



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

THE CHEMOURS COMPANY,)
)
Plaintiff,)
)
v.)
)
DOWDUPONT INC.;)
CORTEVA, INC.; AND E. I. DU)
PONT DE NEMOURS AND)
COMPANY,)
Defendants.)
)
)
)

C.A. No. 2019-0351-SG

**PUBLIC VERSION
FILED ON: MAY 17, 2019**

VERIFIED COMPLAINT

Plaintiff The Chemours Company (“Chemours”), by and through its undersigned counsel, as and for its complaint against the Defendants named herein, alleges on personal knowledge as to itself and its own conduct, and on information and belief as to all other matters, as follows:

INTRODUCTION

1. E. I. du Pont de Nemours and Company (“DuPont”) has manufactured industrial chemicals since 1802. In 2015, DuPont [REDACTED] spin-off of its Performance Chemicals unit into a new company it named Chemours, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3. [REDACTED]

[REDACTED] The company

and management were under activist attack. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[Redacted text block]

4. [Redacted text]

[Redacted text block]

5. [Redacted text]

[Redacted text block]

[Redacted]

[Redacted]

6. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

7. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

8. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[Redacted text block]

9. [Redacted text block]

[Redacted text block]

10. [Redacted text block]

[Redacted text block]

[REDACTED]

PARTIES

11. Plaintiff Chemours is a Delaware corporation, with principal executive offices at 1007 Market Street, Wilmington, Delaware. Chemours is a manufacturer of performance chemicals with customers in more than 120 countries and nearly 7,000 employees worldwide, including well over 1,000 in Delaware. Chemours was incorporated as a subsidiary by Defendant DuPont as of April 30,

2015. From that time until July 1, 2015, Chemours was a wholly owned subsidiary of DuPont. On July 1, 2015, DuPont spun off Chemours, distributing shares of Chemours stock to DuPont stockholders, and Chemours has since been an independent, publicly traded company.

12. Defendant DuPont is a Delaware corporation, with principal executive offices at 974 Centre Road, Wilmington, Delaware. DuPont is now a wholly owned subsidiary of Defendant DowDuPont. Before its August 31, 2017 merger with The Dow Chemical Company (“Dow”), DuPont was a publicly traded company that operated businesses including agriculture, electronics and communications, industrial biosciences, nutrition and health, performance materials and protection solutions segments.

13. Defendant DowDuPont Inc. (“DowDuPont”) is a Delaware corporation, with principal executive offices at 974 Centre Road, Wilmington, Delaware. DowDuPont was formed following DuPont’s merger with Dow. DowDuPont has underway a series of separation transactions, following which it will retain certain of DowDuPont’s assets and liabilities and be renamed DuPont de Nemours.

14. Defendant Corteva, Inc. (“Corteva”) is a wholly owned subsidiary of DowDuPont. Corteva is a Delaware corporation, with principal executive offices

at 974 Centre Road, Wilmington, Delaware. On June 1, 2019, DowDuPont plans to distribute to DowDuPont stockholders all issued and outstanding shares of Corteva common stock by way of a pro rata dividend. As of and following the distribution, Corteva is expected to be the direct parent of DuPont and to hold certain of DowDuPont's assets and liabilities.

FACTUAL ALLEGATIONS

I.

[REDACTED]

15. In 2013, DuPont's management began to consider restructuring the company, [REDACTED]

[REDACTED]

16. [REDACTED] focused on DuPont's Performance Chemicals unit. That unit historically manufactured and sold a wide catalogue of industrial and specialty chemicals, including titanium dioxide and a range of fluorochemicals and fluoroproducts used as and in refrigerants, lubricants, propellants, solvents, fire extinguishants and electronic gases. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

17. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

18. [REDACTED]

[REDACTED] Trian Fund Management L.P. (“Trian”) [REDACTED]

[REDACTED] Trian argued that DuPont [REDACTED]

[REDACTED] should separate into three independent entities, focused on agriculture,

specialty chemicals and performance chemicals. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

19. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

20. Unmollified, Trian launched a proxy contest in early 2015. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

II. [REDACTED]

21. [REDACTED]

[REDACTED]

[REDACTED]

22. [REDACTED]

[REDACTED]

A. [REDACTED]

23. [REDACTED]

[REDACTED]

24. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

25. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] (As background, Chemours was first incorporated in April 2015 in preparation for the spin-off. [REDACTED])

[REDACTED]

[REDACTED] From April 2015 until the July 1, 2015 spin-off, Chemours was a wholly owned subsidiary of DuPont.)

26. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

27. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

28. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

29. [REDACTED]

[REDACTED]

[REDACTED]

[Redacted text block]

30. [Redacted text]

[Redacted text block]

31. [Redacted text]

[Redacted text block]

32. [Redacted text]

[Redacted text block]

33. [Redacted]

[Redacted]

(a) [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

(b) [Redacted]

[Redacted]

[Redacted]

(c) [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(d) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

34. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[Redacted text block]

35. [Redacted text]

[Redacted text block]

B. [Redacted text]

36. [Redacted text]

[Redacted text block]

37. [Redacted text]

[Redacted text block]

38. [Redacted text]

[Redacted text block]

[Redacted]

[Redacted]

[Redacted]

39. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

40. [Redacted]

[Redacted]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

41. [REDACTED]

[REDACTED]

[Redacted]

42. [Redacted]

[Redacted]

C. [Redacted]

43. [Redacted]

[Redacted]

44. [Redacted]

[Redacted]

[Redacted]

[Redacted]

45. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

46. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

47. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[REDACTED]

48. [REDACTED]

[REDACTED]

49. [REDACTED]

[REDACTED]

[Redacted]

[Redacted]

[Redacted]

50. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

51. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

52. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

53. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[REDACTED]

54. [REDACTED]

[REDACTED]

(a) [Redacted]

[Redacted]

[Redacted]

[Redacted]

(b) [Redacted]

[Redacted]

(c) [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

(d) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

55. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[Redacted]

[Redacted]

D. [Redacted]

56. [Redacted]

[Redacted]

57. [Redacted]

[Redacted]

58. [Redacted]

[Redacted]

[Redacted]

59. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

60. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

III.

61.

62. In December 2015, DuPont agreed to merge with Dow and stated that it would proceed with a reorganization of the combined business lines approximately along the lines that DuPont had resisted in the Trian proxy fight.

63. At the conclusion of this reorganization, which DuPont has targeted for June 1, 2019, the combined DowDuPont entity will have separated into three independent companies:

- Dow Inc., which was spun off on April 1, 2019, and contains DowDuPont's materials sciences business, along with all financial assets and liabilities of historical Dow not related to its agriculture, specialty products or materials science businesses;
- Corteva, which will be spun off on June 1, 2019 and will contain DowDuPont's agriculture and nutritional businesses, along with all of the outstanding common stock of the historical entity DuPont exclusive of its subsidiaries and 29% of all financial assets and liabilities of historical DuPont not related to the agriculture, specialty products or materials sciences businesses;
- DowDuPont, which will be the surviving entity, will be renamed DuPont de Nemours and will contain DowDuPont's specialty products business, along with the balance of the financial assets and liabilities of historical DuPont not assumed by Corteva.

64.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

66. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

67. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

68. In November 2015, Chemours announced that it would sell to Dow its aniline facility in Beaumont, Texas for approximately \$140 million in cash. [REDACTED]

[REDACTED]

[Redacted]

[Redacted]

B. [Redacted]

69. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

70. [Redacted]

[Redacted]

[Redacted]

[Redacted]

71. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

1. [Redacted]

72. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

73. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

74. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

75. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

76. [Redacted]

[Redacted]

[Redacted]

77. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

78. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

79. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

2. [Redacted]

80. [Redacted]

[Redacted]

[Redacted]

[Redacted]

81. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

82. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

83. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

84. [REDACTED]

[REDACTED]

[REDACTED]

85. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

86. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

87. [REDACTED]

[REDACTED]

3. [REDACTED]

88. [REDACTED]

[REDACTED]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

89. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

90. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

91. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

92. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

93. [REDACTED]

[REDACTED]

[REDACTED]

[Redacted]

[Redacted]

[Redacted]

4. [Redacted]

94. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

95. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

96. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

97. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

98. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

* * * *

99. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

100. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

101. [REDACTED]

[REDACTED]

[REDACTED]

CLAIMS FOR RELIEF

COUNT ONE

[REDACTED]

102. Chemours repeats and incorporates by reference the allegations above.

103. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

104. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

105. [REDACTED]

[REDACTED]

[Redacted text block]

106. [Redacted text]

[Redacted text block]

107. [Redacted text]

[Redacted text]

108. [Redacted text]

[Redacted text block]

109. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

110. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

COUNT TWO

[REDACTED]

111. Chemours repeats and incorporates by reference the allegations above.

112. In May 2015, Chemours was a wholly owned subsidiary of DuPont.

[REDACTED]

[REDACTED]

113. [REDACTED]

[REDACTED]

[REDACTED]

114. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

115. [REDACTED]

[REDACTED]

[REDACTED]

[Redacted text block]

116. [Redacted text]

[Redacted text block]

117. [Redacted text]

[Redacted text block]

COUNT THREE

[REDACTED]

118. Chemours repeats and incorporates by reference the allegations above.

119. [REDACTED]

[REDACTED]

120. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

121. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

122. [REDACTED]

[REDACTED]

[Redacted]

[Redacted]

123. [Redacted]

[Redacted]

124. [Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

125. [Redacted]

[Redacted]

[Redacted]

[REDACTED]

COUNT FOUR

[REDACTED]

126. Chemours repeats and incorporates by reference the allegations above.

127. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

128. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

129. [REDACTED]

[REDACTED]

[REDACTED]

130. [REDACTED]

[REDACTED]

COUNT FIVE

[REDACTED]

131. Chemours repeats and incorporates by reference the allegations above.

132. [REDACTED]

[REDACTED]

[REDACTED]

133. [REDACTED]

[REDACTED]

134. [REDACTED]

[REDACTED]

135. [REDACTED]

[REDACTED]

136. [REDACTED]

[REDACTED]

[REDACTED]

137. [REDACTED]

[REDACTED]

COUNT SIX

[REDACTED]

138. Chemours repeats and incorporates by reference the allegations above.

139. [REDACTED]

[REDACTED]

140. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

141. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

142. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

143. [REDACTED]

[REDACTED]

[REDACTED]

COUNT SEVEN

[REDACTED]

144. Chemours repeats and incorporates by reference the allegations above.

145. [REDACTED]

[REDACTED]

[REDACTED]

146. [REDACTED]

[REDACTED]

[REDACTED]

147. [REDACTED]

[REDACTED]

[REDACTED]

148. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

149. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

150. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

COUNT EIGHT

[REDACTED]

151. Chemours repeats and incorporates by reference the allegations above.

152. [REDACTED]

[REDACTED]

[REDACTED]

153. [REDACTED]

[REDACTED]

[REDACTED]

154. [REDACTED]

[REDACTED]

[REDACTED]

155. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

156. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

157. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

PRAYER FOR RELIEF

WHEREFORE, Chemours requests that this Court enter a judgment:

A. [REDACTED]

[REDACTED]

B. [REDACTED]

C. [REDACTED]

D. [REDACTED]

[REDACTED]

[REDACTED]

E.

[REDACTED]

[REDACTED]

and

F. for such other, further and different relief as the Court may deem just and proper.

FRIEDLANDER & GORRIS P.A.

/s/ Joel Friedlander

Joel Friedlander (Bar No. 3163)
Jeffrey Gorris (Bar No. 5012)
Christopher Foulds (Bar No. 5169)
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DATED: May 13, 2019

*Counsel for Plaintiff The Chemours
Company*