



1763 Columbia Rd NW, Suite 175 #357995
Washington, DC 20009

May 7, 2026

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Paramount Skydance Corporation
Attn: Makan Delrahim, Chief Legal Officer
1515 Broadway,
New York, NY 10036

Paramount Skydance Corporation
Attn: Makan Delrahim, Chief Legal Officer
5555 Melrose Ave,
Los Angeles, CA 90038

Paramount Skydance Corporation
Attn: Makan Delrahim, Chief Legal Officer
C/O Corporation Service Company
251 Little Falls Dr,
Wilmington, DE 19808

RE: Stockholder demand to inspect books and records

Mr. Delrahim:

We represent Freedom of the Press Foundation (the “Foundation”) and Reporters Without Borders, Inc. (“RSF”) (collectively, the “Stockholders”), stockholders in Paramount Skydance Corporation (“Paramount”). We write on

behalf of the Stockholders to demand an inspection of Paramount's books and records pursuant to Delaware General Corporation Law § 220.

As you know, Paramount is seeking to acquire Warner Bros. Discovery ("Warner"). Extensive investigative reporting published in recent months suggests that Paramount leadership—particularly Chairman and CEO David Ellison—has promised, if not outright provided, high-level executive branch officials an array of favors to bolster the Warner acquisition's odds of success. This reporting creates a credible basis to believe that Ellison, other board members, and other Paramount executives may have breached their fiduciary duties or otherwise committed misconduct.

As set forth below in more detail, the Stockholders make this demand for the purpose of investigating the existence, scope, and circumstances of such misconduct; related mismanagement of the Corporation; and the resulting implications for the Stockholders' investments.

Attached to this letter, you will find (i) copies of an April 2026 statement and May 2025 transaction report, both from Fidelity, establishing the Foundation's ownership of Paramount stock on a continuous basis since May 27, 2025; (ii) the Foundation's sworn verification; (iii) the Foundation's power of attorney authorizing us to act on its behalf; (iv) a copy of a May 6, 2026, statement from Morgan Stanley reflecting RSF's ownership of Paramount stock on a continuous basis since June 11, 2025; (v) RSF's sworn verification; and (vi) RSF's power of attorney authorizing us to act on its behalf.

BACKGROUND

I. The Skydance–Paramount Merger

On July 7, 2024, then-Skydance Media announced a deal to acquire then-Paramount Global, a merger that created the present Paramount Skydance Corporation. Among many other media properties, Paramount Global owned CBS. The merger was subject to review by the Federal Communications Commission ("FCC"), among other regulators.

On October 6, 2024, CBS News’ *60 Minutes* program aired an interview with presidential candidate Kamala Harris. On October 31, presidential candidate Donald Trump filed a lawsuit against CBS and Paramount Global, alleging that the Harris interview had been deceptively edited, and seeking \$10 billion in damages.¹ Trump later doubled the demand to \$20 billion.² In April 2025, Trump—by then, as now, the sitting President, and thus the head of the executive branch—expressed his “hope” that the FCC, an executive-branch agency, would “impose the maximum fines and punishment” on CBS and *60 Minutes* for other coverage he deemed unfavorable.³

On July 2, 2025, Paramount Global announced that it would settle Trump’s lawsuit for \$16 million, to be paid to a foundation for Trump’s future presidential library.⁴ The settlement was reached even though, according reporting published just weeks earlier, Paramount officials were worried that such a payment “could be legally construed as a bribe.”⁵ The Trump library foundation subsequently dissolved, prompting congressional inquiries;⁶ at present, the ultimate beneficiary of Paramount’s settlement payment is

¹ Complaint, *Trump v. CBS Broadcasting, Inc.*, No. 2:24-cv-00236 (N.D. Tex. Oct. 31, 2024) (Doc. 1).

² First Amended Complaint, *Trump*, No. 2:24-cv-00236 (N.D. Tex. Feb. 7, 2025) (Doc. 36).

³ Brian Stelter, *Trump urges the FCC to punish ‘60 Minutes’ over reports on Greenland and Ukraine*, CNN (Apr. 14, 2025), <https://www.cnn.com/2025/04/14/media/trump-fcc-60-minutes-cbs/index.html> [<https://archive.is/74uYf>].

⁴ David Bauder, *Paramount will pay \$16 million in settlement with Trump over ‘60 Minutes’ interview*, AP (July 2, 2025), <https://www.ap.org/news-highlights/spotlights/2025/paramount-will-pay-16-million-in-settlement-with-trump-over-60-minutes-interview/> [<https://archive.is/77nHd>].

⁵ Charles Gasparino, *Paramount delays \$35M settlement with Trump as media giant fears bribery backlash: sources*, N.Y. Post (June 19, 2025), <https://nypost.com/2025/06/19/media/paramount-delays-35m-settlement-with-trump-sources/> [<https://archive.is/xiFj5>].

⁶ Letter from Senator Warren, *et al.*, to President Donald J. Trump (Apr. 19, 2026), https://www.warren.senate.gov/imo/media/doc/warren_blumenthal_stansbury_letter_to_president_trump_re_presidential_library_fund_donations.pdf.

unclear.⁷ Trump, for his part, has indicated that he may open a presidential “hotel” rather than a library.⁸

Soon after the settlement was reached, Trump disclosed a “side deal,” which, according to contemporaneous reporting, he struck directly with David Ellison⁹; Trump claimed that under the deal, Paramount would provide an additional \$15 to 20 million worth of advertising related to causes important to him.¹⁰ Notably, Ellison does not appear ever to have repudiated the claim that such a “side deal” was struck.¹¹ And Trump appeared to reiterate the claim in remarks he gave just days ago.¹²

⁷ See Dave Levinthal, *One of Trump’s library funds has mysteriously dissolved, but a lack of transparency keeps the public in the dark*, Open Secrets (Oct. 14, 2025), <https://www.opensecrets.org/news/2025/10/one-of-trumps-library-funds-has-mysteriously-dissolved-but-a-lack-of-transparency-keeps-the-public-in-the-dark/> [<https://archive.is/vbKFo>].

⁸ Rachel Treisman, *What to know about Trump’s future presidential library, which he says may be a hotel*, NPR (Apr. 1, 2026), <https://www.npr.org/2026/03/31/nx-s1-5768094/trump-presidential-library-renderings-miami> [<https://archive.is/o54cZ>].

⁹ Charles Gasparino, *How secret ‘side deal’ helped seal Paramount’s \$16M settlement with Trump — and here’s who deserves the credit*, N.Y. Post (July 2, 2025), <https://nypost.com/2025/07/02/media/how-secret-side-deal-helped-seal-paramounts-16m-settlement-with-trump/> [<https://archive.is/vw1Gt>].

¹⁰ Ariel Zilber, *Trump says ‘60 Minutes’ lawsuit settlement is more than double the \$16M that Paramount claims*, N.Y. Post (July 7, 2025), <https://nypost.com/2025/07/07/media/trump-says-60-minutes-lawsuit-settlement-is-more-than-paramount-claims/> [<https://archive.is/job6h>].

¹¹ See, e.g., Todd Spangler, *After Skydance Doesn’t Deny ‘Side Deal’ With Trump as Part of CBS Settlement, Sen. Warren Repeats Call for Investigation Into Potential ‘Criminal Behavior’*, Variety (Aug. 1, 2025), <https://variety.com/2025/tv/news/warren-paramount-skydance-trump-side-deal-investigation-1236476697/> [<https://archive.is/EJBuv>] (“Skydance’s general counsel . . . didn’t directly address the question of whether Skydance has a ‘side deal’ with the president.”); James B. Stewart, *Why Did Shari Redstone Do It?*, N.Y. Times (last updated Aug. 25, 2025), <https://www.nytimes.com/2025/08/19/business/media/shari-redstone-paramount-trump-settlement.html> [<https://archive.is/g9KDj>] (“Skydance hasn’t directly contradicted Mr. Trump.”).

¹² Nick Moyle, *Trump unfiltered: The revealing moments CBS cut from his ‘60 Minutes’ interview*, NJ.com (Apr. 29, 2026), <https://www.nj.com/politics/2026/04/trump-unfiltered-the-revealing-moments-cbs-cut-from-his-60-minutes-interview.html> [<https://archive.is/WOGBv>].

On July 14, CBS late-night host Stephen Colbert characterized Paramount’s settlement with Trump as “a big fat bribe”¹³—a view shared by several Senators.¹⁴ Three days later, Paramount Global announced that it would not be renewing Colbert’s contract.¹⁵

That same week, David Ellison met with Trump-appointed FCC Chairman Brendan Carr to discuss Skydance’s plans to reshape news coverage at CBS and its local stations.¹⁶ In letters following that meeting, Skydance informed the FCC that if the merger were approved, it would install an ombudsman at Paramount to evaluate complaints of “bias” and would eliminate all diversity, equity and inclusion practices.¹⁷

The FCC approved the Paramount–Skydance merger on July 24¹⁸—just one week after Ellison’s meeting with Carr and just two days after Trump

¹³ The Late Show with Stephen Colbert, *Paramount’s Trump Settlement: A Big Fat Bribe*, YouTube (July 14, 2025), <https://www.youtube.com/watch?v=zzvx3L3DQb8>.

¹⁴ July 21, 2025, Letter from Senator Warren, *et al.*, to David Ellison, https://www.warren.senate.gov/imo/media/doc/warren_sanders_wyden_letter_to_skydance_on_paramount_settlement.pdf.

¹⁵ John Koblin, *CBS Canceling ‘Late Show With Stephen Colbert’ After Next Season*, N.Y. Times (last updated July 18, 2025), <https://www.nytimes.com/2025/07/17/business/stephen-colbert-late-show-ending.html> [<https://archive.is/M8Fyr>].

¹⁶ Sara Fischer, *Skydance CEO met with FCC chair ahead of CBS canceling “The Late Show”*, Axios (July 18, 2025), <https://www.axios.com/2025/07/18/stephen-colbert-late-show-skydance> [<https://archive.is/MMD8t>].

¹⁷ Liam Reilly, *Skydance pledges to Trump’s FCC it’ll eliminate DEI, install ‘ombudsman’ to root out ‘bias’ at CBS News*, CNN (July 23, 2025), <https://www.cnn.com/2025/07/23/media/skydance-fcc-cbs-news-bias-ombudsman-dei-paramount> [<https://archive.is/rraq6>].

¹⁸ *In re Paramount Global*, 40 FCC Rcd. 5689 (July 24, 2025).

announced that he had received his settlement payment from Paramount.¹⁹ The merger closed on August 7, for \$8 billion.²⁰

Paramount Skydance has kept its promises to Trump and Carr, and then some, since the merger concluded:

- Paramount has appointed a conservative donor, right-wing think tank executive, and former Trump ambassadorial nominee—who had no prior experience overseeing news coverage—to the promised CBS ombudsman role.²¹
- Although Colbert’s show has been the highest-rated late-night talk show for nine consecutive seasons,²² Paramount has moved ahead with its cancellation.²³
- Paramount has acquired the Free Press—a Substack blog—for a shocking \$150 million; appointed its founder, blogger Bari Weiss, to be

¹⁹ David Shepardson & Dawn Chmielewski, *Trump says he received \$16 million payment after Paramount lawsuit settlement*, Reuters (July 22, 2025), <https://www.reuters.com/legal/litigation/trump-says-he-received-16-million-payment-after-paramount-lawsuit-settlement-2025-07-22/> [<https://archive.is/doxfb>].

²⁰ Wyatt Grantham-Philips, *Paramount and Skydance close their \$8 billion merger, kicking off reign of new entertainment giant*, AP (Aug. 7, 2025), <https://apnews.com/article/paramount-skydance-media-cbs-trump-merger-a030c4f2c1903ed0e7f927782a64fcc0> [<https://archive.is/4w3C0>].

²¹ Benjamin Mullin & Michael M. Grynbaum, *CBS Taps Conservative Policy Veteran for New Ombudsman Role*, N.Y. Times (Sep. 8, 2025), <https://www.nytimes.com/2025/09/08/business/media/cbs-news-ombudsman-kenneth-weinstein.html> [<https://archive.is/ILHAW>].

²² Rick Porter, *‘Late Show’ Shocker: CBS Ending Late-Night Franchise in 2026*, Hollywood Reporter (July 17, 2025), <https://www.hollywoodreporter.com/tv/tv-news/cbs-ending-late-show-stephen-colbert-2026-1236319194/> [<https://archive.is/PlN1z>].

²³ Ali Watkins, *‘The Late Show’ Will Be Replaced by Byron Allen’s ‘Comics Unleashed,’ CBS Says*, N.Y. Times (Apr. 7, 2026), <https://www.nytimes.com/2026/04/07/business/media/colbert-late-show-replacement-byron-allen-cbs.html> [<https://archive.is/vXsLL>].

CBS's editor-in-chief; and authorized her to transform the network's programming.²⁴

- Weiss has spiked or logjammed coverage unfavorable to Trump—for instance, by delaying for nearly a month a *60 Minutes* segment about the treatment of detainees at El Salvador's CECOT prison.²⁵

Trump has celebrated these moves. For instance, in October 2025, aboard Air Force One, Trump told reporters that “I’ll tell you what, Larry Ellison is great, and his son, David, is great.” He added, “They’re friends of mine. They’re big supporters of mine. And they’ll do the right thing. They’re going to make CBS, hopefully they’ll—” before catching himself. He closed more circumspectly, “And it’s got great potential. CBS has great potential.”²⁶

Paramount's decision to transform CBS's coverage with such haste has triggered a talent exodus from the network:

- Bill Owens, longtime *60 Minutes* executive producer, left before the merger had even concluded, explaining that he had been encouraged to tamp down coverage of Trump.²⁷
- Forty-six-year veteran CBS News producer Mary Walsh announced her resignation five months into Bari Weiss's tenure, saying that she and her

²⁴ Clare Malone, *Inside Bari Weiss's Hostile Takeover of CBS News*, *New Yorker* (Jan. 19, 2026), <https://www.newyorker.com/magazine/2026/01/26/inside-bari-weiss-hostile-takeover-of-cbs-news> [<https://archive.is/uWBSH>]; see also Mark Stenberg, *Why Paramount Paid \$150 Million for a \$20 Million Media Company*, *Adweek* (Oct. 6, 2025), <https://www.adweek.com/media/paramount-free-press-acquisition/> [<https://archive.is/hbNWi>].

²⁵ Brendan Rascius, *'60 Minutes' segment controversially spiked by CBS News editor-in-chief Bari Weiss finally airs*, *The Independent* (Jan. 19, 2026), <https://www.independent.co.uk/news/world/americas/us-politics/60-minutes-cecot-airs-bari-weiss-cbs-b2902879.html> [<https://archive.is/jhyDi>].

²⁶ Julia Manchester, *Trump Praises Ellison, CBS Changes After Skydance Takeover*, *The Hill*, <https://thehill.com/homenews/media/5552716-trump-cbs-news-paramount-ellison/> [<https://archive.is/m2QB1>].

²⁷ Jeremy Barr, *Ex-60 Minutes Producer Bill Owens Says Bosses Discouraged Him from Covering Gaza and Trump*, *The Guardian* (Oct. 25, 2025), <https://www.theguardian.com/us-news/2025/oct/24/60-minutes-bill-owens> [<https://archive.is/VSM4V>].

colleagues had been told to “aim our reporting at a particular part of the political spectrum.”²⁸

- Anderson Cooper, *60 Minutes*’ most recognizable correspondent, announced that he was leaving to spend more time with family—yet, notably, is continuing his work for CNN.²⁹
- CBS Evening News producer Alicia Hastey accepted a buyout, and complained in a farewell message to colleagues that stories were being evaluated not on journalistic merit but instead on “whether they conform to a shifting set of ideological expectations.”³⁰

Beyond CBS, Paramount has also taken other steps to ingratiate itself to Trump since the Skydance merger closed. For instance, in August 2025, Paramount acquired 7 years’ worth of Ultimate Fighting Championship domestic broadcasting rights for an extraordinary \$7.7 billion, or \$1.1 billion *per year*.³¹ UFC CEO Dana White is a close Trump ally who, among other things, introduced Trump at the 2024 Republican National Convention.³²

²⁸ Jeremy Barr, *Departing CBS News Producer Claims Political Bias as Paramount Poised to Buy Warner Bros*, *The Guardian* (Feb. 27, 2026), <https://www.theguardian.com/media/2026/feb/27/cbs-news-political-bias-paramount-warner-bros> [https://archive.is/nA7oz].

²⁹ David Bauder, *Anderson Cooper is leaving ‘60 Minutes,’ but staying with CNN*, *PBS News* (Feb. 17, 2026), <https://www.pbs.org/newshour/arts/anderson-cooper-is-leaving-60-minutes-but-staying-with-cnn> [https://archive.is/pHRil].

³⁰ Ariana Baio, *Fresh Bari Weiss fallout as CBS Evening News producer quits over ‘ideological expectations’*, *The Independent* (Feb. 12, 2026), <https://www.independent.co.uk/news/world/americas/cbs-evening-news-producer-quit-alicia-hastey-b2919221.html> [https://archive.is/F3ALX].

³¹ Alex Sherman, *Paramount buys UFC rights in \$7.7 billion, 7-year deal in first major move post-Skydance merger*, *CNBC* (Aug. 11, 2025), <https://www.cnbc.com/2025/08/11/paramount-buys-ufc-rights-skydance-merger.html> [https://archive.is/rB9Af]; *see also* Ben Horney, *Why Paramount Overpaid for UFC Media Rights*, *Front Office Sports* (updated Aug. 15, 2025), <https://frontofficesports.com/why-paramount-deliberately-overpaid-for-ufc-media-rights/> [https://archive.is/fHlut].

³² *PBS NewsHour, WATCH: Dana White speaks at 2024 Republican National Convention*, YouTube (July 18, 2024), https://www.youtube.com/watch?v=anZ_4mf6BWE.

Trump, for his part, often appears at UFC events.³³ And the UFC plans to hold an event, styled *UFC Freedom 250*, on the South Lawn of the White House on June 14, 2026—Trump’s 80th birthday.³⁴

In a similar vein, reporting indicates that Paramount has at Trump’s behest rebooted the moribund *Rush Hour* franchise of action movies.³⁵ *Rush Hour III* came out nearly two decades ago, in 2007. And the franchise’s director, Bruce Ratner, has not made a feature film since #MeToo allegations against him in 2017 (though he did make a recent biopic about First Lady Melania Trump).³⁶ But Trump is a fan of the *Rush Hour* movies and, reportedly, a friend of Ratner’s, and Paramount has now agreed to distribute a planned *Rush Hour IV*.³⁷

In sum, since Skydance and the Ellisons took over Paramount, they have wielded the company to benefit Trump and cater to his preferences about media, including news, sports, and film. As set forth below, the benefits to stockholders have been far less obvious.

³³ See, e.g., Josh Dickey, *Paramount Suitor David Ellison Spotted Ringside With Trump at UFC Fight – President Torches CBS Hours Later*, *The Wrap* (Apr. 15, 2025), <https://finance.yahoo.com/news/paramount-suitor-david-ellison-spotted-063722432.html>.

³⁴ Margaret Hartmann, *All About the White House UFC Fight on Trump’s Birthday*, *N.Y. Mag.* (Apr. 10, 2026), <https://nymag.com/intelligencer/article/white-house-ufc-fight-trump-birthday.html> [<https://archive.is/D2OLX>].

³⁵ Max Tani, *How Trump is trying to remake American culture — starting with his favorite buddy-cop franchise*, *Semafor* (Nov. 23, 2025), <https://www.semafor.com/article/11/23/2025/how-trump-is-trying-to-remake-american-culture-starting-with-rush-hour> [<https://archive.is/BJGuJ>].

³⁶ Rebecca Rubin, *‘Rush Hour 4’ in the Works at Paramount at Trump’s Request*, *Variety* (Nov. 25, 2025), <https://variety.com/2025/film/box-office/rush-hour-4-paramount-trump-1236591747/> [<https://archive.is/Z9A1J>].

³⁷ Jake Coyle, *‘Rush Hour 4’ will be distributed by Paramount after Trump’s reported request*, *AP* (Nov. 26, 2025), <https://apnews.com/article/rush-hour-4-brett-ratner-trump-c772091c374ad075a9399386a8050fe9> [<https://archive.is/LCcf5>].

II. The Proposed Paramount–Warner Bros. Discovery Merger

Since at least September 2025, Paramount has been pursuing a second mega-merger—this time, targeting Warner Bros. Discovery. The principal advocates for the merger have been Paramount CEO and Chairman David Ellison, and his father Larry Ellison, who after the Skydance merger is Paramount’s largest shareholder.

In September, David Ellison pitched an opening bid of \$19 per share to Warner leadership, and soon thereafter followed up with \$22 and \$23.50 per share bids.³⁸ Warner leadership declined those bids and instead set up what amounted to an auction.³⁹ As a result, Paramount faced competing bids for Warner’s assets, chief among them bids from Netflix for Warner’s studio and streaming properties.

In November, according to reporting, Larry Ellison discussed Paramount’s proposed acquisition of Warner with senior White House officials.⁴⁰ Ellison reportedly raised the possibility that Paramount would include CNN in the purchase, then implement the CBS playbook: transforming CNN’s programming and firing anchors and commentators Trump dislikes.⁴¹ Trump harbors longstanding animus toward CNN, and has repeatedly called for the network to be sold or “turned off.”⁴²

³⁸ Joe Flint *et al.*, *Behind Paramount’s Relentless Campaign to Woo Warner Discovery and President Trump*, Wall St. J. (Dec. 8, 2025), <https://www.wsj.com/business/media/paramount-netflix-warner-bros-battle-ellisons-a86fe15c> [https://archive.is/NOzwZ].

³⁹ *Id.*

⁴⁰ Hugo Lowell, *Larry Ellison discussed axing CNN hosts with White House in takeover bid talks*, The Guardian (Nov. 20, 2025), <https://www.theguardian.com/us-news/2025/nov/20/warner-bros-discovery-takeover-paramount-skydance-larry-ellison> [https://archive.is/OHgVo].

⁴¹ *Id.*

⁴² Mark Joyella, *Calling CNN, MSNBC ‘Dishonest,’ Trump Says Networks Will Be ‘Turned Off’*, Forbes (Mar. 21, 2025), <https://www.forbes.com/sites/markjoyella/2025/03/21/calling-cnn-msnbc-dishonest-trump-says-networks-will-be-turned-off/> [https://archive.is/22p5c].

In December, after several rounds of back-and-forth bidding, it appeared that Netflix had won. On December 5, Netflix announced that it would be acquiring Warner’s studio and streaming assets under a deal valuing the company at just under \$83 billion.⁴³ Netflix’s bid notably did not include CNN.

Soon after the news broke, Larry Ellison reportedly called Trump to argue against the deal.⁴⁴ And David Ellison reportedly “offered assurances to Trump administration officials that if he bought Warner, he’d make sweeping changes to CNN.”⁴⁵

Trump, for his part, soon began leveraging the powers of his office to erect barriers to the Netflix bid. In a statement without precedent in modern regulatory history, Trump promised to be personally “involved” in the decision whether to grant antitrust approval to any Netflix deal.⁴⁶ A few days later, Trump told reporters that it was “imperative” that CNN be sold as part of any deal, “because the people that are running CNN right now are either corrupt or incompetent.”⁴⁷ Trump continued: “I don’t think the people that are running that company [Warner Bros.] right now and running CNN—which is a very dishonest group of people—I don’t think that should be allowed to continue. I think CNN should be sold along with everything else.”⁴⁸ And in February of

⁴³ Netflix, *Netflix to Acquire Warner Bros. Following the Separation of Discovery Global for a Total Enterprise Value of \$82.7 Billion (Equity Value of \$72.0 Billion)* (Dec. 5, 2025), <https://about.netflix.com/en/news/netflix-to-acquire-warner-bros> [<https://archive.is/i0kDP>].

⁴⁴ Flint *et al.*, *supra* n.38.

⁴⁵ *Id.*

⁴⁶ Michael M. Grynbaum, *Trump Stands in the Middle as Netflix and Paramount Vie for a Megadeal*, N.Y. Times (Dec. 8, 2025), <https://www.nytimes.com/2025/12/08/business/media/trump-netflix-paramount-deal.html> [<https://archive.is/xAM8o>].

⁴⁷ Daniel Lippman & Max Tani, *Trump Says He Hopes to See CNN Sold in Warner Bros. Merger*, Politico (Dec. 10, 2025), <https://www.politico.com/news/2025/12/10/trump-cnn-warner-paramount-skydance-media-00685810> [<https://archive.is/wLYb7>].

⁴⁸ *Id.*

this year, Trump demanded that Netflix remove one of its board members, threatening that the company would “pay the consequences” if it did not comply.⁴⁹

On February 24, Paramount raised its bid to \$31 per share.⁵⁰ On February 26, Netflix CEO Ted Sarandos visited the White House, reportedly to meet with staffers.⁵¹ Although the details of those conversations have not yet been publicly reported, Netflix notably pulled out of the competition to acquire Warner that same day.

That left Paramount as the sole remaining bidder. One day later, on February 27, Paramount announced that it would be acquiring Warner for \$31 per share in cash.⁵² As part of that \$111 billion acquisition, Paramount agreed to pay the \$2.8 billion breakup fee Warner owed to Netflix.⁵³

Trump administration officials have since indicated that they anticipate swift regulatory approval. In early March, for instance, FCC Chairman Carr told reporters that the Paramount bid was “cleaner” than Netflix’s and that he

⁴⁹ Joel Mathis, *Why is Trump going after Netflix’s Susan Rice?*, *The Week* (Feb. 26, 2026), <https://theweek.com/business/trump-netflix-susan-rice-state-run-capitalism> [<https://archive.is/F8TNq>].

⁵⁰ Wyatt Grantham-Philips, *Paramount has raised its takeover offer to \$31 per share, Warner Bros. says*, *PBS News* (Feb. 24, 2026), <https://www.pbs.org/newshour/economy/paramount-has-raised-its-takeover-offer-to-31-per-share-warner-bros-says> [<https://archive.is/QHZHZ>].

⁵¹ Dan Mangan & Eamon Javers, *Netflix CEO Sarandos visited White House right before streamer said WBD deal is off*, *CNBC* (Feb. 26, 2026), <https://www.cNBC.com/2026/02/26/netflix-sarandos-trump-white-house-wbd-paramount.html> [<https://archive.is/6uoF1>].

⁵² Paramount, *Paramount to Acquire Warner Bros. Discovery to Form Next-Generation Global Media and Entertainment Company* (Feb. 27, 2026), <https://www.paramount.com/press/paramount-to-acquire-warner-bros-discovery-to-form-next-generation-global-media-and-entertainment-company> [<https://archive.is/06YHW>].

⁵³ Jenifer Maas, *Netflix Says Paramount Has Paid \$2.8 Billion Breakup Fee for Warner Bros. Discovery Deal*, *Variety* (Feb. 27, 2026), <https://variety.com/2026/tv/news/paramount-paid-netflix-2-8-billion-breakup-fee-warner-bros-1236674986/> [<https://archive.is/WnOgo>].

expected it to be approved “pretty quickly.”⁵⁴ A few weeks later, Defense Secretary Pete Hegseth criticized CNN coverage of the Iran war, then remarked, “[t]he sooner David Ellison takes over that network, the better.”⁵⁵ And Trump himself asserted that the same Iran coverage had led him to order a criminal investigation into CNN⁵⁶—yet Paramount does not appear to be concerned about the risks associated with acquiring a brand under active (albeit baseless and unconstitutional) investigation.

The Trump administration has already declined one key opportunity to scrutinize the deal. Although reporting indicates that Paramount’s purchase is being funded in significant part by a \$24 billion investment from Saudi, Qatari, and Emirati investment funds, the Treasury Department has so far elected not to conduct a Committee on Foreign Investment in the United States (CFIUS) review⁵⁷—a decision rendered yet more surprising by your disclosure last week that the post-merger “aggregate indirect foreign ownership of equity interest in Paramount will be approximately 49.5 percent.”⁵⁸ Treasury’s decision notwithstanding, Congress and future presidential administrations

⁵⁴ Sawdah Bhaimiya, *FCC chief tells CNBC WBD-Paramount merger deal is ‘cleaner’ than Netflix’s, will be approved ‘quickly’*, CNBC (Mar. 3, 2026), <https://www.cnbc.com/2026/03/03/fcc-chair-brendan-carr-wbd-paramount-merger-deal-netflix.html> [<https://archive.is/vjgzl>].

⁵⁵ Marita Vlachou, *Pete Hegseth Trashes CNN Mid-Briefing: ‘The Sooner David Ellison Takes Over...’*, HuffPost (updated March 13, 2026), https://www.huffpost.com/entry/pete-hegseth-trashes-cnn-mid-briefing-ellison_n_69b41ec3e4b09d87d026f079 [<https://archive.is/ylwUo>].

⁵⁶ Ted Johnson, *CNN Defends Authenticity Of Iranian “Victory” Statement After Donald Trump Posts Irate Claim It Was A “Fraud”*, Deadline (Apr. 7, 2026), <https://deadline.com/2026/04/cnn-trump-iran-statement-1236784202/> [<https://archive.is/ZZFVX>].

⁵⁷ Winston Cho, *Foreign Investments in Paramount-Warner Bros. Deal Flagged by Democratic Senators in FCC Letter*, Hollywood Reporter (Mar. 23, 2026), <https://www.hollywoodreporter.com/business/business-news/paramount-warner-bros-foreign-investments-fcc-letter-1236544632/> [<https://archive.is/yBNDi>].

⁵⁸ Alex Weprin, *Paramount Asks FCC to Sign Off on Middle East Investment in Warner Bros. Megadeal*, Hollywood Reporter (Apr. 27, 2026), <https://www.hollywoodreporter.com/business/business-news/paramount-asks-fcc-approve-middle-east-funds-warners-deal-1236578242/> [<https://archive.is/yHJJq>].

are likely to subject such an ownership structure to intense and persistent scrutiny, creating significant long-term exposure even if the Warner acquisition closes.

Paramount leadership has continued to pander to Trump and other administration officials in recent days. Late last month, David Ellison hosted an intimate dinner to honor Trump.⁵⁹ Acting Attorney General Todd Blanche, who as head of the Justice Department is overseeing antitrust review of the merger, attended.⁶⁰ A few days later, Defense Secretary Hegseth and Trump’s Deputy Chief of Staff Stephen Miller attended the White House Correspondents’ Dinner as CBS’s guests.⁶¹

On April 23, Warner shareholders voted to approve the sale, leaving antitrust and FCC review as the principal remaining hurdles to the merger.⁶²

BASIS FOR THE DEMAND

Delaware law entitles the Stockholders to inspect Paramount’s books and records “for any proper purpose.”

The Stockholders make this demand for three related purposes.

First, the foregoing account of recent events—drawn entirely from investigative reporting published in the mainstream news media—creates a

⁵⁹ Michael M. Grynbaum, *Paramount Throws Party for Trump as It Awaits Approval of Warner Bros. Deal*, N.Y. Times (Apr. 24, 2026), <https://www.nytimes.com/2026/04/24/business/media/david-ellison-trump-cbs-news.html> [<https://archive.is/GSut2>].

⁶⁰ *Id.*

⁶¹ Margaret Sullivan, *Why are White House journalists partying with Trump?*, The Guardian (Apr. 23, 2026), <https://www.theguardian.com/commentisfree/2026/apr/23/white-house-correspondents-dinner-trump> [<https://archive.is/Befa6>].

⁶² *Brian Stelter, Warner Bros. Discovery shareholders approve Paramount takeover*, CNN (Apr. 23, 2026), <https://www.cnn.com/2026/04/23/media/wbd-shareholders-approve-paramount-takeover> [<https://archive.is/C8fyn>].

credible concern that Paramount leadership has offered, solicited, or effectuated a corrupt exchange: more favorable coverage of the Trump administration and its allies in exchange for favorable treatment by Trump administration antitrust and media regulators.

Such a corrupt bargain, if it has been proposed or consummated, would constitute a breach of fiduciary duties, and would expose Paramount to a range of potential civil and criminal penalties, as well as potential liabilities under federal and state law. And, given the operative statutes of limitations, much of this exposure would extend well beyond the end of the Trump administration.

It is thus no surprise that public reporting indicates that Paramount executives have been voicing their own concerns about legal exposure for well over a year.⁶³ At least one lawsuit, raising explosive if thus far unsubstantiated allegations about improper communications between Paramount leadership and federal officials, has already been filed.⁶⁴ And congressional scrutiny of both the Skydance and the Warner mergers has been persistent and intense. In light of these circumstances, the Stockholders make the instant demand to investigate whether misconduct has occurred or is occurring.

Second, the same reporting establishes that since the Skydance merger was consummated, Paramount's leadership has effectuated sweeping changes to standards, programming, and personnel at CBS, the company's flagship news media brand—changes apparently precipitated by Trump and Carr's demands, and aimed at appeasing Trump and procuring favorable regulatory treatment.

Those changes have damaged CBS's brand value and Paramount's share value, to the detriment of the Stockholders. In particular, since Bari Weiss was

⁶³ See Jessica Toonkel, *Paramount Executives Ask: Could They Be Sued for Settling Trump's \$20 Billion CBS Lawsuit?*, Wall St. J. (Feb. 14, 2025), <https://www.wsj.com/business/media/paramount-executives-ask-could-they-be-sued-for-settling-trumps-20-billion-cbs-lawsuit-228604a2> [https://archive.is/nLmH6].

⁶⁴ Winston Cho, *Larry Ellison's Private Trump Convo Alleged in Jeff Shell Legal Saga*, Hollywood Reporter (Mar. 17, 2026), <https://www.hollywoodreporter.com/business/business-news/larry-ellison-trump-warner-bros-jeff-shell-1236536672/> [https://archive.is/1QIsz].

named CBS editor-in-chief, in October 2025, CBS ratings have sunk “to historic lows,”⁶⁵ and PSKY’s value has declined by over 40 percent.⁶⁶ Accordingly, the Stockholders make the instant demand to investigate Paramount leadership’s reasoning and motivations in making such sweeping changes at CBS.

Third, public reporting establishes that Paramount has been engaged in a pattern of grossly overpaying for Trump-adjacent media. In particular, the decisions to spend \$150 million on the Free Press Substack blog, and \$1.1 billion *per year* for UFC broadcast rights, are extraordinarily difficult to explain on business grounds. And, as just noted, such profligate spending has accompanied a precipitous decline in PSKY share price. Accordingly, the Stockholders make the instant demand to investigate the justifications for such questionable investments.

BOOKS AND RECORDS DEMANDED

Pursuant to section 220 of the Delaware General Corporation Law, the Stockholders, through their undersigned counsel, demand the opportunity to inspect and make copies of the following necessary and essential books and records:

1. All written or electronic documents or other books or records provided to the board of directors, any of its individual members, or any stockholder relating to:
 - a. Paramount Global’s or any director’s settlement of any litigation with Trump, including, without limitation, the “side deal” Trump has alleged was reached to settle the *60 Minutes* litigation;
 - b. Paramount Skydance’s acquisition of Warner Bros. Discovery, including, without limitation, all records relating to Paramount’s

⁶⁵ Oliver Darcy, *CBS’ Ratings Calamity*, Status (Apr. 29, 2026), <https://www.status.news/p/tony-dokoupil-cbs-evening-news-ratings-bari-weiss> [<https://archive.is/rg7tL>].

⁶⁶ PSKY closed at \$19.13 per share on October 6, 2025, the date Paramount announced Weiss’s appointment and the Free Press acquisition. On May 6, 2026, the stock closed at \$10.80 per share.

- own bids, the competing Netflix bids, regulatory approval, or formal or informal communications with regulators;
- c. Potential legal exposure arising from the *60 Minutes* settlement, the Skydance merger, or the proposed Warner acquisition including, without limitation, legal exposure under bribery or anticorruption laws;
 - d. Paramount Skydance's plans for CNN in the event that the merger is consummated;
 - e. Foreign investors or investments in the bids to acquire Warner Bros., including, without limitation, any records reflecting such investors' input on programming or content;
 - f. The April 23, 2026, event reported on by the New York Times in the story titled *Paramount Throws Party for Trump as It Awaits Approval of Warner Bros. Deal*;⁶⁷
 - g. Standards, programming, or personnel changes at CBS, including, without limitation, the purchase of the Free Press blog and appointment of Bari Weiss to be CBS's new editor-in-chief, the ombudsman appointment, and content-, bias-, and fairness-related commitments to the FCC;
 - h. The purported criminal investigation into CNN's Iran coverage;
 - i. Paramount Skydance's purchase of the UFC's broadcasting rights;
 - j. The *UFC Freedom 250* event, including, without limitation, Paramount's financial or other contributions thereto;
2. All minutes of any meeting of the board of directors or any committee of the board of directors at which any materials described above were provided or discussed;
 3. All books or records reflecting any communication with any federal or state officials regarding the *60 Minutes* settlement, the Skydance merger, or the proposed Warner acquisition;

⁶⁷ Grynbaum, *supra* n.59.

4. The settlement agreement between Trump and Paramount resolving the *60 Minutes* litigation; any other records reflecting any offer or commitment to provide advertising, public service announcements, or anything else of value in connection with resolving that litigation; and any other books or records relating in any manner to the payment of settlement funds to Trump or Trump-related entities;
5. Insofar as Paramount Skydance does not possess any one or more of the categories of books or records listed above, the “functional equivalent” of such book or record, including, without limitation, any pertinent texts, emails, or other electronic communications to the extent that those records are not already captured by the demands above.

This demand extends to any books or records of CBS or any subsidiary insofar as those books or records are controlled by, or otherwise available to, Paramount Skydance.

INSTRUCTIONS FOR COMPLYING WITH THE DEMAND

Pursuant to section 220(c), please comply with or otherwise respond to this demand within five business days. A non-response will be construed as a denial. To facilitate timely inspection, the Stockholders are prepared to enter into to a reasonable confidentiality agreement.

You may comply either by making the requested books and records available for inspection in person during usual business hours or via an electronic production, as you prefer. In the event that you elect to permit in-person inspection and copying, the Stockholders reserve the right to continue the inspection until counsel has reviewed all responsive books and records.

In the event that you fail to comply with this demand or any part of its lawful scope, the Stockholders will seek judicial redress, including attorney’s fees.

The Stockholders reserve the right to supplement this demand as warranted by new reporting or other factual developments, your responses, or the

contents of any books or records produced. Nothing in this demand should be construed as a waiver of any rights, claims, or defenses by the Stockholders.

Regards,

/s/ Brendan Ballou

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