

Delaware Chancery Court Finds in Favor of Private Equity Partner In High Stakes Compensation Dispute

Susman Godfrey scored a complete victory for client Kevin Brown in a lawsuit brought against his former employer – a mid-market private equity firm, Court Square Capital Management, L.P.

The dispute began when Court Square stopped paying carried interest to Mr. Brown after his departure to another investment firm, claiming he and two other former employees breached the restrictive covenants governing their carry payments. The three employees—including Mr. Brown—filed a lawsuit in the Delaware Court of Chancery to enforce their rights to the payments, and Court Square eventually settled with all but Mr. Brown. Court Square also asserted counterclaims for breach of non-compete and confidentiality covenants, which the legal team from Susman Godfrey successfully moved to dismiss in part.

Mr. Brown's case against Court Square went to a bench trial in May 2023 before Chancellor Kathaleen St. J. McCormick. In a December 2023 post-trial ruling, Chancellor McCormick found in favor of Mr. Brown on all claims, ruling he did not breach his non-compete or confidentiality obligations and ordering Court Square to pay Mr. Brown the carry he is owed. The opinion states, "Court Square's arguments are of dubious merit for many reasons."

Susman Godfrey partner and co-lead counsel on the matter, [Jacob Buchdahl](#), said: "We are thrilled with the Court's opinion. We have said all along that our client Kevin Brown did not breach his contract in any way – this decision is a total vindication of Kevin's rights, and it restores all of the compensation that Court Square improperly denied him."

Joining Buchdahl on the matter was partner and co-lead counsel, [Shawn Rabin](#) as well as associate [Raj Mathur](#), who played an integral role in the courtroom proceedings – taking the first direct examination at trial, arguing and winning several motions to compel, and taking key depositions, including those of Court Square's former managing partner and current Chief Financial Officer.

The case is *Kevin Brown, et al. v. Court Square Capital Management, L.P., et al.*, case number 2021-0262 in the Delaware Court of Chancery.