NewsRoom

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November 17, 2025

6th Circuit shields FirstEnergy's internal probe documents

Correy E. Stephenson

Story Highlights

6th Circuit says attorney-client privilege protects FirstEnergy's probe documents.

Work product doctrine applies because investigations followed criminal subpoenas.

Districtcourt erred by ordering production of Jones Day and Squire findings.

Mandamus granted due to "extraordinary" stakes and broad legal implications.

Documents created as part of two internal investigations bylaw firms for apublic corporation after the federal government brought charges against a former state lawmaker implicating the company in a bribery scheme should not be produced in a shareholder class action,apanel of the6th U.S. CircuitCourt of Appealshas ruled.

"What matters under the attorney-client privilege is whether a company seeks legal advice, not what it later does with that advice," the court wrote. "Over and over, FirstEnergy showed that it primarilysoughtand received legal advice from its attorneys throughout the investigations. That FirstEnergy made business decisions based on this legal advice does not change matters."

Theper curiamdecisioninInre: FirstEnergy Corporation(MiLWNo.01-109791,14pages)wasauthoredbyChief JudgeJeffrey S. Sutton, Senior Judge Alice M. Batchelder and Judge John B. Nalbandian.

Robert J.Giuffra, Jr. of Sullivan & Cromwell in New YorkrepresentedFirst Energy.

"We're pleased withthe6thCircuit ruling rejecting plaintiffs'efforts to obtain FirstEnergy'sprivileged communications with, and work product created by, Jones Day and Squire attorneys when they investigated the[matter]," he said in a statement. "Thirty-nine law firms, 11 corporate and legal ethics scholars, and several legal and business groups filed supporting amicus briefs emphasizing the importance of protecting the attorney-client privilege and attorney work product doctrine in internal corporate investigations."

San Diego, Calif. attorney Jason A. Forge of RobbinsGeller Rudman & Dowd,who represented the shareholders, did not respond to a request for comment.

Subpoenas trigger investigations

In late 2016, Ohio-based public utility company FirstEnergy Corporation faced financial problems due to two failing nuclear plants owned by its subsidiary.

To solve the problem, FirstEnergy allegedly engaged in a bribery scheme with Larry Householder, then a member of the Ohio House of Representatives.

FirstEnergy allegedly contributed millions of dollars to Householder's campaign funds through a network of fundraising groups, and Householder threw himself behind the passage of House Bill 6, a piece of legislation that promised FirstEnergy a$1.3 billionbailout and a fixed revenue stream of $100 million annually, all at ratepayers' expense.

But in July 2020, the federal governmentreleased a criminal complaint charging Householder with violating the Racketeer Influenced and Corrupt Organizations Act and issued subpoenas to FirstEnergy.

Within a week, FirstEnergy and an independent committee of its boardretainedseparate outside counsel to conduct internal investigations.

The complaint andsubpoenasresulted in a host of legal and regulatory actions against FirstEnergy.Among the lawsuits were securities class actions filed by shareholders.

During discovery, the plaintiffs sought complete access to the fruits of the investigations, moving to compel the production of "all previously withheld documents."

A special master recommended that the court grant the motion. The district court accepted the recommendation and ordered production.

FirstEnergy filed a petition for a writ of mandamus.

Adjacent business purposesdon'ttransform legal advice

Beginning with attorney-client privilege, the court looked to the U.S. Supreme Court's 1981 decision inUpjohn Co. v. United States, where the justices held that the privilege applies when a company seeks legal advice to assess risks of criminal and civil liability.

"What was true forUpjohnis true for FirstEnergy," the court wrote. "As withUpjohn, FirstEnergy and its board hired lawyers to 'secure legal advice' through internal investigations into the company's potential criminal and civilwrongdoing. In asking for outsidecounsel'sanalysis about what happened and in seekingits legaladvice about what to do in response to the 'very significant legal risk it suddenly faced,' FirstEnergy and the board clearly sought legal advice. And legal advice they received."

The work product doctrine also covered FirstEnergy's internal investigations, the court found, as the doctrine applies to documents "prepared in anticipation of litigation."

"FirstEnergy's materials meet this standard," the court said. "The onslaught of legal and regulatory action surrounding FirstEnergy's investigations shows why. Even the [plaintiffs] acknowledged to the district court that '[o]bviouslyno internal investigations would have taken place but for the Department of Justice investigation.'"

Thisanticipatedlegal risk became an actual legal risk, the court added, as within weeks, FirstEnergy directors and officers faced eight shareholder lawsuits, as well as multiple investigations into FirstEnergy by the Securities and Exchange Commission, the Ohio AttorneyGeneraland the Public Utilities Commission of Ohio.

The district court reasoned that FirstEnergyinitiatedthe investigations for business advice, not legal advice, based on its observation that FirstEnergy later used the fruits of the investigations for business decisions.

"But these bedrock protections are not so easily pierced," the court explained.

Companies regularly consult their attorneys about a variety of problems arisinginthe course ofbusiness, on issues such as compensation plans, proposed sales, a potentialbankruptcyor decisions toterminateemployees.

"None of these adjacent business purposes for seeking legal advice transforms the communications and legal work into something other than legal advice," the court said. "In the context of the legal threats that FirstEnergy faced high-stakes criminal and civil allegationsit will be the rare company that will not also have business purposes for seeking essential legal advice. The attorney-client privilege nonetheless plainly applies."

The district court fared no betterwith regard towork product, as the court "would have to overlook that First Energyinitiatedthe investigations after the Householder complaint implicated FirstEnergy as a key player in a criminal scheme, and after the Department of Justice criminally subpoenaed FirstEnergy. We would have to overlook thatnumerouscivil lawsuits and multiple federal and state regulatory actions were filed against FirstEnergy in the following weeks."

Finally, the courtdeterminedthat mandamus a "drastic and extraordinary remedy reserved for really extraordinary causes" wasjustified.

FirstEnergy had no other adequate means toattainthe relief itdesired,the district court's error was both "clear" and "beyond the bounds" of its discretion and "this was surely a bet-the-company setting demanding apex legal advice," the court said.

"Beyond FirstEnergy, the district court's order promises 'substantial uncertainty' for corporations more broadly, as over forty amici have argued in this case," the court wrote. "That is because there is 'no way to affirm the [d]istrict[c]ourt'sruling without abandoning' nearly a half century (sinceUpjohn) 'of jurisprudence concerning the scope of the attorney-client privilege' and work-product doctrine, or without discouraging 'full and frank communication' between companies and their attorneys when investigating their own wrongdoing. Because 'predictable and certain' privilege and work-product standards are essential for FirstEnergy and future litigants facing perilous litigation consequences, mandamus relief is eminentlyappropriate here."

---- Index References ----

Company: FIRSTENERGY CORP; HOUSEHOLDER CLUB LIMITED; US SUPREME COURT

News Subject: (Corporate & Business Law (1XO58); Funding Instruments (1FU41); Government Litigation (1GO18); Judicial Cases & Rulings (1JU36); Legal (1LE33); Securities Law (1SE59))

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Other Indexing: (RobbinsGeller Rudman & Dowd; Jones Day and Squire; FirstEnergy'sprivileged; Ohio House of Representatives; FirstEnergy.Among; Department of Justice; Securities and Exchange Commission; FirstEnergyinitiatedthe; FirstEnergy Corporation; Householder; U.S. Supreme Court)

Word Count: 1076

Securities

Citadel, Virtu Manipulated Genius Group's Stock Price, Suit Says

Nov. 17, 2025, 3:23 PM PST

Citadel Securities LLC and Virtu Americas LLC placed and rapidly canceled orders for large volumes of Genius Group Ltd. stock to deliberately deflate its price for their own benefit, the education company alleges.

The broker-dealer firms employed a manipulative trading practice called spoofing over a period of about three years, Genius says in its class complaint filed Nov. 14 in the US District Court for the Southern District of New York. As a share seller itself, the company sued on behalf of a proposed class of those who sold or disposed of the stock during that time.

The firms entered thousands of so-called baiting orders "designed to create the false impression that there was both excess supply and excess volatility in Genius stock," according to its complaint. "These manipulative orders were calculated to (and successfully did) deceive or induce other investors to sell their holdings at artificially deflated prices."

Before and during the 2022-2025 period at issue, regulators such as the Securities and Exchange Commission "had specifically warned Defendants that the trading platforms they had developed and operated could be—and in fact had been—used to facilitate unlawful trading activity such as spoofing," Genius says.

In March, Citadel, Virtu, and other firms lost a bid to dismiss a suit by another company, Northwest Biotherapeutics Inc., for allegedly depressing the biotech company's stock price through false sale orders.

There are hundreds or thousands of members of the proposed class, the complaint estimates. Genius seeks damages on its claims for securities fraud and manipulative transactions.

Virtu and Citadel didn't immediately respond to emailed requests for comment.

Grant & Eisenhofer PA and Christian Attar represent Genius.

The case is Genius Group Ltd. v. Citadel Securities LLC , S.D.N.Y., No. 1:25-cv-09546, complaint 11/14/25 .

Securities

Winklevoss Twins, Gemini Sued by Owners of Genesis-Tied Accounts

Nov. 17, 2025, 1:16 PM PST

Cameron and Tyler Winklevoss and their Gemini Trust Co. cryptocurrency exchange are responsible for account losses that occurred when partner company Genesis Global Capital collapsed, investors allege.

Gemini and the Winklevoss twins, who are its corporate leaders and indirect owners, offered unregistered securities in the form of interest-earning “Gemini Earn” crypto accounts and misled the holders of those accounts, according to BAO Family Holdings LLC and an individual investor. Their proposed class action was filed Nov. 15 in the US District Court for the Southern District of Florida.

In April 2024, the US Bankruptcy Court for the Southern District of New York, which was overseeing the Genesis bankruptcy, approved a deal Gemini reached with the New York Department of Financial Services. The deal required Gemini to return at least $1.1 billion to Earn customers.

But investors, including the BAO family fund, asked that bankruptcy court not to release their claims against Gemini. The BAO fund and another investor—known as “lenders” because of their accounts’ role in lending digital assets to Genesis—have been litigating that issue with Gemini there.

Meanwhile, around 200 arbitrations have been filed against Gemini, the crypto exchange said in a Nov. 13 letter to the bankruptcy court.

In this suit, Florida-based BAO and individual investor Brett Osborn allege Gemini and the Winklevoss twins misled them about the security of their assets. “Gemini consistently marketed the Gemini Earn program as a safe, secure, and flexible means of earning yield on digital assets, and repeatedly represented that customers could redeem or withdraw their assets ‘at any time,’” the account owners say.

Gemini represented that it vetted institutional borrowers and “suggested that Genesis was *one* of *several* third-party institutional borrowers, when in fact Genesis was the *sole* borrower for *all* Gemini Earn assets,” they say. But Genesis’ lending to FTX Trading Ltd. and other collapsing companies allegedly undermined its liquidity, and it said in November 2022 that it would stop honoring redemption requests. Gemini then allegedly suspended Earn account withdrawals.

Meanwhile, Gemini and the Securities Exchange Commission said in September that they're close to settling the agency's civil enforcement suit over the Earn program.

About 340,000 Earn accounts existed at the time of suspension, satisfying the numerosity requirement for a class action, the plaintiffs say.

BAO and Osborn bring claims for offering unregistered securities; securities fraud; violations of New York and Florida consumer protection laws; breach of fiduciary duty; and other violations.

They seek "compensatory, special, consequential, punitive and exemplary damages," as well as restitution and other forms of equitable relief.

Gemini didn't immediately respond to an emailed request for comment on behalf of itself and the Winklevoss brothers.

Medina Law Firm LLC represents the plaintiffs.

The case is BAO Family Holdings LLC v. Gemini Tr. Co., LLC , S.D. Fla., No. 9:25-cv-81421, complaint 11/15/25 .

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Securities

Brookfield Agrees to Settle $3.3 Billion Terraform Deal Case (1)

Nov. 17, 2025, 10:26 AM PST; Updated: Nov. 17, 2025, 11:40 AM PST

Brookfield Asset Management Inc. has an agreement in principle to end litigation challenging its $3.3 billion buyout of TerraForm Power Inc., according to a court filing Monday.

The alternative asset manager and the pension fund leading the lawsuit have signed a term sheet pledging their "reasonable best efforts to negotiate and submit a proposed stipulation of settlement" within 30 days, the fund said in a letter filed with Delaware's Chancery Court.

The filing scuttled a court hearing planned for Tuesday on the pension fund's bid to compel documents, including from Brookfield's M&A lawyers at Kirkland & Ellis LLP. A trial had been set for February 2026.

The proposed class action, filed in 2022, said Brookfield affiliates timed the take-private sale to exploit an exchange ratio warped by the pandemic-related stock market meltdown in March 2020. A judge in 2023 dismissed claims that TerraForm investors were coerced into approving the transaction, but the Delaware Supreme Court revived the dispute in 2024, citing claims that the deal's architects concealed conflicts of interest.

Although the state high court acknowledged the case presented a "close call," the unanimous five-member panel said the trial judge was too quick to dismiss allegations about undisclosed conflicts affecting Kirkland and financial adviser Morgan Stanley, particularly the investment bank's $470 million stake in Brookfield.

That ruling breathed new life into the second major court fight over Brookfield's stewardship of TerraForm, which it already controlled before the buyout.

The decision came two years after the state high court issued a novel ruling in the earlier litigation, which took aim at TerraForm's acquisition of a Spanish energy company. The 2021 ruling overrode 15 years of precedent to clarify when certain merger-related claims must be brought by stockholders derivatively, on a company's behalf, rather than directly.

The proposed legal accord will require court approval to ensure it's fair to outside parties such as investors not involved in the court proceedings.

The pension fund, the City of Dearborn Police and Fire Revised Retirement System (Chapter 23), is represented by Labaton Keller Sucharow LLP, Andrews & Springer LLC, Friedman Oster & Tejtel PLLC, Julie & Holleman LLP, and Robbins LLP. Brookfield is represented by Abrams & Bayliss LLP and Weil, Gotshal & Manges LLP.

The case is In re TerraForm Power Inc. Merger S'holders Litig. , Del. Ch., No. 2022-0097, letter 11/17/25 .

An incorrect AI summary previously at the top of this story was removed.

(Updates with additional reporting throughout.)

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Securities

Core Scientific Blank-Check Deal Backers Settle Court Challenge

Nov. 17, 2025, 12:10 PM PST

Private equity architects of Core Scientific Inc.'s merger with a blank-check firm will pay $14.75 million to end shareholder litigation over the going-public transaction.

The settlement, filed in Delaware's Chancery Court, would resolve claims that XMS Capital Partners LLC affiliates duped investors into a doomed $4.3 billion deal because its structure would give insiders a windfall from any transaction, even one that wiped out public shareholders.

Core Scientific, which became the largest publicly traded Bitcoin miner by computing power, later declared Chapter 11 and reinvented itself as a data center business focused on artificial intelligence. The company's stock has surged since the restructuring on the global AI boom and its partnership with cloud computing firm CoreWeave Inc.

Core Scientific's shares spiked to $22.90 on Nov. 3—from $3.44 when it relisted on the Nasdaq in January 2024—after investors voted down a $9 billion takeover bid from CoreWeave that proxy advisers had called underpriced. The deal's Oct. 30 collapse came about a year and a half after Core Scientific rejected an unsolicited $1 billion bid from CoreWeave, its only customer. Core Scientific shares closed at $14.93 on Nov. 14.

The lawsuit echoed a recurring theme for Delaware's elite business tribunal, which has seen a steady stream of cases targeting underwhelming mergers between startups and special purpose acquisition companies. The blank-check transactions give private businesses a shortcut to public markets by combining them with a shell entity.

The proposed class action said the deal's backers lied about Core Scientific's financial health and the effect of plummeting cryptocurrency prices, leading its shares to crater from $10—the SPAC's buy-in price—to $0.22 by October 2022. The company's bankruptcy filing that December came less than a year after the merger.

The dispute involved allegations that Core Scientific hyped the value of its deal to buy a major customer, crypto miner Blockcap Inc., portraying it as an arm's-length acquisition of a $1 billion business rather than a five-way merger involving entities with a combined value of $59 million.

Like dozens of other shareholder SPAC cases, the suit took aim at a standard feature of blank-check transactions: “founder shares” costing fractions of a penny that soar in value by a factor of thousands if a merger closes. Those shares, given to insiders, become worthless if no transaction is found, if investors vote one down, or if they exercise their right to cash out.

The settlement, which requires court approval, was initially disclosed Nov. 5 before being refiled Nov. 14 in corrected form.

The investor leading the litigation, Brad Ihle, is represented by Scott & Scott Attorneys at Law LLP, Christensen Law LLC, and Kaskela Law LLC. The deal sponsors are represented by Morris, Nichols, Arsht & Tunnell LLP and Kirkland & Ellis LLP.

The case is Ihle v. Brombach , Del. Ch., No. 2023-0759, stipulation filed 11/14/25 .

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Law firm Motley Rice denies breaching Alaska contract, seeks fees for opioids case

reuters.com/legal/government/law-firm-motley-rice-denies-breaching-alaska-contract-seeks-fees-opioids-case-2025-11-17

David Thomas, Mike Scarcella November 17, 2025

The logo of law firm Motley Rice LLC is seen in their office in Cherry Hill, New Jersey, U.S., September 3, 2020. REUTERS/Andrew Kelly Purchase Licensing Rights, opens new tab

Nov 17 (Reuters) - Plaintiffs' law firm Motley Rice is seeking to recover legal fees from Alaska after it was fired from representing the state in opioid litigation, arguing it was improperly accused of violating a contract for the work.

In a letter to the state's law department obtained by Reuters through a public records request, Motley Rice disputed Alaska's claims that it had failed to disclose its representation of other clients in separate opioid cases or that it shared confidential information.

"The firm is proud of the work it has undertaken on behalf of the state," the October 27 letter said, asserting that there was no cause for the 2017 contract to be terminated.

Motley Rice said Alaska had already recovered $100 million in the ongoing litigation and is obligated to pay expenses and "reasonable hourly attorneys' fees" to the firm.

A spokesperson for the Alaska Department of Law did not immediately respond to a request for comment. Motley Rice had no immediate comment.

Alaska's Republican-led attorney general's office notified Motley Rice on October 23 that it was terminating their contingency-fee agreement for lawsuits against opioid manufacturers and distributors.
The state said Motley Rice "failed to disclose any of its reported conflicts of interest or to seek the necessary waivers required by the agreement" and that it "has reason to believe that the firm may have shared confidential information obtained through its representation of the State."

Motley Rice denied the claims in its response, saying it had informed Alaska about other representations and had not disclosed any confidential information to third parties without the state's consent.

Motley Rice has represented numerous states and local governments in similar cases seeking compensation over the opioid crisis. Alaska's move follows a similar decision by Utah's Republican attorney general to dismiss Motley Rice from related opioid litigation.

Some defendants in the broader opioids litigation have settled. Alaska is currently pursuing claims against pharmacy benefits manager Express Scripts, accusing it of unfair trade practices and contributing to the epidemic. Express Scripts has denied any wrongdoing.

The state on Friday asked a federal judge in Alaska to pause the litigation while Alaska hires new lawyers.

Read more:

Alaska fires law firm Motley Rice in opioid litigation, joining Utah
Optum picks new fight to kick law firm Motley Rice off opioids case
Optum, Express Scripts bid for judge's ouster from opioid cases denied
Top law firms in US opioid lawsuits to get hundreds of millions in fees

Reporting by Mike Scarcella

David Thomas
Thomson Reuters

David Thomas reports on the business of law, including law firm strategy, hiring, mergers and litigation. He is based out of Chicago. He can be reached at d.thomas@thomsonreuters.com and on Twitter @DaveThomas5150.

California Brief

Total Portfolio Approach Coming to $600 Billion CalPERS Fund (1)

Nov. 18, 2025, 7:55 AM PST

The largest public pension fund in the US has voted to overhaul how it manages almost $600 billion in assets.

CalPERS, the California Public Employees' Retirement System, agreed on Monday to adopt a method of investment known as a Total Portfolio Approach. That's a system which ditches traditional asset-allocation targets and instead judges every investment on its role within the whole portfolio.

The move, set to take effect on July 1, "will increase transparency and give staff more flexibility to capitalize on a variety of market opportunities," the $589 billion fund said in a statement.

TPA has been winning over a stream of sovereign wealth and pension funds in recent years, including the likes of Singapore's sovereign GIC Pte, Australia's Future Fund and Canada's CPP Investments.

'Total Portfolio Approach' Is Shaking Up Institutional Trillions

The idea behind TPA is to give an investment team greater discretion to adjust its strategies and holdings in response to a fast-moving market. As in the case of CalPERS, the approach typically replaces what is known as Strategic Asset Allocation, where a fund diversifies by allocating set portions of the portfolio across asset classes.

As of mid-2024, CalPERS targeted holding 40.4% of its portfolio in global equities, 29.1% in fixed income, 15% in private equity and the same in real estate, and 3.5% in private debt, according to its website (the figures allow for fund financing of 3%).

Under TPA, it will go from using 11 asset class benchmarks to a single "reference portfolio" of 75% equities and 25% bonds, which it said would make it simpler to judge performance.

In its announcement, CalPERS cited a March survey that showed large TPA funds beat an SAA model by 1.3 percentage points annually over a 10-year period.

(Updates to include CalPERS' asset-class targets.)

Securities

A Quiet Wall Street Force Fueled $17 Trillion Alternatives Boom

Nov. 17, 2025, 4:31 AM PST

A small circle of investment consultants played a central role in the multi-trillion-dollar push into private markets, steering US pension funds toward private equity, real estate and hedge funds, according to a new study.

The shift over the past two decades was driven less by changes in pension fundamentals than by the recommendations of these advisers, researchers at Harvard University and Stanford University found. Portfolios moved because consultants encouraged pensions to chase higher returns in alternatives.

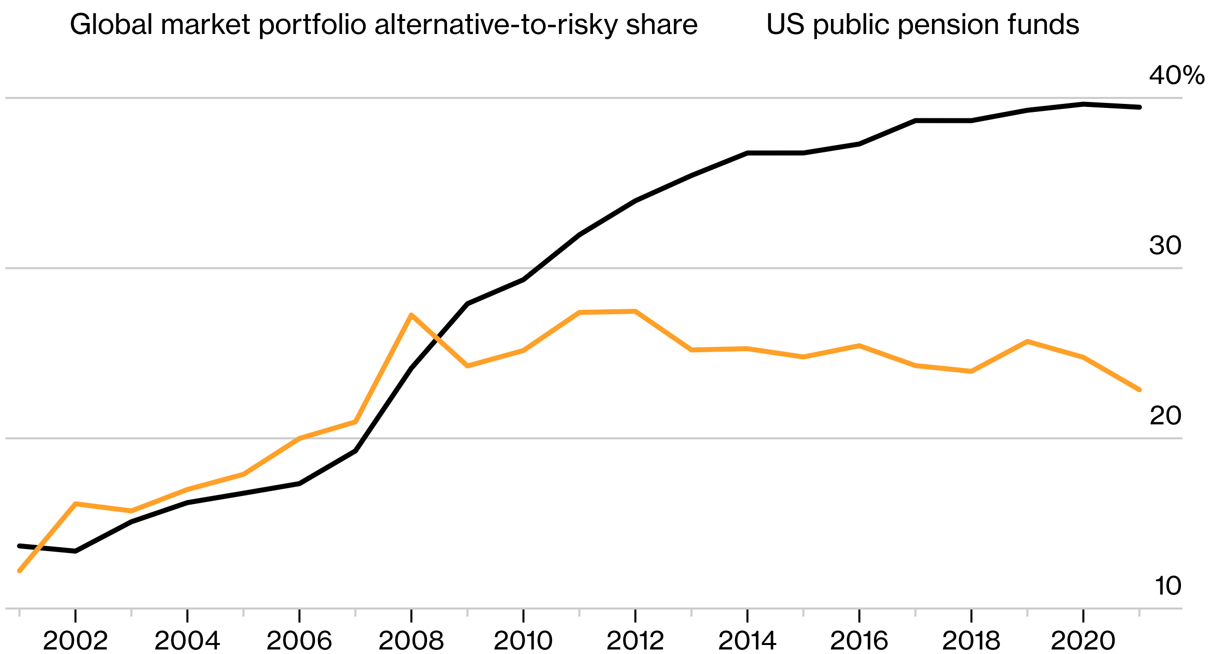
From 10% of total investments at the start of the century, the share held in alternatives has tripled in the years since, underpinning a golden era for professional money managers who operate outside public exchanges.

In short, the impact has been sweeping — rarely have so few influenced the retirement destinies of so many, the argument goes. And while no one is suggesting the guidance is based on anything other than a good-faith estimate of where markets are headed, the consequences of being wrong would be far-reaching.

“A key risk is whether these beliefs are justified — and whether pensions can actually pick the best managers,” said **Emil Siriwardane**, a Harvard researcher who coauthored the paper. “If not, they’re potentially misallocating trillions of dollars of retirement money and paying billions in excessive fees.”

Pension Funds Increase Alts Exposure At A Fast Pace

US public pension funds' share in alts exceeds global market levels



Source: E. Siriwardane, J. Begenau, P. Liang
Note: The alternative-to-risky share excludes cash and fixed income; GMP represents the world's total investable assets weighted by their global market values

Bloomberg

For years, consultants were the quiet voices behind the curtain. Not the fund managers drawing billion-dollar fees or the chief investment officers signing off on exotic strategies, but outside advisers hired by endowments and foundations for guidance, industry insight and sober advice. Meketa, NEPC, Wilshire — along with several others — rarely made headlines. Yet their forecasts — specifically, what they believed alternative assets were worth — quietly reshaped trillions in public retirement money.

Beginning in the early 2000s, consultants steadily raised their return forecasts for alternative assets. Between 2001 and 2021, the average consultant's expected alpha — how much more they thought alternatives would return on a risk-adjusted basis than public equities — rose by roughly 60 basis points, the study found.

That's a significant gain in institutional finance, where every decimal point can move billions. At the same time, consultants didn't view alternatives more useful for diversification. The beta assigned to alternatives — a measure of how closely an asset moves with the stock market — hasn't really changed, meaning these private assets were expected to behave more like equities. In effect, consultants were advising pensions to buy more of something that looked like stocks, but still promising it would outperform stocks.

In short: consultants didn't view alternatives as a hedge. They viewed them as a source of extra return. And that perception — encoded in their capital-market assumptions — became a driver of trillions in asset allocation. Who a pension fund hired could explain a large share of how much they allocated to private assets.

The consulting business is easy to miss next to the swagger of Wall Street's money-management brigade, but its influence is vast — and increasingly focused alternative investments. The study draws on public pension data compiled by the Center for Retirement Research. Those filings show that plans that identify Wilshire as their consultant report allocating about 34% of assets to alternatives as of 2021. Clients of Meketa and NEPC report roughly similar levels — about 32% and 33%. The three firms together advise funds managing around $5 trillion.

The pace at which pension funds have increased their allocations far outstrips that of the broader investing universe. By 2021, US public pensions were overweight alternatives-to-risky assets by 17 percentage points relative to the global market portfolio — a clear divergence from a neutral asset-allocation stance. Preqin estimates industry assets were about $17 trillion at the end of 2023, rising to $29 trillion by 2029.

According to Harvard's Siriwardane and coauthors Juliane Begenau and Pauline Liang of Stanford, the best predictor of how much a pension fund allocates to alternatives isn't its funding ratio or return target — it's the consultant it works with.

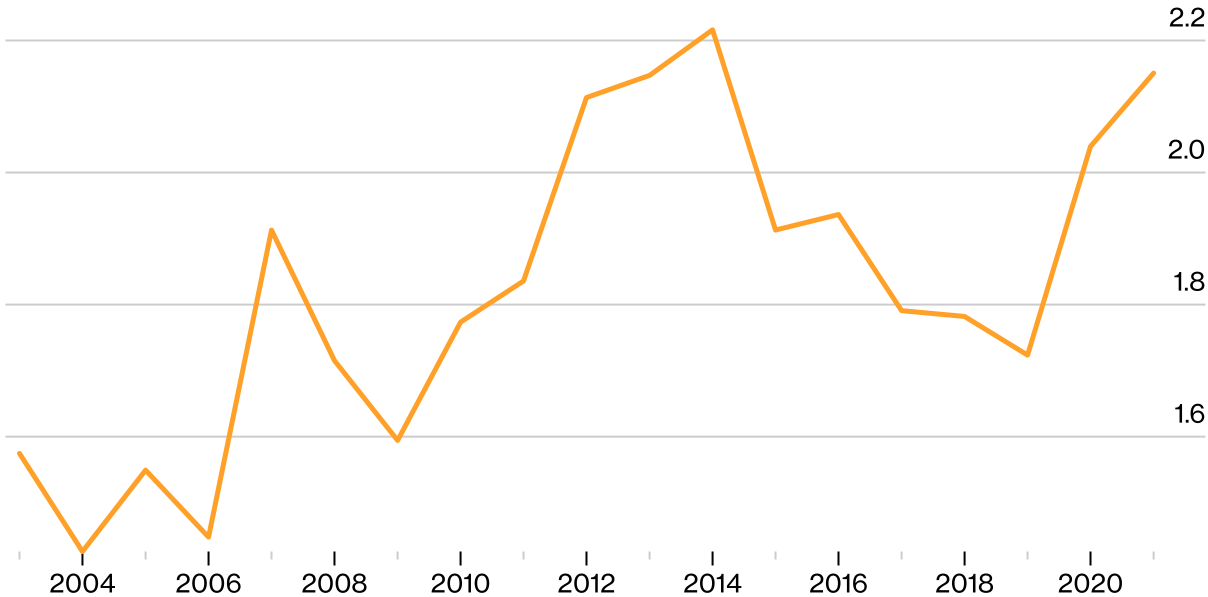
Inside the consulting world, there's debate over how much sway these advisers truly exert. **Steve Foresti**, chief investment officer emeritus at Wilshire, argued consultants weren't the dominant force but helped guide the shift — particularly for plans that could manage illiquidity. He said the move into alternatives reflected more than forecasts: it was a post-crisis world where cash returned zero, traditional portfolios fell short, and funds had little choice but to take on more risk, complexity and illiquidity.

"I'd say consultants have played not the dominant role but have certainly contributed to that trend," said Steve Foresti, chief investment officer emeritus at Wilshire. "CAPMs are important. They're obviously a critical input to the process, but reactions to changes in the capital market assumptions are both somewhat muted and then somewhat delayed."

Consultants Raised Return Forecasts for Alternatives

The average consultant's expected alpha rose by roughly 60 basis points

Average alpha reported by consultants



Source: E. Siriwardane, J. Begenau, P. Liang
Note: Consultant-reported beliefs about alternatives' alpha (how much more would alts return on a risk-adjusted basis than public equities)

Bloomberg

That view — incremental, cautious, and rooted in institutional pacing — stands in contrast to how some critics see the process. Dan Rasmussen, founder of hedge fund Verdad Advisers, argues capital market assumptions don't just reflect institutional risk appetites. They shape them.

"Capital market assumptions are not just inputs; they are persuasive tools," wrote **Rasmussen**, the founder of hedge fund Verdad Advisers, in an essay about the academic findings. "They define the language of risk, frame the boundaries of plausibility, and legitimate allocation changes."

In other words, these aren't just academic observations. They describe how public pensions allocate risk in the real world. And that approach now looks vulnerable — not just to market shifts, but to the slow-motion revision of consultant expectations.

Wildly different estimates exist across academia and finance as to whether alternative assets provide superior returns, and the past is no guarantee of the future. The paper's authors are agnostic on the wisdom of the consultants' return forecasts. At the same time, they note, there's scant evidence pensions with the highest allocation to alternatives outperform their counterparts.

"The big risk of what's happened is that a lot of pensions invested in these assets on the belief that they were going to deliver really high returns," said Siriwardane. "And if those beliefs were overly optimistic, then that's going to hurt both funding and liquidity."

California Brief
Insight

Detecting AI Misconduct by Opposing Counsel Is a Lawyer's Duty

Nov. 18, 2025, 1:30 AM PST

Much discussion about artificial intelligence has centered on a lawyer's duty to competently and ethically use it. A recent California court decision raises a critical, additional question: Do attorneys have a responsibility to detect and report an opponent's use of AI, especially when that use results in fabricated or "hallucinated" legal authority?

In *Noland v. Land of the Free, L.P.* , the California Court of Appeal, Second District, determined that proactive detection is best practice and a form of financial self-defense. The court's denial of fees establishes that attorneys who fail to identify AI fraud may not qualify for recovery, even when opposing counsel's misconduct deserves sanctions.

As *Noland* suggests, if you miss it, you may lose your opportunity to recover for it.

'Enhancing' a Brief

In *Noland*, the plaintiff's counsel used generative AI to "enhance" his appellate brief. The outcome was disastrous: 21 of the 23 case quotations in his opening brief were fabrications. The appellate court discovered this, then initiated an order to show cause and imposed a $10,000 sanction on the plaintiff's attorney as well as a referral to the State Bar of California.

However, when opposing counsel sought attorneys' fees as a sanction, the court denied the request. The reason was explicit: Opposing counsel "did not alert the court to the fabricated citations and appeared to have become aware of the issue only when the court issued its order to show cause."

This refusal to award fees sends a clear message that failing to detect an opponent's AI-caused ethical lapse could leave one without a means to recover the time and costs incurred in debunking the false claims.

California's Ethical Framework

Although the California Rule of Professional Conduct doesn't explicitly mandate checking an opponent's AI citations, existing rules establish a clear expectation of diligence.

Rule 8.3 requires that a lawyer inform the state bar or a tribunal immediately when they know of credible evidence that another lawyer has engaged in conduct involving dishonesty, fraud, deceit, or reckless or intentional misrepresentation. Under Rule 8.4(c), submitting a brief with hallucinated citations falls within the definition of misconduct involving misrepresentation and deceit.

The *Noland* court implied that if opposing counsel had exercised due diligence and detected the fake citations, they would have had a clear duty under Rule 8.3 to report the misconduct. Failing to detect the issue was interpreted as a lack of diligence, leading directly to fee denial.

Noland indicates that courts now view the identification of AI-generated fraud as a crucial element of professional competence.

The court's fee denial suggests it viewed this situation as a serious failure to uphold the adversarial process's integrity. The court expressed frustration at having to expend "excessive time on this otherwise straightforward appeal to attempt to track down fabricated legal authority."

Overlooking fraudulent arguments leads to forfeiting the chance to recover attorneys' fees and wastes client resources on debunking specious claims, while also risking judicial criticism for imposing unnecessary work on the court.

Safeguarding Against Misconduct

In light of *Noland*, California attorneys must adopt a strategic, skeptical approach to all opposing filings that take steps to:

Establish a zero-tolerance policy for unverified citations. You can't assume an opponent's citations are accurate. Treat every citation as a potential AI hallucination until thoroughly verified.

Your team must manually verify every case, statute, and quotation cited. Confirm the source's existence and validity using reputable legal research services (Bloomberg Law, Westlaw, LexisNexis, etc.) and verify that the quoted language appears precisely in the cited authority and supports the claim.

Watch for AI hallucination red flags. Train your team to identify typical indicators of misleading citations:

Plausible but nonexistent cases. A citation may look legitimate, for example, *Smith v. Jones* (2024) 10 Cal.App.5th 100—but yield no results.
Misleading quotes. A quote may exist, but it may be from a different case or cited for a proposition that the source refutes.
"Off" language. Generative AI often produces overly formal, repetitive, or slightly unusual language compared with typical legal writing.

Promptly report and seek sanctions. Bringing the issue to the court's attention is essential to your ethical duty and fee recovery. If you discover a pattern of fake citations, Rule 8.3 requires reporting to the tribunal or the state bar without undue delay.

Documentation is also critical. Maintain a clear, verifiable record of your research showing that the citations are false and detailing the time and resources wasted.

File a motion for sanctions and costs. Alert the court immediately to the fabricated authority, explain its impact on the court's time and your client's resources, and request appropriate sanctions—including reimbursement for fees spent debunking false research.

Lawyers must adopt a higher level of skepticism and diligence in response to growing dependence on AI. Recognizing proactive detection as a critical risk management and litigation recovery strategy is essential, as mandated by the Rules of Professional Conduct and supported by developing case law.

Proactive detection goes beyond a mere courtesy to the court; it is fundamental to guaranteeing accountability and safeguarding client interests from an opponent's potential ethical or technological failures.

The case is Noland v. Land of the Free, L.P. , Cal. Ct. App., 2d Dist., No. B331918, decided 9/12/25 .

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Write for Us: Author Guidelines

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LAW.COM

Expert Opinion | **Artificial Intelligence**

How Gen AI Is Reshaping E-Discovery in IP-Heavy Industries

Discovery in U.S. litigation, especially document review, can often be a lengthy and expensive process. This naturally raises the question: why not leverage AI tools more aggressively to streamline the process?

November 18, 2025 at 10:15 AM By **James R. Tyminski**
Taskeen Aman

Taskeen Aman (L) and James R. Tyminski (R) of Venable. Courtesy photos

As electronic discovery continues to evolve, pharmaceutical and technology companies—particularly those navigating the complexities of patent litigation—face a rapidly changing technological landscape that is increasingly influenced by artificial intelligence (AI) tools. Discovery in U.S. litigation, especially document review, can often be a lengthy and expensive process. This naturally raises the question: why not leverage AI tools more aggressively to streamline the process? Generative AI (gen AI) promises a faster, smarter, and more scalable document review, but not without complications.

Traditionally, e-discovery meant painstaking manual review of documents, emails, and files by teams of attorneys. As data volumes ballooned, predictive tools like computer assisted review

(CAR) or technology assisted review (TAR) stepped in to help. These tools use supervised machine learning models that require legal teams to train the software with tagged examples (e.g., responsive versus non-responsive documents), allowing the software to predict relevance across large volumes of documents. While TAR transformed the scope of discovery, particularly in document-heavy patent litigations, it remained a largely reactive tool.

Enter gen AI. This latest generation of AI tools, powered by large language models (LLMs), has the potential to go far beyond TAR. Gen AI can be used to classify files based on their content, metadata, and linguistic patterns; generate customizable summaries of lengthy documents; detect inconsistencies; and suggest privilege calls. Unlike TAR, which classifies documents based on learned patterns, gen AI can potentially understand context and provide nuanced insights into technical specifications, patented claims, and even scientific literature. For life science and pharmaceutical companies that routinely deal with the voluminous regulatory submissions, preclinical and clinical data, and a plethora of lab notebooks detailing the R&D of companies' drug products, gen AI can expedite the first pass review by clustering relevant documents and even uncovering critical ones that may elude simple keyword searches. In the tech space, gen AI may help decode engineering jargon and source code references more efficiently than traditional e-discovery tools.

Despite its promise, gen AI introduces a new set of challenges to the process. By now it is well known that LLMs can sometimes generate convincing but false interpretations. When applied to e-discovery, this could lead to erroneous privilege calls or missed responsive documents. As demonstrated by numerous high-profile examples, courts do not hesitate to impose sanctions for the attorneys' careless or unsupervised use of gen AI. *Wadsworth v. Walmart*, 348 F.R.D. 489 (D. Wyo. 2025) (revoking the pro hac vice status of motion drafter and imposing $3000 fine as well as individual $1000 fine on attorneys who signed but did not draft the motions); *Mid Cent. Operating Eng'rs Health & Welfare Fund v. HoosierVac*, No. 24-cv-00326, 2025 WL 574234 (S.D. Ind. Feb. 21, 2025) (district judge adopting the magistrate judge's recommendation of sanctioning the counsel and imposing $6000 fine for repeatedly citing fake cases in briefs); *Mata v. Avianca*, 678 F. Supp. 3d 443 (S.D.N.Y. 2023) (the court requiring attorneys to send the sanctions opinion, Affirmations, and sanctions hearing transcript to their client and to each judge falsely identified as the author of fabricated opinion; additionally sanctioning the attorneys by imposing a $5000 joint and several penalty); *Coomer v. Lindell*, C.A. No. 22-cv-01129, 2025 WL 1865282 (D. Colo. July 7, 2025) (ordering the lawyers to pay a total of $6000); *Benjamin v. Wholesale*, C.A. No. 24-cv-7399, 2025 WL 1195925 (E.D.N.Y. April 24, 2025) (ordering counsel to identify the CLE classes she planned on taking and issuing a monetary sanction of $1000 for citing five fake cases out of the seven cases cited in a reply brief); *Ramirez v. Humala*, C.A. No. 24-cv-242, 2025 WL 1384161 (E.D.N.Y. May 13, 2025) (ordering a joint and several penalty of $1000 on attorney and law firm for referencing four

AI-hallucinated cases out of the eight cases cited in the brief). Unlike TAR, where decisions can be traced back to human training inputs, gen AI's decision-making is more opaque and therefore could be more difficult to defend in court. Furthermore, confidentiality of sensitive pharmaceutical and technology data is paramount in high-stakes patent litigations. Consequently, inputting the trade secrets, patient profiles and information, and/or unreleased IP into gen AI platforms raises concerns around data security and attorney-client privilege. Finally, given the cross-border nature of many big companies, gen AI's use in e-discovery could implicate data localization/residency and export laws, particularly in EU, Russia, and China.

To maximize the use of this nascent technology, the best practice is to never fully automate e-discovery. Gen AI is a tool that can assist, not completely replace, attorneys in the document review process. Maintaining careful attorney oversight, particularly for privilege and technical accuracy, can save clients from major problems down the road in litigation. As Magistrate Judge Dinsmore of the Southern District of Indiana aptly put it, "[i]t is one thing to use AI to assist with initial research, [providing] a helpful 30,000-foot view. It is an entirely different thing, however, to rely on the output of a generative AI program without verifying the … validity—or, indeed, the very existence—of the [results]." *Mid Cent. Operating Eng'rs Health*, 2025 WL 574234 at *2. Selecting platforms that offer gen AI tools built for legal use ensures secure hosting, transparency into how data is used and stored, and reduced risk of hallucinations, as such in-house tools are not open-source models. After selecting promising in-house tools, clients and law firms should ideally calibrate these tools using the clients' internal datasets and validate the outputs before using them in litigation contexts to ensure informed results in e-discovery. Finally, some courts have imposed duties on custodians to preserve gen AI inputs, account settings, and even some relevant outputs to produce as part of discovery. *Tremblay v. OpenAI,* C.A. No. 23-cv-03223, 2024 WL 3748003 (N.D. Cal. Aug. 8, 2024). Consequently, auditing gen AI trails by maintaining logs of outputs and attorney interventions is recommended to preserve reproducibility and defensibility in court.

Gen AI is not a silver bullet, but it isn't snake oil either. Careful deployment can offer meaningful advantages to litigants in terms of speed, insight, and scale. For patent litigants in science-heavy domains, the key is balancing technological innovation with legal discipline.

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HP seeking $1.8 billion from Mike Lynch's estate after UK Autonomy lawsuit

reuters.com/sustainability/boards-policy-regulation/hp-seeking-18-billion-mike-lynchs-estate-after-uk-autonomy-lawsuit-2025-11-18

Sam Tobin November 18, 2025

Figurines with computers and smartphones are seen in front of Hewlett Packard Enterprise logo in this illustration taken, February 19, 2024. REUTERS/Dado Ruvic/Illustration/File Photo Purchase Licensing Rights , opens new tab

- HP accused Lynch of inflating Autonomy's value
- Lynch's estate challenging 2022 ruling and interest sought
- Lynch cleared of U.S. criminal charges before his death

LONDON, Nov 18 (Reuters) - Hewlett Packard Enterprise (HPE.N) , opens new tab is seeking nearly $1.8 billion from the estate of the late Mike Lynch over HP's acquisition of his British tech firm Autonomy, the U.S. technology giant's lawyers told London's High Court on Tuesday.
Hewlett Packard is seeking to recoup its losses from Lynch, who died last year when his luxury yacht sank off Sicily, over its 2011 acquisition of Autonomy for $11.1 billion.
The company accused Lynch and Autonomy's former chief financial officer, Sushovan Hussain, of inflating the firm's value before the takeover. HP wrote down Autonomy's worth by $8.8 billion within a year of the purchase.

Court filings show HP is claiming $1.79 billion, including interest and after prior settlements.

Lawyers for Lynch's estate are seeking permission to appeal a 2022 ruling that found Lynch liable, also arguing the $761 million HP seeks in interest is "an excessive sum". They also said HP has filed a separate lawsuit asserting the "estate may be insolvent".

A spokesperson for Lynch's family said: "The core facts remain that HP's claim was fundamentally flawed and a wild overstatement."

LYNCH BECAME BRITAIN'S BILL GATES

HP viewed Autonomy, built on Lynch's ground-breaking research at Cambridge University, as a transformational acquisition to move it from hardware to software.

But, after the deal soured, HP brought a $5 billion lawsuit against Lynch and Hussain in 2015. The High Court ruled in HP's favour in 2022, although a judge said the company would receive "considerably less" than $5 billion.

The court ruled in June that HP suffered losses of nearly 698 million pounds – just over $1 billion at 2011 exchange rates – as it would have paid a lower price for Autonomy had it known its "true financial position".
Lynch, once hailed as Britain's answer to Bill Gates, maintained his innocence and blamed HP for failing to integrate Autonomy. He was cleared of related criminal charges in the United States in June.
Lynch, 59, died in August when his yacht sank off Sicily during a holiday to celebrate his acquittal. His 18-year-old daughter Hannah also died in the accident.

($1 = 0.7609 pounds)

Bloomberg Law

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Securities

Charles River Says SEC Ends Probe Without Enforcement Action

Nov. 17, 2025, 5:15 AM PST

Charles River says the SEC has concluded the investigation it began in May 2023 regarding the company's non-human primate sourcing and related disclosures.

- SEC's Division of Enforcement not recommending enforcement action based on information available
- Company's independent Audit Committee investigation also concluded with no material findings

To view the source of this information, click here

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FT Alphaville Technology sector

Oracle is already underwater on its ‘astonishing’ $300bn OpenAI deal

AI’s circular economy may have a reverse Midas at the centre

The OpenAI and Oracle-backed Stargate AI data centre in Abilene, Texas © Bloomberg

Bryce Elder

Published YESTERDAY

It’s too soon to be talking about the Curse of OpenAI, but we’re going to anyway.

Since September 10, when Oracle announced a $300bn deal with the chatbot maker, its stock has shed $315bn* in market value:

Oracle market cap

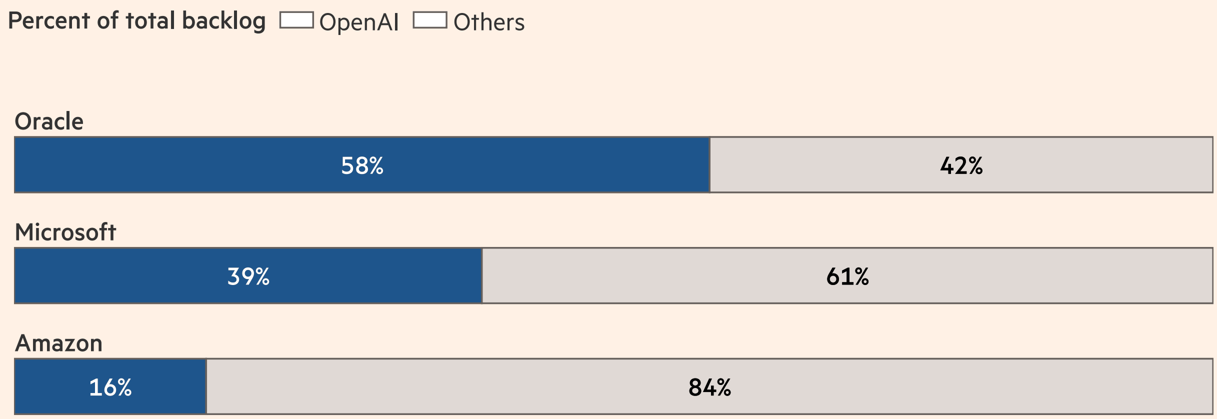
FINANCIAL TIMES

Source: Bloomberg • Value at session close

OK, yes, it’s a gross simplification to just look at market cap. But equivalents to Oracle shares are little changed over the same period (Nasdaq Composite, Microsoft, Dow Jones US Software Index), so the $60bn loss figure is not entirely wrong. Oracle’s “astonishing quarter” really has cost it nearly as much as one General Motors, or two Kraft Heinz.

Investor unease stems from Big Red betting a debt-financed data farm on OpenAI, as MainFT reported last week. We’ve nothing much to add to that report other than the below charts showing how much Oracle has, in effect, become OpenAI’s US public market proxy:

Contract backlog concentration risk

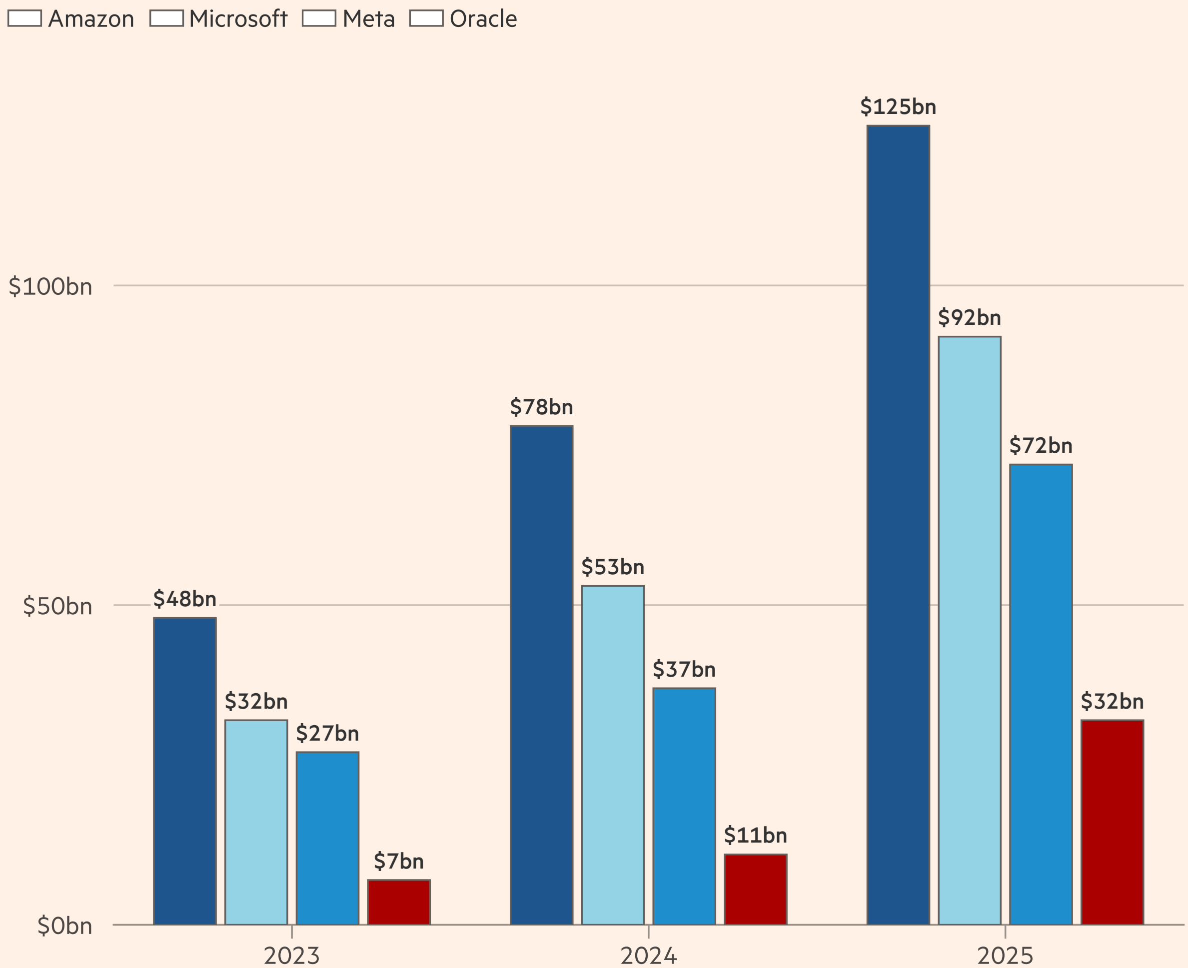


FINANCIAL TIMES Source Jefferies • Estimates based on company guidance for publicly announced deals

The theory goes that OpenAI is in a rush to ~~define~~ discover AGI, and Oracle is uniquely able to scale the compute capacity it needs. Oracle promises the lowest upfront costs and fastest path to income generation among the hyperscalers because it’s a data centre tenant rather than the landlord.

Alternatively, Oracle doesn’t have as much operating profit to burn as its competitors, so is throwing everything it can at supporting its one big customer in exchange for an IOU:

Hyperscaler capex



FINANCIAL TIMES

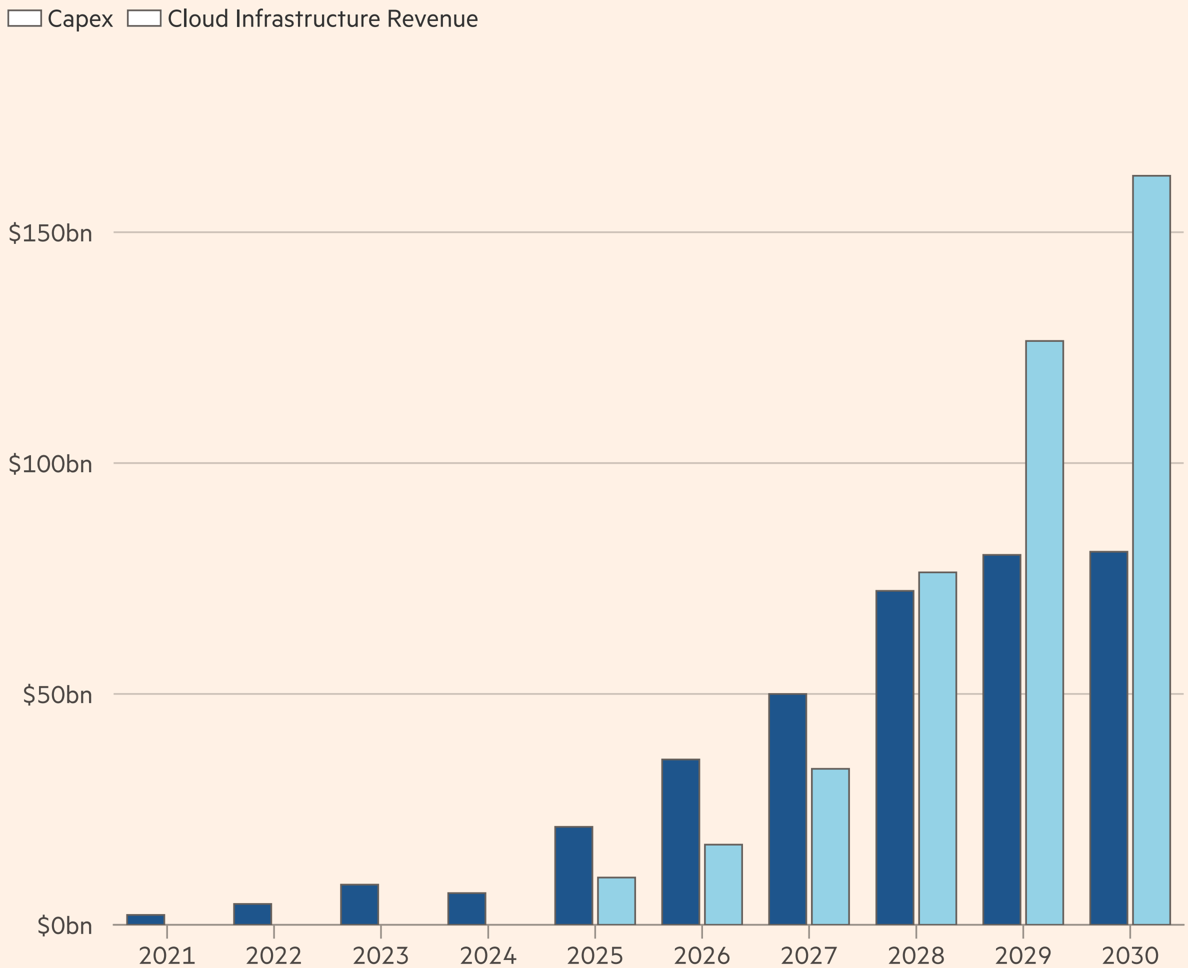
Source: Jefferies • Calendar years, Oracle as of August 2025

At an analyst day last month in Las Vegas, Oracle said it was aiming for cloud computing revenue of $166bn by 2030:

© Oracle company presentation

To get there, Oracle’s capex budget for the current financial year ending May is $35bn. The consensus has annual capex levelling out at around $80bn a year in 2029, after which revenues continue to ramp:

Consensus forecasts for Oracle's capex and data centre revenue

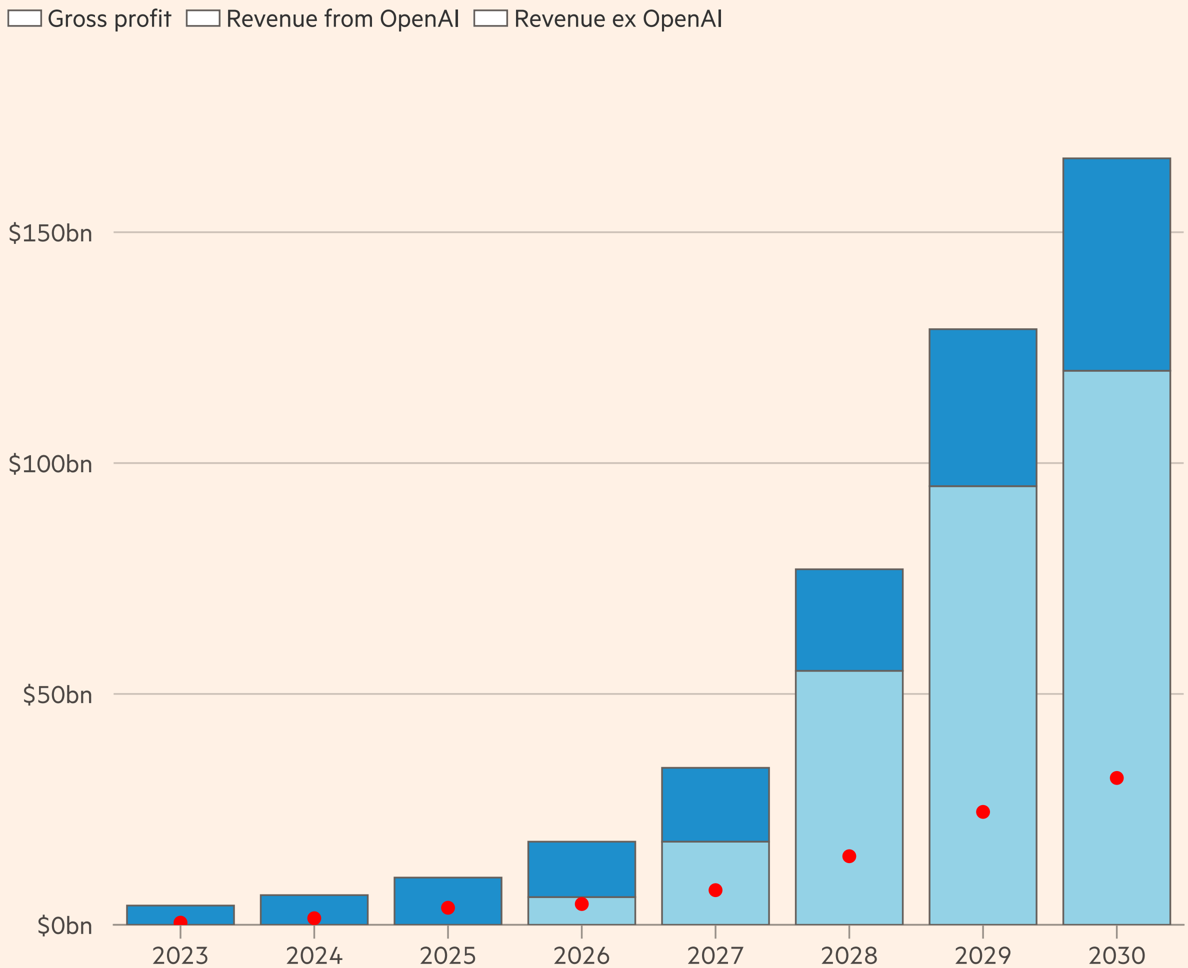


FINANCIAL TIMES

Source: Bloomberg • IAAS revenue was not disclosed before CY2025

And from 2027, the majority of revenue would be coming from OpenAI:

Oracle Cloud Infrastructure revenue / profit

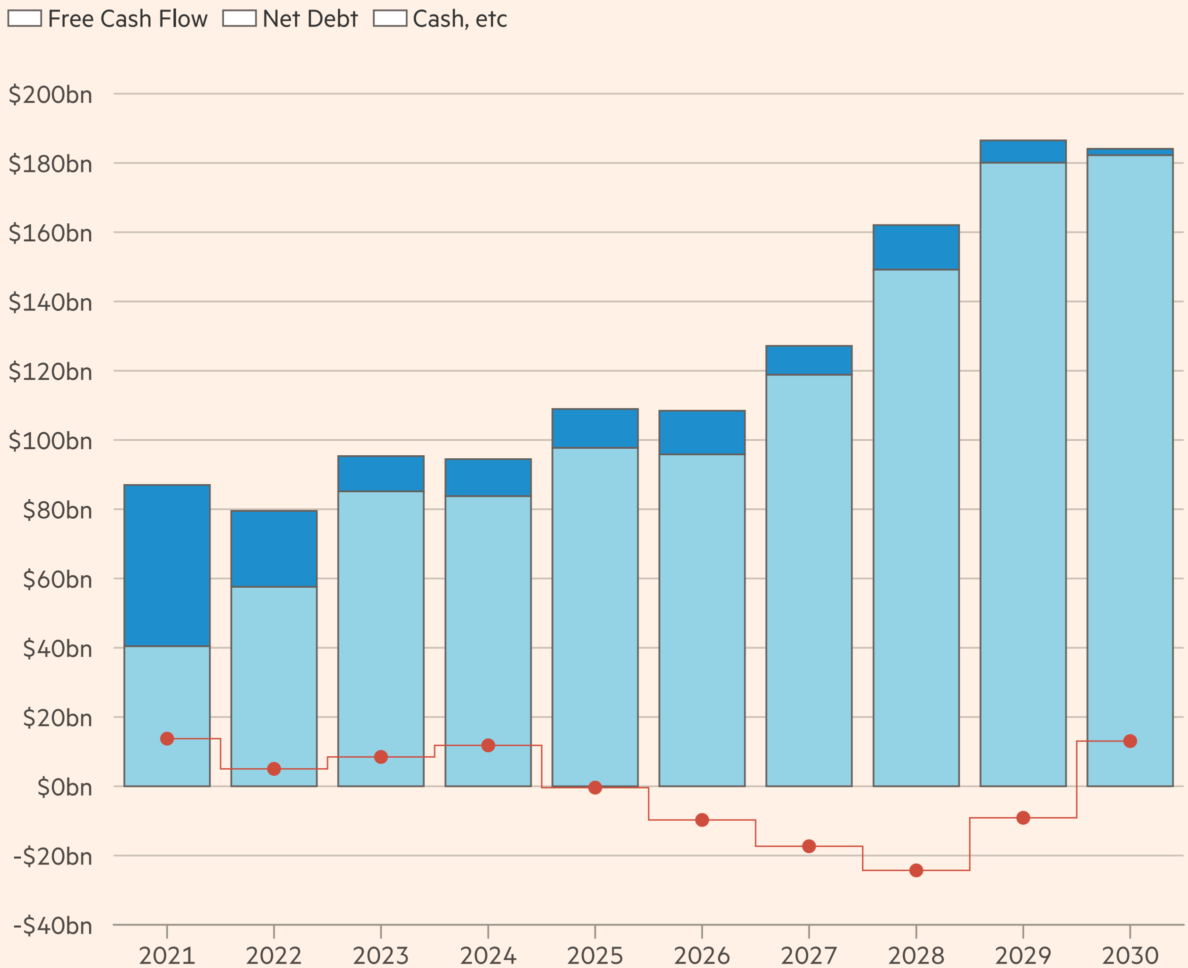


FINANCIAL TIMES

Source: RBC Capital Markets • RBC's margin model assumes OpenAI gets a 50% discount

But Oracle’s net debt is already at 2.5 times ebitda, having more than doubled since 2021, and it’s expected to nearly double again by 2030. Cash flow is forecast to remain negative for five straight years:

Oracle's long road back to breakeven



FINANCIAL TIMES Source: Bloomberg • Company reported for 2021-2025, consensus forecasts otherwise

So while the OpenAI agreement has been more than written off the equity, the risk of unfunded expansion remains and the cost of hedging Oracle debt is at a three-year high.

Oracle five-year credit default swaps

FINANCIAL TIMES

Source: Bloomberg

We need to add the usual warnings: Credit-default-swap liquidity isn’t great; the increased demand for Oracle CDS comes after $18bn of bond sales in September; a CDS premium in the low 100 basis points isn’t *that* exciting; and some firms taking the other side of the trade are no mugs. Still, pointy.

Beyond the charts, a broader question relates to whether an OpenAI deal is still worth announcing.

A few months ago, any kind of agreement with OpenAI could make a share price go up. OpenAI did very nicely out of its power to reflect glory, most notably in October when it took AMD warrants as part of a chip deal that bumped share price by 24 per cent.

But Oracle is not the only laggard. Broadcom and Amazon are both down following OpenAI deal news, while Nvidia’s barely changed since its investment agreement in September. Without a share price lift, what’s the point? A combined trillion dollars of AI capex might look like commitment, but investment fashions are fickle.

** Calculation and graph updated at 11am GMT for shares outstanding, and text tweaked at 2pm GMT to reflect a less clickbait headline*

Further reading:

— Oracle's astonishing jam-tomorrow OpenAI trade (FTAV)

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Peter Thiel's fund offloaded Nvidia stake in third quarter, filing shows

reuters.com/business/media-telecom/peter-thiels-fund-offloaded-nvidia-stake-third-quarter-filing-shows-2025-11-17

Reuters November 17, 2025

Peter Thiel attends the annual Allen and Co. Sun Valley Media Conference in Sun Valley, Idaho, U.S., July 6, 2022. REUTERS/Brendan McDermid Purchase Licensing Rights , opens new tab

Nov 17 (Reuters) - Tech billionaire Peter Thiel's hedge fund has sold off its entire stake in Nvidia (NVDA.O) , opens new tab during the third quarter, a regulatory filing showed, intensifying worries of an artificial intelligence bubble.
The fund, Thiel Macro, sold around 537,742 shares in the AI chip frontrunner in the quarter, the filing showed on Friday. The stake would have been worth around $100 million, as of the company's closing price on September 30.

Thiel's selloff, coupled with SoftBank's (9984.T) , opens new tab sale of its own Nvidia holdings last week, has fueled Wall Street's angst that the frenzy driving soaring tech valuations may have peaked, putting at risk the trillions of dollars committed to AI advancement.
Investors and analysts will be looking to Nvidia's third-quarter results on Wednesday to dispel worries of a bubble as the world's most valuable company is considered a bellwether for AI demand due to its coveted chips being used in massive data centers and servers.

Thiel Foundation did not immediately respond to a Reuters request for comment.

In the third quarter, several hedge funds trimmed their stakes in some of the largest seven tech firms, also called the "Magnificent Seven", in a shift from their second-quarter activity, when leading stock-picking firms were more bullish on Big Tech names.
Thiel's fund now counts Apple (AAPL.O) , opens new tab, Microsoft (MSFT.O) , opens new tab and a reduced stake in Tesla (TSLA.O) , opens new tab as its main holdings, according to the filing with the Securities and Exchange Commission.
Reporting by Zaheer Kachwala in Bengaluru; Editing by Maju Samuel

Nvidia set for $320 billion price swing after earnings, options indicate

reuters.com/business/nvidia-set-320-billion-price-swing-after-earnings-options-indicate-2025-11-18

Laura Matthews, Saqib Ahmed November 18, 2025

Nvidia logo is seen on graphic card package in this illustration taken August 19, 2025. REUTERS/Dado Ruvic/Illustration/File Photo Purchase Licensing Rights, opens new tab

- Nvidia options imply 7% stock move post-earnings, ORATS data shows
- Nvidia's AI market leadership adds significance to earnings results
- Investors watch for AI demand signals amid recent tech sector pullback

NEW YORK, Nov 18 (Reuters) - Nvidia's(NVDA.O), opens new tab earnings report on Wednesday could trigger a $320 billion swing in the chipmaker's market value — the largest post-earnings move ever for the AI giant — as investors seek signals about whether the artificial intelligence boom is accelerating or cooling.
Nvidia options implied about a 7% move for the stock in either direction after it announces its quarterly results, which are expected following the market close on Wednesday, data from analytics firm Option Research & Technology Services (ORATS) showed.

At Nvidia's current market value of about $4.6 trillion, the options-implied move would represent the largest one-day market value change following quarterly earnings for the artificial-intelligence bellwether, a Reuters analysis found.

On average, the stock has logged a move of 7.3% the day after reporting results over the last 12 quarters, ORATS data showed. It would surpass the $276 billion jump in market value the company logged following quarterly results in February 2024.

Chart showing Quarterly earnings have triggered massive swings in Nvidia's market value

The chipmaker has become a focal point for investors seeking exposure to the AI boom, with its graphics processing units dominating the market for training large language models and other AI applications.
"Nvidia’s impact goes far beyond the dollar swing," Chris Murphy, co-head of derivatives strategy at Susquehanna, said.

"As the anchor of the AI capex trade, its results will help define whether we’re in the next leg of expansion or entering digestion mode," Murphy said.

Nvidia's approximately 8% weighting in the S&P 500 Index and its market leadership in AI give the results added significance.

"The signal it sends — on demand, margins, supply chain, and investment posture — could shape sentiment across semis, hyperscalers, and AI infrastructure at large," Murphy said. "So while the stock may move plus or minus 7%, the narrative impact could extend across $10 trillion worth of correlated trades."

The technology sector pulled back in recent sessions on investor concerns about the sustainability of a rally in artificial-intelligence shares and inflated valuations of the stocks that drove much of this year's market gains.

INVESTOR EXITS PRESSURE STOCK PRICE

Nvidia shares, up about 38% for the year, have retreated about 10% since hitting a record high in late October.

Investors will be parsing Nvidia's results for signs of waning demand in a sector that has driven much of the stock market's rally over recent months.

Nvidia shares have come under pressure in recent days on news of some high-profile investors, including billionaire Peter Thiel's hedge fund as well as SoftBank (9984.T), opens new tab exiting the stock.
"As a major S&P 500 constituent, its results will likely carry broader implications for business investment and AI-related spending trends," Jason Pride, chief of investment strategy & research at Glenmede, said in a note.

Reporting by Saqib Iqbal Ahmed and Laura Matthews; Editing by Alden Bentley and Bill Berkrot

Bitcoin slides below $90,000 as traders grow cautious

reuters.com/business/bitcoin-drops-below-90000-sign-souring-mood-2025-11-18

Rae Wee, Elizabeth Howcroft November 18, 2025

Representation of Bitcoin coin cryptocurrency is seen in this illustration taken September 10, 2025. REUTERS/Dado Ruvic/Illustration/File Photo [Purchase Licensing Rights, opens new tab]

- Bitcoin down nearly 30% from peak
- Mood is turning quickly, traders say
- $1.2 trillion wiped off value of crypto since October 7

SINGAPORE/LONDON, Nov 18 (Reuters) - Bitcoin fell below $90,000 for the first time in seven months on Tuesday, marking the latest sign that investor appetite for risk is drying up across financial markets.

The risk-sensitive cryptocurrency has lost all this year's gains and is now nearly 30% below a peak above $126,000 in October. It was last down 1.1% at $92,891, after slipping as low as $89,286.75.

About $1.2 trillion has been wiped off the total market value of all cryptocurrencies in the past six weeks, according to market tracker CoinGecko.

Market participants said a combination of doubts around future U.S. interest rate cuts and the risk-averse mood in broader markets, which have wobbled after a long rally, was dragging down crypto.

'CONFIDENCE CAN ERODE WITH REMARKABLE SPEED'

"The cascading selloff is amplified by listed companies and institutions exiting their positions after piling in during the rally, compounding contagion risks across the market," said Joshua Chu, co-chair of the Hong Kong Web3 Association.

"When support thins and macro uncertainty rises, confidence can erode with remarkable speed."

Speculators who had put money into crypto in the hopes of supportive U.S. regulation have started to pull back, causing steady outflows from ETFs and similar instruments in recent weeks, said Joseph Edwards at Enigma Securities.

"The sell pressure here isn't extraordinary, but it's coming at a relative weak point on the buy side ... a lot of retail buyers were stung during the flash crash last month," he said, referring to an October crash in which there were $19 billion in liquidations across leveraged positions.
Crypto stockpilers such as Strategy (MSTR.O), opens new tab, miners such Riot Platforms (RIOT.O), opens new tab and Mara Holdings (MARA.O), opens new tab, and exchange Coinbase (COIN.O), opens new tab have all slid with the souring mood.
There has been a boom in public crypto treasury companies this year, with small companies in unrelated sectors becoming crypto-proxies by announcing plans to buy and hold cryptocurrencies on their balance sheets.
But Standard Chartered Bank has estimated that a drop below $90,000 for bitcoin could leave half of these companies' bitcoin holdings "underwater" - a term which typically refers to holding assets worth less than what was paid for them.

Listed companies collectively hold 4% of all the bitcoin in circulation, and 3.1% of the ether, Standard Chartered said.

The biggest corporate holder of bitcoin, Strategy, has been adding to its stockpile. Founder Michael Saylor said the firm acquired 8,178 bitcoin on Monday.

As of Sunday, Strategy held 649,870 tokens at roughly $74,433 per bitcoin, Saylor said on X.

Cryptocurrency ether has also been under pressure for months and has lost nearly 40% of its value from an August peak above $4,955.

"All in all, sentiment is pretty low in crypto and has been since the leverage wipeout of October," said Matthew Dibb, chief investment officer at Astronaut Capital.

Writing and additional reporting by Tom Westbrook; Additional reporting by Elizabeth Howcroft and Vidya Ranganathan; Editing by Amanda Cooper, David Goodman and Jan Harvey

Elizabeth Howcroft
Thomson Reuters

Elizabeth Howcroft reports on finance and technology, including Europe's "fintech" industry and cryptocurrencies. She was part of the team which won a Loeb award and SABEW award for covering the collapse of crypto exchange FTX in 2022.

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Catching Up With Delaware's Chancery Court

By **Jarek Rutz**

Law360 (November 17, 2025, 1:15 PM EST) -- The Delaware Chancery Court and Delaware Supreme Court last week had a dense slate of fiduciary duty battles, merger-process challenges, post-bankruptcy fights and a series of cases probing the limits of fraud pleading, credible-basis inspections and board-level disclosure duties.

From a bitcoin-miner's collapse to a $7.38 billion fight for Citgo's parent, here's what you might have missed.

Fuel Giant and Murder-Linked Cases

In the multibillion-dollar Citgo Petroleum auction, Gold Reserve Ltd. sued Rusoro Mining Ltd. in Chancery Court, **alleging it secretly funneled terms of** their confidential bidding alliance to Elliott Investment Management. The complaint says Rusoro misled the court-appointed special master to help Elliott's consortium overtake Gold Reserve's $7.382 billion bid for PDV Holding Inc., arguing the conduct amounts to contractual breaches, trade-secret misuse and tortious interference.

In a **murder-linked merger dispute**, Vice Chancellor Morgan T. Zurn dismissed Renovaro Inc.'s fraud claims against Weird Science LLC and William Anderson Wittekind, holding the biotech failed to plead any specific affirmative acts of concealment tied to convicted fraudster Serhat Gumrukcu's criminal past. While acknowledging Gumrukcu, Wittekind's husband, hid his misconduct and orchestrated a 2018 murder-for-hire plot, the court found Renovaro relied on group allegations and "information and belief" assertions that did not satisfy Delaware's heightened fraud standard, warranting dismissal of the fraud, conspiracy and unjust-enrichment claims tied to the 17-million-share deal.

Fees and Trust Management Funds

Richards Layton & Finger PA **sought $36.04 million in fees** in a long-running home-health poaching case, arguing the defendants' bad-faith creation of rival company VitalCaring warrants full fee-shifting under Vice Chancellor Lori W. Will's 2024 ruling. Enhabit Inc. told the court the defendants are now attempting to walk back months of negotiations by raising late-stage objections, despite prior findings of willful concealment, record deletion and fiduciary-duty breaches that justified both liability and a constructive trust projected to capture roughly 43% of VitalCaring's revenue stream.

A dispute over two Bikini Atoll resettlement trusts that a vice chancellor styled **"weird" and "very unusual"** continued to escalate. Vice Chancellor Nathan A. Cook refused to dismiss claims accusing Arden Trust Co. of draining tens of millions of dollars from congressionally created funds, instead converting the motion into a summary-judgment bid so issues involving halted food payments, coerced signatures and the alleged absence of mandatory trustee reports can proceed through discovery.

Executive Conduct Under Scrutiny

Mawson Infrastructure Group **filed a complaint** accusing former CEO Rahul Mewawalla of engineering a $2.6 million bonus while concealing a liquidity crisis and the unraveling of a BE Global Development contract worth up to $500 million. Mawson alleges Mewawalla overstated available cash, reporting $8 million when only $1.7 million remained and pushed for accelerated payouts despite warnings that the bonus would drain working capital. The payments allegedly exhausted reserves, left a $2.5 million tax bill unpaid and preceded an involuntary bankruptcy petition seeking $13 million in claims.

Disclosure, Inspection Rights and Corporate Governance

Coinbase Global Inc. **faced renewed push back** in its Delaware derivative suit as Grant & Eisenhofer PA's Michael Barry argued the company's bid to keep filings under seal cannot be squared with its public attacks on Delaware's legal system. After Coinbase disclosed plans to redomicile in Texas and published an op-ed criticizing Delaware as "unpredictable," plaintiffs said transparency is now essential to test whether complaints are serious governance concerns or "sour grapes griping" from fiduciaries accused of profiting from $2.9 billion in 2021 insider sales.

At a separate hearing, **stockholders challenging** EngageSmart Inc.'s $4 billion take-private sale to Vista Equity Partners LLC told the Chancery Court the deal "screams" disclosure failures. Plaintiffs argued that controlling investor General Atlantic LP steered the company toward a conflicted buyout and that the special committee ceded leverage to bankers with divided loyalties. Vice Chancellor J. Travis Laster pressed both sides on how the mid-process shift from a minority sale into a controller-driven transaction fits into the court's 2014 decision in Kahn v. M & F Worldwide Corp.'s dual-protection framework before taking the matter under advisement.

The state's high court also **weighed how far Section 220** can stretch. Justices heard arguments on whether stockholders may rely on reputable news reports and post-demand evidence to justify inspection rights tied to Paramount Global's $8 billion Skydance Media merger. Paramount urged a rigid cutoff limiting courts to what the pension fund — the Employees Retirement System of Rhode Island — knew when it made its demand, while the fund argued that Vice Chancellor Laster properly credited press reporting with "sufficient indicia of reliability." The justices probed how such a rule interacts with new, retroactive limits imposed by S.B. 21.

Quotable

"There is no adequate remedy at law to compensate Gold Reserve for the injury inflicted by Rusoro—the strategic acquisition of the PDVH shares, and therefore Citgo, is unique and invaluable and represents a major, irreplaceable strategic and reputational transformation for Gold Reserve," Gold Reserve said in a lawsuit unsealed last week accusing Rusoro Mining of secretly shopping consortium terms to rival Elliot Investment Management and knowingly misleading the court-appointed special master overseeing the sale.

--Editing by Alex Hubbard.

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Disney Brass Fumbled Streaming Strategy, Investor Suit Says

By **Emilie Ruscoe**

Law360 (November 17, 2025, 5:37 PM EST) -- Walt Disney Co. leaders, including longtime CEO Bob Iger, are facing a proposed shareholder derivative action alleging they mismanaged the launch of the Disney+ streaming service then concealed that an aggressive push for subscriber growth was made "at the expense of overall profitability."

In a **complaint** filed Friday in Los Angeles federal court, three investors took aim at Iger, his brief-tenured successor Bob Chapek, Disney Chief Financial Officer Christine M. McCarthy and ousted Disney segment chair Kareem Daniel, along with 11 other members of the company's board. The investors accused them of conspiring to keep shareholders focused on unrealistic streaming platform subscriber goals amid pandemic-related headwinds that saw the company report its first annual loss in over 40 years.

To maintain that investor focus, Disney pursued its subscriber goals "at any cost — at the expense of profitability, at the expense of its linear [broadcast] content, uncontrolled spending on developing content, and reaching into far flung unprofitable international markets to find more subscribers," according to the lawsuit.

The complaint, partially redacted, drew on confidential documents the company produced in response to a books and records demand in Delaware. The investors alleged the individual defendants have made the company conceal problems "that it knew or should have known that it had with subscriber retention, business expansion, subscription account sharing and financial outlook."

Among other things, the suit details Chapek's time as Disney CEO following Iger's departure in February 2020.

Chapek had a "particularly short" CEO contract of under two years, and it stipulated that his compensation be based, in large part, on "the value of the company's common stock," the complaint noted.

The investors said those two factors put Chapek under pressure to get the company's stock to rise again after the early days of the coronavirus pandemic, during which trading prices for Disney shares fell from $133 to $79 per share.

Under Chapek's leadership, the company believed the "promising Disney+ launch was the spark that would reignite Disney's growth," as months earlier, the streaming platform got 10 million subscriber sign-ups on its first day, the suit says.

That spark led Disney to quadruple its Disney+ subscriber targets in December 2020 and announce a goal of surpassing Netflix's recently announced subscriber count of 200 million, according to the complaint.

But as Chapek made controversial decisions, including a reorganization, in support of that subscriber goal, he lost the support of the company's board. Chapek was fired in November 2022, after the company announced losses of $1.47 billion and said it would unwind the Disney Media and Entertainment Distribution segment Chapek had created in support of his Disney+ subscriber goals.

The investors asserted that the misconduct they described opened Disney up to liability in an ongoing proposed shareholder class action.

Disney also faced a derivative action making similar **claims** in Delaware federal court, but that case was voluntarily dismissed in October 2023.

Representatives of the parties did not immediately respond to requests for comment Monday.

The investors, Balraj Paul, Montini Family Trust and Dorothy Keto, are represented by Frank J. Johnson, Brett M. Middleton, Jonathan M. Scott and Michael I. Fistel Jr. of Johnson Fistel PLLP and Brian J. Robbins, Kevin A. Seely and Maria L. Mansur of Robbins LLP.

Counsel information for the defendants wasn't immediately available Monday.

The case is Paul et al. v. Iger et al., case number 2:25-cv-10975, in the U.S. District Court for the Central District of California.

--Additional reporting by Gina Kim and Sydney Price. Editing by Covey Son.

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American Airlines Beats Investor Suit Over Sales Strategy

By **Sydney Price**

Law360 (November 17, 2025, 6:17 PM EST) -- American Airlines has won dismissal of an investor suit that alleged it implemented a botched sales and distribution strategy, with the court finding the suit's reliance on vague statements of optimism and faulty confidential witness claims aren't enough to show the company acted fraudulently.

In the order Saturday, U.S. District Judge Reed O'Connor said American made no concrete factual or material misrepresentations about its strategy to downsize the company's sales and distribution channels to redirect consumers solely to their online platform, even if the strategy was unsuccessful.

For example, American CEO Robert Isom's statement that he "felt confident" about the execution of the strategy is too vague to be actionable, the judge said.

"These are imprecise, positive statements about American's competitive strength and future prospects," the order said.

According to the suit, American's stock dropped 13.5% in one day when it announced its Chief Commercial Officer, Vasu Raja, who backed the company's new strategy, was departing. The same day, American reduced its short-term guidance. The next day, the company claimed the lower guidance was due to softness in consumer bookings, a domestic supply and demand imbalance and a reduction in capacity growth, according to the suit.

The suit relies on information from two confidential witnesses who were American employees during part of the class period, which runs from July 2023 to May 2024, according to the order. The witnesses, however, were not involved enough with American's operations to have relevant input, the judge determined.

"Neither CW is described as being in a position where they would have interacted with the individual defendants or as having any firsthand knowledge of companywide trends," the order said. "Indeed, plaintiffs acknowledge that the CWs were several reporting rungs removed from the individual defendants during the class period."

Judge O'Connor also agreed with American's argument in its **motion to dismiss** that the plaintiffs misconstrued post-class period statements regarding the strategy. Isom's statement that "we identified a deviation in terms of our revenue performance" does not support fraud allegations, Judge O'Connor said.

"By identifying and disclosing this deviation as early as Q1 2024, American was doing the opposite of what plaintiffs allege," the order said. "In other words, it does not make sense for American to hide that its strategy was failing but still acknowledge in its material performance metrics that it was losing the relevant market share to its competitors."

Counsel for the parties did not immediately respond to requests for comment Monday.

The investors are represented by Stuart L. Cochran of Condon Tobin Sladek Thornton Nerenberg PLLC, Shannon L. Hopkins, Gregory M. Potrepka, Morgan M. Embleton, P. Cole von Richthofen of Levi & Korsinsky, Jeremy A. Lieberman, Murielle J. Steven Walsh and Emily C. Finestone of Pomerantz LLP and Willie C. Briscoe of the Briscoe Law Firm PLLC.

American Airlines is represented by Dee J. Kelly Jr. of Kelly Hart & Hallman LLP and Andrew B. Clubok, Susan Engel and Stephen P. Barry of Latham & Watkins LLP.

The case is Qawasmi v. American Airlines Group Inc. et al., case number 4:24-cv-00673, in the U.S. District Court for the Northern District of Texas.

--Additional reporting by Spencer Brewer. Editing by Drashti Mehta.

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Citi Investors Can't Have New Shot At Suit Over $400M Fine

By **Jon Hill**

Law360 (November 17, 2025, 9:36 PM EST) -- A New York federal judge has declined to revive a proposed securities fraud class action that accused Citigroup of concealing risk-management failures that led to a $400 million fine, ruling that investors' revamped complaint remains too thin to sustain the case.

In a decision entered Monday, U.S. District Judge Loretta A. Preska denied permission for two public pension fund investor plaintiffs to proceed with an updated, narrower version of their complaint, which they submitted after she **dismissed their claims** in full in 2023.

Judge Preska said the plaintiffs had still failed to allege any actionable falsehoods or plausibly show fraudulent intent on the part of Citigroup Inc. and other former leaders at the bank, including its onetime CEO Michael Corbat, who retired in 2021.

"Plaintiffs' proposed amendments," the judge wrote, "would fail to cure prior deficiencies to withstand a [dismissal] motion and therefore would be futile. Accordingly, plaintiffs' motion for leave to amend is denied."

A Citi spokesperson told Law360 on Monday that the bank is "pleased with the decision." Counsel for the plaintiffs did not immediately return a request for comment.

The litigation dates to October 2020, when U.S. banking regulators slapped Citigroup with multiple consent orders and a **$400 million fine** over findings of allegedly "longstanding" risk management, data governance and controls deficiencies at the bank.

Various pension funds and other institutional investors subsequently sued. In 2021, the Quebec-based Public Sector Pension Investment Board and Alaska-based Anchorage Police & Fire Retirement System became the lead and named plaintiffs, respectively.

They claim that Citi and its top brass had overstated the strength of the bank's risk controls and commitment to compliance prior to the 2020 crackdown, painting a rosy picture for investors even as regulators were privately flagging weaknesses in need of fixing.

To back up these claims, the plaintiffs had pointed to numerous earnings calls, securities filings and other public comments from 2016 to 2020 in which they alleged Citi leaders had given false, misleading information about the bank's controls and compliance investments.

But Judge Preska threw out their complaint in 2023 as inadequately pled, ruling that the dozens of statements it cited were either too generic to be materially misleading or not clearly shown to have been false when made. The complaint also didn't give rise to a "strong inference of scienter" on the part of Corbat and other leaders, she said.

The plaintiffs **returned later that same year** to propose a new complaint that they argued would address the judge's concerns and allow them to move forward.

This revised complaint condensed its focus to a smaller set of alleged misrepresentations, added allegations drawn from a dozen purportedly high-level former Citi employees, dropped some defendants and shortened the class period by roughly a year.

But in Monday's decision, which was dated Nov. 13, Judge Preska said she agreed with Citi that the fundamental problems with the earlier complaint hadn't been resolved.

For one, according to the judge, the alleged misstatements singled out by the plaintiffs were still too generic or aspirational to be material or lacked sufficient accompanying detail to establish their falsity. The new accounts from unnamed former employees were likewise too vague and generalized to demonstrate Citi leaders "knew specific facts that contradicted their statements at the time they were made," she wrote.

Judge Preska said the plaintiffs also continued to infer fraudulent intent from the existence of pre-enforcement supervisory criticism of Citi without identifying what exactly the bank's leaders would have known or how it rendered their public statements misleading.

The proposed complaint "lists new facts to bolster Plaintiffs' claims. These new facts, however, nevertheless fail to show a strong inference of scienter," the judge said. "Because Plaintiffs fail to allege new facts to prove scienter," she added, "their proposed [complaint] would be futile."

The plaintiffs are represented by Javier Bleichmar, Joseph Fonti, Erin Woods and Benjamin Burry of Bleichmar Fonti & Auld LLP.

Citigroup, Corbat and other individual defendants are represented by Sharon Nelles, David M.J. Rein and Leonid Traps of Sullivan & Cromwell LLP.

The case is In re: Citigroup Securities Litigation, case number 1:20-cv-09132, in the U.S. District Court for the Southern District of New York.

--Editing by Kelly Duncan.

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Fintech Ryvyl Gets First OK For Derivative Suit Deal

By **Sydney Price**

Law360 (November 17, 2025, 8:56 PM EST) -- Blockchain-based payment solutions company Ryvyl Inc. has reached a deal with its investors to settle their derivative claims that the company was damaged by an alleged concealment of accounting issues.

U.S. District Judge Gonzalo P. Curiel said he found the parties' settlement negotiation process to be fair upon preliminary review Friday. A final approval hearing will be held Jan. 9, according to the order.

The deal requires fintech company Ryvyl to add an independent director to its board, establish a risk and disclosure committee and provide improved employee training in risk assessment, among other things, for at least three years. The parties agreed in principle to settle in May, the order states.

Judge Curiel said he found that the reforms would provide substantial benefits to Ryvyl.

"The reforms' benefits are bolstered by the fact that Ryvyl will implement and maintain the reforms for three years following the effective date of the settlement," the order states. "This is meant to be a 'sufficient time for the reforms to become embedded in the company's policies, practices, and corporate culture.'"

Counsel for the shareholders will receive $200,000 in fees and costs consisting of $25,000 in cash and $175,000 of settlement shares.

In the suit, the investors claimed trading prices for shares of Ryvyl, which was previously known as Greenbox POS, fell in January 2023 by nearly 15% to close at 70 cents per share after the company said that its financial statements for 2021 and 2022 "can no longer be relied upon."

Ryvyl acknowledged that its restated financials would likely show "decreases to total revenue, increased net losses, decreases to total assets, and decreased total stockholders' equity," according to the suit.

In addition to nominal defendant Ryvyl, the suit's individual defendants include co-founders Ben Errez and Fredi Nisan, as well as several other officers and directors.

The suit also alleges the defendants allowed Ryvyl to overpay by $12 million for repurchases of its own stock while the price was artificially inflated.

The shareholders claim Ryvyl incurred substantial costs in a related securities class action. A $1 million settlement between Ryvyl and the shareholders has been preliminarily approved in that case, and a final settlement hearing is scheduled for Dec. 19.

Representatives of the parties did not immediately respond to requests for comment on Monday.

The investors are represented by Robert C. Moest of the Law Offices of Robert C. Moest and Timothy W. Brown of The Brown Law Firm PC.

Ryvyl is represented by Sean T. Prosser and Cesar M. Dulanto of Mintz Levin Cohn Ferris Glovsky and Popeo PC.

The case is Hertel v. Errez et al., case number 3:23-cv-01165, in the U.S. District Court for the

Southern District of California.

--Editing by Marygrace Anderson.

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Origin Materials Investors Seek First OK For $9M Deal

By **Katryna Perera**

Law360 (November 17, 2025, 5:57 PM EST) -- Investors in sustainable materials maker Origin Materials Inc. have asked a California federal judge to grant the first green light to a $9 million deal in a class action that claims the company and its co-CEO failed to disclose a change in direction in the company's manufacturing plans and a delay in building a new plant.

The investors, led by investor Todd Frega, filed a **motion** for preliminary approval Friday, stating that the settlement was reached by arm's-length and fair negotiations and is a "very favorable" outcome for the proposed class.

According to the motion, the investors estimate that the $9 million deal recovers roughly 11% of the estimated $83 million in damages, which represents a recovery above the median settlement amount.

Additionally, the settlement warrants approval because of the risks of continued litigation, including summary judgment and trial.

"Summary judgment was a risk because damage methodologies would be subject to formidable challenges ... trial posed a high risk because the alleged actionable projections were forward-looking and required proving the highest level of scienter," the motion states.

Lead counsel from Bernstein Liebhard LLP intends to seek an attorney fee award worth 25% of the settlement fund, and no more than $250,000 in litigation expenses, according to the motion. The lead plaintiff may also seek a service award.

Finally, the motion asks the court to certify a settlement class of all individuals and entities that purchased Origin securities between March 7, 2023, and Aug. 9, 2023, arguing that the class meets all the necessary criteria.

According to the suit, Origin specializes in converting "the carbon found in biomass into carbon negative materials that can replace the petroleum-based substances typically used in various end products."

Investors allege that on Aug. 9, 2023, Origin announced after the market closed that it was significantly delaying construction on its Origin 2 commercial plant and changing the focus of products to be made at the plant from paraxylene to furandicarboxylic acid. The company also said the construction would be more expensive than planned and "yield less capacity than previously announced," according to the suit.

The announcement caused the company's stock to decline $2.88 per share, or 66.5%, to close at $1.45 per share on Aug. 10, 2023, the suit alleges.

Counsel for Origin declined to comment Monday, and counsel for the investors did not immediately respond to requests for comment.

Last month, investors asked a California federal judge to greenlight a **nonmonetary settlement** reached in a parallel derivative suit. Under the terms of the deal, Origin would bolster the oversight functions of its board of directors, which would review and approve any prospective financial guidance for the market and required disclosures with the U.S. Securities and Exchange Commission.

The company would also create a new chief compliance officer position to oversee Origin's corporate governance policies, maintain a system for accurate disclosures and investigate compliance concerns, and implement a risk training program for all senior employees.

The settlement would additionally see Origin create a board-level committee to ensure the company's manufacturing capabilities conform to its publicly stated production goals, and a new management product and technology committee to oversee key tech initiatives.

Among other things, the deal would also task Origin with improving its whistleblower policy; expanding the responsibilities of the board's audit committee; maintaining a committee for ensuring SEC filings and other public statements are accurate; and canceling all equity awards made to officers in connection with Origin 2 milestones. The company would further agree not to issue any such equity awards to directors for one year, per court filings.

The investors in the derivative suit said the parties have also agreed that Origin will pay up to $700,000 of their attorney fees, and that several stockholders who had filed a litigation demand on the company's board of directors will each receive $5,000 service awards to be paid from any fee and expense award the court approves.

The investors are represented by Marion C. Passmore and Melissa A. Fortunato of Bragar Eagel & Squire PC and Stanley D. Bernstein, Michael S. Bigin, Stephanie M. Beige and Robert S. Rowley of Bernstein Liebhard LLP.

The defendants are represented by Boris Feldman, Doru Gavril, Carl Hudson and Rebecca Lockert of Freshfields US LLP.

The case is Soto v. Origin Materials Inc. et al., case number 2:23-cv-01816, in the U.S. District Court for the Eastern District of California.

--Additional reporting by Sarah Jarvis. Editing by Jay Jackson Jr.

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Russia-Tied Payments Co. Escapes Investor Suit For Good

By **Emilie Ruscoe**

Law360 (November 17, 2025, 11:16 PM EST) -- Payments company Qiwi PLC no longer faces investor claims it hid its noncompliance with Russian financial regulation and hurt investors when the company disclosed that a Russian central bank audit had led to a fine and certain payments restrictions.

In a Sunday order in Brooklyn federal court, U.S. District Judge Brian M. Cogan found that investor Moset International Company's second amended putative class action complaint against Qiwi and its former executives "does not materially improve upon" a version of the suit that was tossed in November 2023.

"Plaintiff still has not pleaded with particularity the substance of any supposed legal violations or defective procedures and processes at Qiwi known to defendants," Judge Cogan said, noting that the complaint's reference to certain sanctions the company was hit with is "not a substitute for a detailed allegation regarding the size of any supposed illegal activity engaged in by Qiwi or its customers."

Judge Cogan further denied leave to amend the filing again.

The suit against Qiwi, which was launched in December 2020 and last amended in December 2023, claimed that the company's compliance measures fell short in that it failed to verify customer identities.

Qiwi has described itself as a fintech company, and the suit's claims center on its network of electronic wallets, or e-wallets, and cash-collecting terminals that consumers can use to convert cash for digital and mobile payments. One of Qiwi's major revenue streams was online gambling — specifically sports betting — and the company was one of only three interactive bets accounting centers that was authorized to accept electronic bets from Russia's self-regulated betting merchants.

According to the investor, Qiwi had an obligation under Russia's compliance regime to identify its customers and to avoid transactions with bookmakers operating outside the regulated betting system. Running afoul of those rules would put the company at risk of losing its profits from legitimate transactions on top of its allegedly improper business, the investor claimed.

As a result, Qiwi shares were artificially inflated during the proposed class period of November 2018 to December 2020, as the company concealed practices involving its gambling business that the company knew or should have known would leave it vulnerable to regulatory scrutiny, the suit said.

That scrutiny materialized in June 2020, when the company was audited by Russia's federal bank — but according to the complaint, the company failed to disclose that audit while it was under way, the investor claimed.

In December 2020, the investor said, the company finally disclosed the audit, telling investors that as a result of the probe, it would be subject to restrictions on payments to foreign merchants and money transfers to pre-paid cards.

The company's shares fell 20.6% following that disclosure, the suit said, one of three stock price declines it cited.

Qiwi and its brass knew or should have known that as a result of those compliance shortfalls, the company would not pass an audit and would subsequently be fined and see its capabilities curtailed, the suit said.

Russia's central bank revoked Qiwi's license in February 2024, saying in a statement that Qiwi systematically violated anti-money laundering laws. Qiwi has since been renamed NanduQ.

A translation of that statement asserts that Qiwi's "activities were characterized by involvement in high-risk transactions aimed at facilitating settlements between individuals and shadow businesses, including transfers of funds to crypto exchanges, illegal online casinos, bookmakers, and the like, as well as the search for new ways to circumvent regulatory restrictions."

In the dismissal order, Judge Cogan referenced the company's risk disclosures saying that it could be audited any time, and that the Central Bank of the Russian Federation's sanctions were unpredictable. According to the judge, those statements were at odds with the company's separate reassurance to investors that it had guarded against adverse CBR findings.

"In light of these specific warnings about the constant risk of CBR audit, no reasonable investor would have understood the statement that Qiwi 'believe[s] that we have remedied the violations and taken appropriate measures to ensure that we will not be in breach of such requirements going forward' as a guarantee that CBR audits, both 'currently planned' and 'future,' would not uncover any further noncompliance," Judge Cogan said.

Alongside Qiwi, the complaint names former CEOs Boris Kim, Sergey Solonin and Andrey Protopopov and former Chief Financial Officers Alexander Karavaev, Vladislav Poshmorga, Varvara Kiseleva and Pavel Korzh.

Representatives for the parties did not immediately respond to requests for comment Monday.

Investor Moset International Company Limited is represented by Ivy T. Ngo and Velvel Freedman of Freedman Normand Friedland LLP and Brian Schall of the Schall Law Firm.

Qiwi PLC and the individual defendants are represented by Alexander C. Drylewski and William J. O'Brien of Skadden Arps Slate Meagher & Flom LLP.

The case is Ochakoff v. Qiwi plc et al., case number 1:20-cv-06054, in the U.S. District Court for the Eastern District of New York.

--Editing by Emily Kokoll.

Correction: An earlier version of this story misstated the operational status of Qiwi. The error has been corrected.

Update: This story has been updated to include the new name of Qiwi.

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TerraForm Stockholders Settle Suit Over Brookfield Merger

By **Jeff Montgomery**

Law360 (November 17, 2025, 7:53 PM EST) -- Brookfield Asset Management Inc. and TerraForm Power Inc. stockholders reported a tentative, undisclosed deal on Monday to end their nearly four-year Delaware Chancery Court battle over Brookfield's alleged "exploitation" of TerraForm's minority stockholders in a deal dating to 2020.

Labaton Keller Sucharow LLP, representing the shareholders, notified Chancellor Kathaleen St. J. McCormick of the pending agreement in a brief letter stating that the parties "have agreed to use reasonable best efforts to negotiate and submit a proposed stipulation of settlement" within 30 days.

The tentative pact potentially heads off a five-day trial scheduled to begin on Feb. 2. Discovery motions "also need not be decided in light of the settlement," Brendan W. Sullivan of Labaton Keller wrote.

The lawsuit followed earlier complaints from the same stockholders in 2019 over a $650 million private placement that at the time increased Toronto-based Brookfield's stake in TerraForm from 51% to 65.3%.

The former TerraForm shareholders, led by the City of Dearborn Police and Fire Revised Retirement System, then sued Brookfield, TerraForm's controlling shareholder, and its several affiliates in February 2022, alleging the ultimate 2020 merger had been "procedurally and substantively unfair" to minority stockholders.

The complaint accused the private equity firm of coercing negotiators into accepting the squeeze-out merger by threatening that if it didn't go through, Brookfield would "starve" TerraForm of future growth opportunities.

Counsel for the parties did not immediately respond to requests for comment on Monday.

The full five-member Delaware Supreme Court in March 2024 reversed the Court of Chancery's earlier dismissal of the case in a decision written by Justice Karen L. Valihura. The justices observed that undisclosed conflicts on the part of the special committee's legal and financial advisers were enough to reject calls to dismiss breach of fiduciary duty claims.

A TerraForm special committee had hired Morgan Stanley as an adviser to evaluate Brookfield's $14.36-per-share offer, but a proxy statement about the deal left undisclosed the investment banker's nearly half-billion-dollar equity interest in Brookfield, among other issues cited by the shareholders.

In dismissing the suit in June, Chancellor Kathaleen St. J. McCormick failed to consider, the justices found, whether Morgan Stanley's interest in the Canadian private equity firm should have been disclosed in the proxy statement to TerraForm's stockholders, Sullivan told the court on Nov. 12.

Delaware's Supreme Court agreed with the chancellor in upholding dismissal of allegations that TerraForm's special committee "understood Brookfield's message and its capacity for retribution." That signaling allegedly included warnings regarding "TerraForm's reliance on Brookfield for its planned growth and TerraForm's limited ability to operate without Brookfield's continued support." Rejected by the justices was a stockholder argument that the comments amounted to "implicit coercion."

But the justices found "[i]t is reasonably conceivable that, from the viewpoint of a stockholder, Morgan Stanley's nearly half-a-billion-dollar holding in Brookfield was material and would have been material to a stockholder in assessing Morgan Stanley's objectivity."

Delaware law, the justices found, "places great importance on the need for transparency in the special committee's reliance on its advisers." They noted "[i]t is imperative for the stockholders to be able to understand what factors might influence the financial adviser's analytical efforts."

Canada-based Brookfield's purchase of TerraForm's shares through an affiliate in 2018 increased the private equity group's stake in the wind and solar power venture from 51% to 65.3%. Stockholders first sued in September 2019, saying new stock in the private placement was priced too low, diluting their shares while giving Brookfield an unfairly priced gain in control.

The suit argues the inadequate price and dilution also created derivative rights to damages to be pursued by the stockholders on the company's behalf.

The stockholders are represented by Ned Weinberger, Mark Richardson, Brendan W. Sullivan, John Vielandi, Tae Kyung Yang and Jiahui (Rose) Wang of Labaton Keller Sucharow LLP, Peter B. Andrews, Craig J. Springer, David M. Sborz and Jackson E. Warren of Andrews & Springer LLC, Jeremy Friedman, David Tejtel and Alexander M. Krischik of Friedman Oster & Tejtel PLLC, and Douglas E. Julie and W. Scott Holleman of Julie & Holleman LLP.

Brookfield Asset Management Inc. et al. are represented by Kevin G. Abrams and Eric A. Veres of Abrams & Bayliss LLP and John A. Neuwirth, Joshua S. Amsel, Stefania D. Venezia and Tanner S. Stanley of Weil Gotshal & Manges LLP.

The case below is City of Dearborn Police and Fire Revised Retirement System (Chapter 23) et al. v. Brookfield Asset Management Inc., case number 2022-0097, in the Court of Chancery of the State of Delaware.

--Additional reposting by Leslie Pappas and Rose Krebs. Editing by Philip Shea.

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E-Discovery Quarterly: Recent Rulings On Dynamic Databases

By **Tom Paskowitz, Colleen Kenney and Matt Jackson** (November 17, 2025, 5:14 PM EST)

This article is part of a quarterly column analyzing the most notable e-discovery developments from the previous three months. This installment takes a closer look at recent decisions weighing when and how structured data in dynamic databases should be produced.

Tom Paskowitz

Colleen Kenney

Matt Jackson

Rule 34 of the Federal Rules of Civil Procedure was amended in 2006 to address, among other issues, the "[dramatic] growth in electronically stored information and in the variety of systems for creating and storing such information."

Although Rule 34 had been amended in 1970 "to include discovery of data compilations," the Rules Committee recognized that it had "become increasingly difficult to say that all forms of electronically stored information, many dynamic in nature, fit within the traditional concept of a 'document.'"[1]

The 2006 amendments therefore acknowledged that a "request for production of 'documents' should be understood to encompass, and the response should include, electronically stored information unless discovery in the action has clearly distinguished between electronically stored information and 'documents.'"

The amendments also acknowledged that parties "may ask for different forms of production for different types of electronically stored information."[2]

Several recent federal court decisions illustrate how parties continue to grapple with structured data compilations, particularly data in dynamic databases.

In Sound Around Inc. v. Friedman, the U.S. District Court for the Southern District of New York on Oct. 8 rejected an argument that structured data in one of the plaintiff's dynamic databases was not subject to discovery.[3]

In that litigation, the plaintiff alleged that the defendants misappropriated its confidential and trade secret information, and the defendants counterclaimed for the value of certain commissions they claimed to be owed by the plaintiff.

In discovery, one of the plaintiff's witnesses testified that the plaintiff had "identified a database called the 'Data Warehouse' containing" relevant information pertinent to sales and commissions that had not previously been produced.[4] Although this database contained information that was relevant to the defendants' counterclaims concerning the calculation of their commissions, the plaintiff did not produce any data from the database, and the defendants moved to compel production.

The court had no qualms about finding structured data discoverable under Rule 34, which, the court wrote, "has long required responding parties to conduct a reasonable search for documents and information relevant to the claims and defenses." The court explained that the advisory committee notes on the 2006 amendments to Rule 34 "make clear that 'documents' includes ESI," and that parties cannot "evade discovery obligations on the basis that the label [of 'document'] had not kept pace with changes in information technology."[5]

The advisory committee notes also provided that "ESI 'stands on equal footing with discovery of paper documents' including ESI stored in 'dynamic databases' and other systems."[6]

The court also referred to the fact that the Sedona Conference "has long published guidance for lawyers on how to preserve and produce databases and database information."[7] It explained that "the Sedona Conference and many courts have recognized … that responding parties may need to extract data from databases, even if that requires assistance from systems specialists (and it often does)."[8] In addition, "a producing party may need to create a special query to extract only certain relevant data fields from a database."[9]

Based on all of these authorities, the court found that the failure of the plaintiff's counsel to "look for and produce relevant financial data pertaining to the calculation of defendants' commissions [was] inexcusable."

The court also faulted the plaintiff's counsel for failing to comply with Rule 34's requirement to "identify[] relevant information that was being withheld on the basis of objections," and to comply with Rule 26(g)'s requirement that counsel "sign discovery responses attesting that they are complete and correct as of the time [they are] made."[10]

The court explained that the plaintiff should have queried the Data Warehouse and extracted responsive information, and could not limit its production to "existing reports ... [that] do not provide a full picture of how defendants' commissions were computed over time."[11]

The U.S. District Court for the Southern District of Texas reached a similar result on Sept. 3 in Primoris Energy Services Corp. v. Air Products and Chemicals Inc.

There, the defendant requested that the plaintiff produce dashboards from the plaintiff's licensed version of Power BI, a "data visualization software that generates visual representations of data from external sources," including dynamic databases.[12]

The plaintiff opposed the request on the grounds that the dashboards were "software, not a document," and therefore were not subject to production under Rule 34. The plaintiff also argued that it would produce "any versions of the dashboard that exist in PDF form or hard copy,"[13] but "the federal rules [did] not require it to 'generate, create, or produce a document not already in existence.'"[14]

But the court disagreed on both counts. With respect to whether the dashboards were software or documents, the court noted that Rule 34(a)(1)(A) provides for the discovery of data or data compilations, and that a document can consist of "[d]ata that can be readily compiled into viewable information, whether presented on the screen or printed on paper," but may not include "data used by a computer system but hidden and never revealed to the user in the ordinary course of business."[15]

Based on this guidance, the court found that the dashboards were discoverable under Rule 34 because they contained "data that is easily compiled into viewable information."[16]

The court also agreed with the Sound Around decision that the request for data was appropriate under Rule 34 because the plaintiff was not being required to create new documents. The court wrote, "While 'a party should not be required to create completely new documents, that is not the same as requiring a party to query an existing dynamic database for relevant information.'"

The court found that the defendant was "simply asking [the plaintiff] to extract information from its computer system" in "an effort to expediently and economically obtain from [the plaintiff] certain 'exemplar' reports about relevant data in [the plaintiff]'s possession," and "not engaging in an impermissible effort to have [the plaintiff] create a new document."[17]

Another decision from the Southern District of Texas addressed the related question of how structured data should be produced under Rule 34. In In re: Concho Resources Inc. Securities

Litigation, the plaintiffs moved to compel the defendants to produce certain databases in their native format, where the defendants had already produced Excel spreadsheets containing some of the data from the databases.[18]

The defendants had argued that the Excel spreadsheets were sufficient because they were exported and sent to executives in the ordinary course of business.[19]

In addressing how structured data may be produced, the court surveyed Rule 34's requirements, including that ESI such as structured data must be produced "as they are kept in the usual course of business or must organize and label them to correspond to the categories in the request."[20]

The court also relied on the advisory committee notes on the 2006 amendments to Rule 34 for the propositions that ESI "may exist in dynamic databases and other forms far different from fixed expression on paper," and that discovery of ESI "stands on equal footing with discovery of paper documents."[21]

Finally, noting the potential for "deliberate or inadvertent production in ways that raise unnecessary obstacles for the requesting party," the court explained that

> the option to produce [data] in a reasonably usable form does not mean that a responding party is free to convert [ESI] from the form in which it is ordinarily maintained to a different form that makes it more difficult or burdensome for the requesting party to use the information efficiently in the litigation.[22]

The court ultimately ruled on Oct. 10 that Rule 34 required the defendants to produce the "databases or a portion thereof" in native form.[23] This conclusion was based in part on the fact that the plaintiffs had made a showing that the Excel spreadsheets produced from the databases were unorganized and lacked functionality such as "categorizing, calculating, or graphing" that would exist in the native database.[24]

Given that the produced Excel spreadsheets were created by exporting data from the databases, the court held that Rule 34 did not permit the defendants to "create unnecessary obstacles by exporting data into a more difficult or burdensome format for the requesting party."[25]

Key Takeaways

The decisions described above demonstrate continued disagreement among litigants regarding when and how structured data in dynamic databases should be produced, consistent with the requirements of Rule 34.

Counsel involved in complex litigation that may involve discovery of structured data should consider the sources and format of any such data, including any technological and logistical concerns such as the need to leverage "systems specialists ... [or] special quer[ies]," as noted in the Sound Around decision.

And, in light of the often expansive nature of data that exists in dynamic databases, counsel should work to understand the scope of data in any database that may be relevant to the parties' claims and defenses in the litigation, including whether discovery from any such databases should be limited to certain relevant portions thereof, such as was ordered by the court in the Concho Resources decision.

Counsel should also consider whether production of existing exports or reporting are sufficient under Rule 34 in light of the particular circumstances of each case, and the particular format for ESI production included in any discovery requests or agreed upon by the parties.

Considerations relevant to this question include whether any particular format of production would degrade functionality like in Concho Resources, or completeness like in Primoris Energy Services.

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Matt Jackson is counsel at the firm.

[1] Rule 34, Advisory Committee Notes, 2006 Amend.

[2] Id.

[3] Sound Around Inc. v. Moises Friedman, 24-CV-1986 (DLC) (KHP), 2025 WL 2855353 (S.D.N.Y. Oct. 8, 2025).

[4] Id. at *1.

[5] Id. at *3 (cleaned up).

[6] Id. The Court identified other sources of authority relevant to the production of data, including its own rules requiring counsel to "be sufficiently knowledgeable in matters relating to their clients' technological systems to discuss competently issues relating to electronic discovery," and New York Rule of Professional Conduct 1.1 requiring counsel "to stay up-to-date on technology relevant to their practice and requirements of applicable rules of Civil Procedure."

[7] Id. at *4.

[8] Id.

[9] Id.

[10] Id. at *4-5.

[11] Id. at *4.

[12] Primoris Energy Services Corporation v. Air Products and Chemicals Inc., No. 24-cv-00156, 2025 WL 2529644, *1 (S.D. Tex. Sept. 3, 2025).

[13] Id. at *1 n.1.

[14] Id.

[15] Id. at *2 (quoting The Sedona Principles: Best Practices Recommendations & Principles for Addressing Electronic Document Production (Sedona Conference Working Group Series 2004)).

[16] Id.

[17] Id. See also PharmacyChecker.com LLC v. National Association of Boards of Pharmacy, No. 19-cv-7577-KMK-VR, 2025 WL 2731508, *2 (S.D.N.Y. Sept. 25, 2025) (noting that requiring the plaintiff to query a dynamic database to produce data was not forcing the plaintiff "to generate new evidence against itself."); Megatel Homes III LLC v. Moayedi, No. 20-cv-00688-L-BT, 2025 WL 1638927, *7 (N.D. Tex. June 9, 2025) (finding that "requiring a party to query an existing dynamic database for relevant information" was not the same as requiring the party to "create completely new documents.").

[18] In re: Concho Resources, Inc. Securities Litigation, No. 21-cv-2473, 2025 WL 2899518, *1 (S.D. Tex. Oct. 10, 2025).

[19] Id. at *5.

[20] Id. at *2 (quoting Rule 34(b)(2)(E)(i)).

[21] Id.

[22] Id. (quoting Rule 34, Advisory Committee Notes, 2006 Amend.).

[23] Id. at *4-5. Notably, the Court's order did not require the Defendants to produce complete copies of the databases at issue, which likely would contain extraneous information not relevant to the issues in the case. Rather, the Court's order permitted the Defendants to produce only those portions of the databases in native format that were used for purposes relevant to the issues in the case.

[24] Id. at *4.

[25] Id. at *5 (quoting Rule 34, Advisory Committee Notes, 2006 Amend.).

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Mobix Sues SPAC Backers Over Alleged $30M Funding Failure

By **Jarek Rutz**

Law360 (November 17, 2025, 2:34 PM EST) -- A California-based semiconductor-technology company has sued its former special purpose acquisition company sponsor, affiliated investment groups and their chief executive in the Delaware Chancery Court, accusing them of creating a scheme of false funding assurances that left the company undercapitalized when it entered the public markets in 2023.

Mobix Labs Inc.'s Friday complaint seeks $30 million promised in a stock-purchase agreement and more than $250 million in damages tied to what Mobix describes as a deliberate pattern of misrepresentation that sabotaged its public debut.

The suit alleges that ACE SO4 Holdings Ltd., Asia-IO Partners International Pte. Ltd., Chavant Capital Partners LLC, Chavant Manager LLC and investor-executive Tik Yang "Denis" Tse induced Mobix to complete its SPAC merger by repeatedly promising and contractually agreeing to provide critical closing funds they never intended to deliver. A SPAC merger features a company that raises money and goes public for the purpose of merging with a privately-held company, bringing the private business onto the public market.

"ACE never delivered the $30 million it was required to fund under the subscription agreement," Mobix said in its complaint, adding that the defendants "falsely represented that [Asia-IO] had executed a forward purchase agreement" and that bridge financing would be provided if needed.

Mobix was formed through the merger of privately held semiconductor company Legacy Mobix and Chavant Capital Acquisition Corp., a 2021 SPAC whose sponsor, Chavant Capital Partners, was controlled by Chavant CEO Jiong Ma. Ma is not named in the suit.

The transaction contemplated up to $60 million in combined private investment in public equity, or PIPE, and forward-purchase funding from defendant affiliates, including ACE's $30 million subscription, intended to bring the newly public Mobix to market with adequate liquidity. Instead, Mobix alleges, the defendants withheld funding, diverted investor interest and left the company significantly undercapitalized and suffering a 70% market-cap decline after listing.

Mobix says the broken promises were central to the December 2023 business combination with Chavant Capital and that the defendants' conduct constitutes breach of contract, fraudulent inducement, negligent misrepresentation and tortious interference.

According to Mobix, the defendants' "materially false" commitments collapsed days before closing, forcing the company to scramble for replacement financing and enter the market with weakened liquidity.

Mobix argues that the Nov. 15, 2022 agreement, signed by Tse for ACE and Ma for the SPAC, was an unambiguous, binding obligation requiring ACE to deposit $30 million into escrow two business days before the merger closing. The agreement, Mobix says, expressly stated that "all of the agreements, representations and warranties made by each party to this subscription agreement shall survive the subscription closing" and that Mobix "may rely on" the investor's promises.

Mobix further points to a section in which ACE agreed that "irreparable damage would occur" if the agreement were not performed and that Mobix was entitled to injunctive relief compelling performance. This clause, Mobix contends, supports an order requiring ACE to fund the investment.

Mobix also outlines fraud involving Tse-represented Asia-IO's supposed forward purchase agreement separate from the subscription financing, assurances that Tse would provide $8 million in bridge financing through a June 2023 convertible note and months of investor-marketing activity that Mobix says was misused to obtain financing for defendants' unrelated ventures.

Mobix alleges it relied on specific false statements made between November 2022 and December 2023. The company distinguishes the fraud counts from the contract claim by arguing that defendants engaged in "separate and distinct" tortious conduct designed to induce Mobix to proceed with the merger.

When ACE told Mobix on Dec. 8, 2023, less than two weeks before closing, that the $30 million would not be delivered, the company says it had no choice but to secure roughly $21 million in emergency PIPE financing "under extreme pressure and at materially less favorable terms." Mobix ultimately closed the merger on Dec. 21, 2023 with just $19.75 million in PIPE proceeds and $1.26 million from the trust account.

Representatives for the parties were not immediately available Monday.

Mobix Labs Inc. is represented by Sarah Martin of Greenberg Traurig LLP.

Counsel information for defendants ACE SO4 Holdings Ltd., Asia-IO Partners International Pte. Ltd., f/k/a ACE Equity Partners International Pte., Chavant Capital Partners LLC, Chavant Manager LLC and Tik Yang "Denis" Tse were not immediately available Monday.

The case is Mobix Labs, Inc. v. ACE SO4 Holdings Limited, et al., case number 2025-1327, in the Delaware Chancery Court.

--Editing by Alex Hubbard.
