

**COURT OF CHANCERY  
OF THE  
STATE OF DELAWARE**

SAM GLASSCOCK III  
VICE CHANCELLOR

COURT OF CHANCERY COURTHOUSE  
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May 14, 2013

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Re: *QC Communications Inc. v. Quartarone, et al.*  
Civil Action No. 8218-VCG  
Date Submitted: May 14, 2013

Dear Counsel:

This matter is before me on the Motion of the Defendants, Anthony J. Quartarone and Q Media, Inc., to dismiss this action for lack of equitable jurisdiction, under Court of Chancery Rule 12(b)(1). Chancery is a court of limited jurisdiction. Claimants are entitled to maintain an action in Chancery where the action is equitable in nature, where equitable relief is sought, or as otherwise provided by statute.<sup>1</sup>

The Complaint here alleges that Quartarone misused his position as a director and officer of the Plaintiff corporation to divert assets of the Plaintiff corporation, QC Communications, to himself and the Defendant corporation, Q

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<sup>1</sup> *E.g. Heartland Delaware, Inc. v. Rehoboth Mall Ltd. P'ship*, 57 A.3d 917, 919 (Del. Ch. 2012).

Media, which he controls.<sup>2</sup> This states a claim for breach of fiduciary duty, an equitable claim—perhaps *the* quintessential equitable claim.<sup>3</sup> Accordingly, equitable jurisdiction exists, and the Motion of the Defendants is denied. To the extent the forgoing requires an order to take effect, IT IS SO ORDERED.

Sincerely,

*/s/ Sam Glasscock III*

Sam Glasscock III

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<sup>2</sup> Compl. ¶¶ 12, 21-27.

<sup>3</sup> *E.g. McMahon v. New Castle Assoc.*, 532 A.2d 601, 604 (Del. Ch. 1987) (“Chancery takes jurisdiction over ‘fiduciary’ relationships because equity, not law, is the source of the right asserted.”).