judgment interest as of February 26, 2026.

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[170] Pl.'s Ans. Br. 36-37.

[171] *Wilmington Country Club v. Cowee*, 747 A.2d 1087, 1097 (Del. 2000).

IV. CONCLUSION

For the foregoing reasons, judgment is entered in favor of Plaintiff on its quantum meruit claim in the amount of $3,130,000.00, plus pre- and post-judgment interest running from October 12, 2023.

IT IS SO ORDERED.

/s/ Patricia A. Winston
Patricia A. Winston, Judge