US Bancorp Retirees Drop Appeal Over Pension Calculation Data

US Bancorp retirees dropped their Eighth Circuit appeal accusing the bank of shortchanging certain early retirement pensions by using outdated life expectancy data when calculating benefits.

The retirees had asked the appeals court to review a January decision favoring the bank and holding that federal benefits law doesn't include an implicit "reasonableness requirement" for the actuarial assumptions used to calculate benefits when workers choose pension formats other than traditional, single-life pensions.

The lawsuit says US Bancorp improperly shortchanged the monthly benefits of certain early retirees by calculating them using decades-old actuarial data that don't reflect recent increases in lifespan.

The appeal, which the retirees sought to voluntarily dismiss on Wednesday, would have given the US Court of Appeals for the Eighth Circuit an opportunity to consider the issues animating dozens of lawsuits accusing large employers of shortchanging certain optional pension formats by using unreasonable calculations.

After mixed rulings from federal district courts, the Sixth and Eleventh circuits have both read a reasonableness requirement into the Employee Retirement Income Security Act's pension calculation rules.

The Minnesota federal judge weighing the case against US Bancorp reached the opposite conclusion, reasoning that ERISA requires "actuarial equivalence" between pension formats, which is an "exercise in relative comparison of value under consistent assumptions, not absolute value."

Motley Rice LLC represents the retirees. Morgan, Lewis & Bockius LLP and Nilan Johnson Lewis PA represent US Bancorp.

The case is Adams v. US Bancorp , 8th Cir., No. 26-1330, motion to voluntarily dismiss 7/1/26 .

EV Maker Canoo's Execs Reach $20 Million Investor Settlement

Former Canoo Inc. executives agreed to pay $20 million to resolve allegations that the failed electric-vehicle startup misled investors about its business strategy and financial prospects during its blank-check merger to go public.

CEO Ulrich Kranz's and Chief Financial Officer Paul Balciunas' insurers will cover the payment, the investor leading the case said Tuesday, seeking the deal's preliminary approval in the US District Court for the Central District of California. The accord would end more than five years of litigation over whether these executives and another former CEO, Tony Aquila, misled investors before and after the EV-maker's 2020 merger with a special purpose acquisition company.

- The proposed settlement class includes those who got Canoo securities from Dec. 21, 2020, to March 29, 2021
- The investor sufficiently alleged the executives misleadingly represented they were pursuing a specific business model despite knowing the immediate revenue from its engineering services wouldn't realize, Judge Fernando M. Olguin said, letting some claims proceed past a motion to dismiss last year
- Investor Vladi Shaulov dropped Canoo as a defendant after it filed for Chapter 7 bankruptcy.

Canoo joined a gaggle of EV-companies that've filed for bankruptcy in recent years

Pomerantz LLP and Holzer & Holzer LLC represent Shaulov. Kirkland & Ellis LLP represents the executives, who denied wrongdoing through the settlement. None of these law firms immediately responded to emails seeking comment.

The case is Blake v. Canoo Inc. , C.D. Cal., No. 2:21-cv-02873, motion 6/30/26 .

Molson Coors Panel Beats Allegations of Flawed 401(k) Investment

bloomberglaw.com/product/blaw/bloomberglawnews/bloomberg-law-news/X1IV7R0VDJ78J89HAVNGT8TBPCI

A Molson Coors Beverage Co. committee secured dismissal of a proposed class action challenging the performance of a Fidelity stable value fund offered in its employees' 401(k) plan.

The lawsuit compares the fund offered by the beer maker's retirement plan to other available investments, but those investments aren't similar enough to qualify as meaningful benchmarks, Judge William C. Griesbach said in an opinion issued Tuesday in the US District Court for the Eastern District of Wisconsin.

Griesbach also faulted the plaintiff plan participant for comparing the fund from Fidelity — which isn't a party to the lawsuit — to a series of different alternatives that varied by year, saying this wasn't a proper method for showing that the challenged fund's crediting rate was improperly low.

"Citing to a rotating cast of funds with higher crediting rates in different years is blatant cherry picking and cannot support a claim of imprudence," the judge said.

Stable value funds, which are conservative investments designed to provide modest, guaranteed returns while protecting against losses, have driven a spate of recent lawsuits under the Employee Retirement Income Security Act. A Texas federal judge dismissed a stable value fund challenge against eyewear maker EssilorLuxottica USA Inc. in April after finding a lack of necessary details in the complaint, and litigation over the stable value fund in Equitable Financial Life Insurance Co.'s 401(k) plan was dismissed in May based on the plaintiff's failure to make sound investment comparisons.

Plaintiff Winston Hensley also alleged that the committee's relationship with Fidelity violated ERISA's prohibited transaction rules, but Griesbach wasn't persuaded. Hensley "fails to allege any facts suggesting that the fees paid to Fidelity were unreasonably high or more than it would have had to pay a non-party in interest," the judge said.

Griesbach dismissed Hensley's complaint with prejudice, denying him an opportunity to try again.

Capozzi Adler PC represented Hensley and the proposed class. Seyfarth Shaw LLP represented the Molson Coors committee.

The case is Hensley v. Molson Coors Beverage Co. USA LLC Governance Comm. , 2026 BL 245644, E.D. Wis., No. 2:25-cv-01371, 6/30/26 .

Judge dismisses Visa investor suit over DOJ antitrust probe

DJ dailyjournal.com/articles/392707

U.S. District Judge Noël Wise dismissed a securities class action against Visa with prejudice, ruling that the plaintiffs failed to show their losses, resulting from a 2024 stock dip, were caused by the company's alleged misstatements.

Wise sided with Visa and seven of its executives, all represented by Skadden, Arps, Slate, Meagher & Flom LLP and Affiliates, saying the complaint didn't adequately show that the company's stock price fell as a result of what the plaintiffs say was a corrective disclosure.

Visa's stock price fell by 5.5% on Sept. 24, 2024, the day after news broke that the U.S. Department of Justice planned to sue the company for alleged anticompetitive practices. While Visa disclosed the DOJ investigation, the plaintiffs, a group of investors, alleged that the company had previously said it complies with federal regulations and antitrust law. The plaintiffs claimed that the DOJ's complaint, as well as news stories about the lawsuit, showed the company repeatedly engaged in anticompetitive practices. The complaint also claimed that the DOJ's report included information that showed earlier statements the company had made about the impacts federal regulations would have on its routing volume were false.

Wise dismissed the initial complaint in December 2025 because it failed to show that the stock dip was significant or that it was caused by the information in the report -- the supposed corrective disclosure -- and not the DOJ lawsuit itself. Wise granted the plaintiffs, represented by The Rosen Law Firm, P.A., leave to amend and they filed a new complaint in January. On Monday, the judge ruled that the amended complaint failed to cure the problems with the earlier version.

"The [second amended complaint] does not allege sufficient facts that these publications caused the alleged drop in the Visa stock's value, and that the alleged losses were not instead caused by the filing of the DOJ complaint that same day," Wise wrote. The case is *Cai v. Visa Inc. et al*, 5:24-cv-08220 (N.D. Cal., filed Nov. 20, 2024).

The plaintiffs argued that the DOJ lawsuit and the news reports were tied and that either could have corrected the alleged misstatements, but Wise found they didn't show the stock fell because of information disclosed by the DOJ as opposed to other factors.

"The SAC also fails to allege facts that the stock drop occurred because the market found the DOJ complaint credible and reacted to it," Wise wrote.

The amended complaint also included an expert report from economist Adam Werner claiming the share price fell by a significant margin, but Wise said the opinion wasn't a substitute for plausible facts.

"Because Dr. [Werner's] findings rest on his analyses, they cannot be factual allegations that the Court may consider at this juncture," Wise wrote. "The SAC relies solely on Dr. Werner's inadmissible opinions to allege that the drop in Visa's stock was significant; the SAC is otherwise the same as the [class action complaint]."

Skadden's team consisted of partner Mark R.S. Foster and associates Bonifacio C. Sison, Madison Flowers and Isak Nuhic.

Solar Panel Company Hit with Tariff-Related Securities Suit

The current Trump administration's tariff policies have created operating challenges for many companies, challenges that in at least some cases have translated into securities class action lawsuits. In the latest example, the solar panel company First Solar has been hit with a tariff-related securities class action lawsuit after the company experienced complications in its international operations due to the tariffs. A copy of the new First Solar securities class action lawsuit can be found here.

First Solar is a solar technology company. It manufactures and sells photovoltaic (PV) solar modules that convert sunlight into electricity. In February 2025, the company announced that it would reduce production of Series 6 modules at its facilities in Malaysia and Vietnam to account for, among other things, the "uncertain U.S. policy environment following the 2024 U.S. elections," and "a supply and demand imbalance for Southeast Asian Product." First Solar nevertheless reassured investors that its primary market, the United States, enjoyed stable module prices.

On April 2, 2025, President Trump announced reciprocal tariffs on U.S. imports from all countries, including tariff rates of 24% and 46% on Malaysia and Vietnam, respectively, subsequently reduced to 10%. The company, according to the securities class action lawsuit complaint, continued to assure investors that the dynamic policy landscape presented a "long term favorable" for First Solar and actually "strengthened its relative position in the solar manufacturing industry."

On February 24, 2026, First Solar announced its 4Q25 and full year 2025 financial results. Among other things, the company announced earnings that, according to the securities lawsuit complaint, "missed expectations by a wide margin." The company also issued lower than expected FY 2026 revenue guidance, citing customer headwinds such as permitting delays under the Trump administration. First Solar's share price declined on this news.

On June 23, 2026, a plaintiff shareholder filed a securities class action lawsuit in the Eastern District of New York against First Solar and certain of its officers. The complaint purports to be filed on behalf of a class of investors who purchased the company's securities between February 26, 2025, and February 24, 2026.

The complaint alleges that during the class period, the defendants made false or misleading statements or failed to disclose that: "(i) Defendants had overstated First Solar's capacity to manage the impact of U.S. tariff policy on the Company's business; (ii) Defendants understated the extent to which its responses to U.S. tariff policy, including the intentional underutilization of production facilities in Malaysia and Vietnam, and attempted relocation of production to the U.S., were likely to negatively impact First Solar's projected performance in the 2026 fiscal year; and (iii) as a result, Defendants' public statements were materially false and misleading at all relevant times."

The complaint alleges that the defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The plaintiff seeks to recover damages on behalf of the class.

This new lawsuit is not the first securities class action lawsuit to be filed in the wake of the current Trump administration's implementation of its tariff policies. As discussed here, in August 2025, a plaintiff shareholder initiated a tariff-related securities suit against the industrial chemical company Dow. Similarly, in November 2025, a shareholder initiated a tariff-related securities suit against the auto retailer CarMax, as discussed here.

With the initiation of this new lawsuit against First Solar, there have now been a total of five tariff-related securities suits filed since August 2025, including a total of three so far in 2026. As also discussed on this site, most recently here, there have been a number of tariff-related enforcement actions filed as well.

Since the Trump administration began implementing its tariff policies last year, the tariffs have come to represent an important source of potential corporate litigation and regulatory enforcement exposure.

What makes this new lawsuit particularly interesting and relevant is that it is only now just being filed, even after various courts have declared the Trump administration's IEEPA tariffs (discussed here) and Section 122 tariffs (discussed here) to be unlawful. The new complaint underscores the fact that notwithstanding the various adverse court rulings on the tariffs, the risk of further tariff-related litigation continues.

The new complaint also highlights the challenges companies face in trying to manage the impact of the tariffs on their operations and financial results. This company is alleged not only to have soft-pedaled the likely impact of the tariffs on its international operations, but also is alleged to have understated the impact that its efforts to respond to the tariffs, by shifting production to the U.S., would have on its financial performance. The shifting tariff levels and changing legal bases for the tariffs further complicate things for operating companies, as they try to adjust their strategies to trade policies that are both variable and difficult to predict.

In any event, notwithstanding the adverse track record of the prior Trump administration tariff policies in court, the Trump administration has made it clear that it intends to continue to deploy tariffs as an important element in its global trade policy. Following the prior adverse judicial rulings, the Trump administration has shifted its plan to impose its tariff policies to rely on Section 301 of the Trade Act of 1974. The U.S. Trade Representative has already launched Section 301 investigations of the trade policies of a number of countries, and has imposed a number of new tariffs, based on the premise that the tariffed countries had engaged in unfair trade practices (particularly involving the alleged use of forced labor). These new tariffs present their own complications and compliance challenges, among other things by adding a layer of complexity to supply chain management.

The bottom line is that the Trump administration will continue to deploy tariffs, and that tariffs will continue to challenge operating companies. The likelihood is that issues arising out of the administration's tariff policies will continue to give rise to potential disclosure-related liability exposure for many companies. The likelihood is that we will continue to see tariff-related litigation in the months ahead.

One final note: First Solar is not unfamiliar with securities class action litigation. As discussed here, in January 2020, the company settled a prior, long-running securities class action lawsuit for $350 million.

Disco, Ex-CEO Agree to $11.5 Million Investor Revenue Settlement

CS Disco Inc. will pay $11.5 million to end an investor's proposed class allegations tied to statements made by former CEO Kiwi Camara about drivers of the legal tech company's revenue.

There's a substantial risk that the lawsuit wouldn't be certified as a class action if litigation kept going, the investor leading the case said, seeking the accord's preliminary approval Wednesday in the US District Court for the Western District of Texas. The settlement comes while a magistrate judge's recommendation to Judge David Alan Ezra against certification is pending.

- Magistrate Judge Mark Lane said last year class status should be denied because Disco severed the connection between alleged misrepresentations of financial prospects and the lowering of 2022 guidance that spurred a nearly 54% single-day stock drop
- This severance issue—where there is a mismatch between the contents of misrepresentations and corrective disclosures before a price drop—has tested appellate courts nationwide since a Supreme Court decision and a subsequent US Court of Appeals for the Second Circuit ruling undid a Goldman Sachs investor class
- The proposed settlement class includes those who got Disco stock from Sept. 3, 2021, to Aug. 11, 2022

The Rosen Law Firm PA, lead counsel for investor, didn't immediately respond to an email seeking comment. Cooley LLP and Texas-based Graves Dougherty Hearon & Moody PC represent Disco and Camara, which denied wrongdoing in the deal. Neither Cooley nor Disco immediately responded to emails seeking comment.

The case is Gambrill v. CS Disco, Inc. , W.D. Tex., No. 1:24-cv-00028, motion 7/1/26 .

Edwards Lifesciences Reaches $39 Million Investor Settlement

bloomberglaw.com/bloomberglawnews/class-action/BNA 0000019f2301d4baafbf23cff3350001

Edwards Lifesciences Corp. agreed to dish out $39 million to resolve investor allegations that the medical device maker overhyped demand for a heart valve product.

The proposed settlement class would include those who got Edwards stock from Feb. 6, 2024, to July 24, 2024, pension funds leading the case told Judge Anne Hwang on Wednesday while seeking preliminary blessing of the deal. The agreement would end almost two years of litigation against Edwards and CEO Bernard Zovighian, both of whom denied wrongdoing, in the US District Court for the Central District of California.

- Hwang previously dismissed other current and former executives from the case, narrowly allowing it to continue on allegations of Zovighian's deliberate recklessness to defraud
- Edwards boasted that market factors pointed to accelerated growth in its aortic valve sales, even though it knew of issues that would slow growth, the investors alleged
- Edwards revealed lower-than-expected sales growth in second quarter 2024 financial results; its stock price fell more than 31% the next day—its steepest one-day dive since 2000, according to data compiled by Bloomberg

Bernstein Litowitz Berger & Grossmann LLP, lead counsel for the pension funds, declined to comment. Latham & Watkins LLP represents Edwards and Zovighian. Neither the law firm nor Edwards immediately responded to emails seeking comment.

Th case is Patel v. Edwards Lifesciences Corp. , C.D. Cal., No. 8:24-cv-02221, motion 7/1/26
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OpenAI proposes handing Trump administration 5% stake

FT ft.com/content/7c803eab-8e80-4431-9a87-e943bf00e00b

OpenAI has discussed giving a 5 per cent stake to the US government as the $852bn AI start-up seeks to clear political obstacles by securing financial buy-in from the Trump administration.

Sam Altman, chief executive of the ChatGPT maker, has argued that giving the public a financial stake in the company is the best way to share the upside of AI and has suggested a stake of this size in early conversations with the administration, according to two people familiar with the talks.

The proposed arrangement would involve other US AI companies handing over a similar stake, although it is not clear if the other labs would be willing to do so.

Giving the government an ownership stake could help secure good relations with the administration and would mark an attempt to address political blowback by sharing the wealth generated by AI with the public.

AI labs have faced an increasingly challenging environment in Washington as the American public and politicians grow more concerned about vast data centre construction and the implications of AI for jobs and cyber security.

OpenAI and its chief rival Anthropic have recently both had the release of their cutting-edge models held up by US scrutiny, while some Republicans and advisers to President Donald Trump favour much tighter regulation of the sector.

The two rivals are also preparing for public listings, which would expand their ownership base and generate big gains for current investors, although OpenAI's float may not take place until next year.

Altman and other OpenAI executives have suggested that each of America's leading AI developers allot 5 per cent of their equity to a vehicle like the Alaska Permanent Fund, a sovereign fund that invests the state's oil wealth into stocks and pays dividends to the state government and residents.

These companies might include Anthropic as well as Google, Meta and others, although it is not clear any of these groups would agree with OpenAI's proposal.

After publicly attacking Intel's chief, Trump has swung behind the US chipmaker after the government took a 10 per cent stake.

"Conceptual" talks between the government and OpenAI were in the early stages, and any deal might require an act of Congress to implement, the people said. But the discussions point to a potential mechanism to distribute the financial gains from the technology.

Altman has been in active talks with the administration about the issue of public ownership, including Trump, commerce secretary Howard Lutnick and Treasury secretary Scott Bessent, according to multiple people familiar with the matter.

The OpenAI chief has also spoken to Democratic Senator Bernie Sanders in recent weeks. Sanders has pushed for public ownership of closer to half of each US AI company through a sovereign wealth fund.

OpenAI and Anthropic have previously suggested in economic policy proposals that arrangements such as public or sovereign wealth funds may be required in future to distribute shares to the public.

In April, OpenAI proposed a "public wealth fund" that "provides every citizen — including those not invested in financial markets — with a stake in AI-driven economic growth".

The OpenAI Foundation, the company's non-profit arm, said in May that in an AI-led future, "society will likely need new approaches that give people durable stakes in the systems creating value", pointing to public or sovereign wealth funds.

"The goal is not only to support people through economic change after decisions have already been made, but to give them a stake and a voice in shaping how that change unfolds," the foundation said in a blog.

An Inside Look Into Hecker Fink’s Testing of Perplexity AI

law.com/legaltechnews/2026/06/30/an-inside-look-into-hecker-finks-testing-of-perplexity-ai

A Hecker Fink co-founder discusses his exploration of legal tech integrations and litigation use cases for Perplexity AI—which recently launched a new agentic AI tool for legal work—and how it stacks up against other AI offerings on the market.

What You Need to Know

- Hecker Fink co-founder and partner John Quinn is in the process of testing Perplexity AI.
- Perplexity AI just launched agentic AI legal capabilities and legal tech integrations last week.
- Quinn discussed Perplexity’s use cases for litigation.

Perplexity AI has joined the growing list of Big Tech companies rolling out artificial intelligence capabilities for legal professionals, and law firms like New York-based Hecker Fink are trying to keep up.
Hecker Fink co-founder and partner John Quinn is in the process of testing Perplexity, which recently launched a set of agentic AI legal capabilities and legal tech integrations last week, though Hecker Fink has yet to roll it out firmwide. Hecker Fink is at least the second law firm to publicly announce that it is using Perplexity.

Quinn sat down with Law.com to discuss Perplexity’s use cases for litigation, its legal-specific integrations and other AI tools the firm has rolled out so far.

This Q&A has been edited for length and clarity.

How did you start using Perplexity AI?

Perplexity is a little newer to us. We were actually their lawyers probably three or four times over before we started using their tools. ... We have an AI committee, our CTO is deeply immersed in all of this. I, as their counsel, have gotten some previews of things before. I've been looking at some of their newer tools and doing some side projects and some testing on them, and they're really exceptionally good for litigators. ... We haven't fully rolled out Perplexity. I've done initial pilot testing and we're very happy, but it's not out everywhere at the firm just yet.

In what ways have you been using and testing Perplexity so far?

Phase one is really about this ability to pull together and present and analyze huge volumes of data really quickly. Something I tested with Perplexity a couple of weeks ago, ... I'm always searching for time ... [to look] at what the rules are around notice or service of nonparty subpoenas to lots of different nonparties in different locations. This comes up a lot in complex civil litigation, and nonparty work can get slid to the end and narrowed just because it's a big volume, and Perplexity solves that problem.

I just [told it] that I'd want to look at all 50 states and their notice rules and have ways of looking at permutations if I'm sending a subpoena out of this statement into that one, what's the rule and why? ... Well under an hour [Perplexity] built a fully interactive dashboard that showed all 50 states with their notice rules with citations, and those that I followed all checked out. ... [Perplexity produced] a map and an interactive tool where you could put the outgoing state, ingoing state and attached color coding to that. It just completely understood the purpose. ... I did this in a case last year and a case this year. It takes a team a while to track that down and for everybody to double check the work and everything.

I recently did a big oral argument, a half-day summary judgment argument against three groups of defendants. I don't like to stand up at an oral argument, especially on a dispositive motion where the legal questions are really central, ... without having an alphabetical list of every case that is cited in anybody's papers.

If the judge asks about anything and I don't have it at the top of my head, I can find it very quickly and have a little blurb, like, how's the other side trying to use this? How are we trying to use it? What does each side have to say? I make sure I'm familiar enough, but in the moment, it's placed to glance, and here's a tool that can do that pretty well, pulling things out of those briefs. Again, you've got to check it, but that's a useful start. At that hearing, certainly for some of the defendants, maybe for all of them, everybody got asked about a case and didn't have it at their fingertips except me. ... For Perplexity, it's not just a simple call and response where you're choosing your own model for individual queries and they come back, but it’s something that is interactive and it builds interfaces that stay updated. ... I've written the whole library of custom prompts for other tools, and I have to add language explicitly directing it to do that and saying as clearly as possible, “Do not make anything up. Do not enter anything.” I have to teach them all to do that, and Perplexity has that hardwired in.

With Computer for Counsel out, what do you hope to do with it?

The integrations are great. [When Computer for Counsel was announced, I spoke to] folks from NetDocuments and Clio, because we use all of those to organize all of our file systems. I think that's a really nice seamless integration that skips over some steps you have to take with other tools. With Harvey, for example, I have for each of my cases a Harvey workspace where the team and the paralegals have assembled the right collection of materials for the tool to have access to, but it's not everything. It's not every document that was reviewed, it's like the summary judgment exhibits. That's a fraction of the record.

Can you talk a little bit about the AI tools you and your firm are using aside from Perplexity?

We rolled out Harvey for everyone. We're using that extensively and a lot on the operations side. We have a number of tools in the cybersecurity dimension that we're using, a number of tools around e-discovery, document review, document management.

We've been playing with some Claude [Cowork] and Claude Code integrations and building some separate tools. I've got a current case going where we're getting a lot of really sensitive and complex technical data. We're getting source code, we're getting database readouts, a lot of native raw data and quite voluminous data. The case relates to scam ads on social media, and so the data is very complex to manage, and so we're using Claude and other AI tools to build standalone repositories and tools that we can use to present things visually and stitch that evidence together.

Recruiting, cybersecurity, the e-discovery, document review, document management rollout, I would say was the first wave [of using AI] on the operations side for us. The current wave that I'd say we're surfing right now is this realization that we can do almost the equivalent of a consulting project—something you'd hire a management consultant for and get really, really valuable insights about aspects of firm finance or recruiting. ... Frankly, there are projects that either we might hire a consultant, or we might just push off [to a later date], ... and now, we're able to do it with a lot less friction and get those insights now.

Microsoft Shareholder Sues Top Brass for AI Copyright Claims (1)

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Microsoft Corp.'s executives and board directors misled shareholders in statements concealing its artificial intelligence tools were trained on copyrighted material, a new investor lawsuit said.

The tech giant's false statements about its AI strategy and violations of intellectual property law caused substantial damage to Microsoft and its shareholders, according to Eric Anderson's stockholder derivative lawsuit filed Tuesday in the US District Court for the Western District of Washington.

As Microsoft, a significant investor in ChatGPT maker OpenAI, races alongside other tech firms to lead in the booming AI industry, the Redmond, Wash.-based company has been the target of multiple lawsuits alleging it overhyped its AI capabilities and scraped publishers for training its large language models.

Anderson's complaint cites lawsuits brought by authors such as John Grisham, George R.R. Martin, and Jodi Picoult and publishers alleging the company scraped their content without permission or compensation.

At the same time, Microsoft officers and directors, including CEO Satya Nadella, issued statements "concealing material problems, including the fact that Microsoft had violated copyright laws in the formulation of its AI strategy," the complaint said.

Anderson also alleges Microsoft's Copilot AI product experienced undisclosed problems with user adoption and performance, leading to declining market share against competitors such as Google's Gemini.

"This shareholder derivative action seeks to hold the Company's officers and directors responsible for breaching their fiduciary duties, causing the Company to engage in widespread violation of copyright laws, and approving false and misleading statements, all of which have caused substantial damages to the Company," it said.

Anderson is represented by Cotchett, Pitre & McCarthy LLP.

A Microsoft spokesperson said the "claims are without merit."

The case is Anderson v. Microsoft Corp. , W.D. Wash., No. 2:26-cv-02281, complaint filed 6/30/26 .

Novo Nordisk 401(k) Fund Challenge Axed for Faulty Benchmarks

news.bloomberglaw.com/employee-benefits/novo-nordisk-401k-fund-challenge-axed-for-faulty-benchmarks

Novo Nordisk Inc. employees challenging the target-date funds in their 401(k) plan failed to identify meaningful benchmarks that would allow them to move forward with these claims, a federal judge concluded.

The workers criticized the performance of target-date funds from non-party Charles Schwab Corp., but they didn't compare these funds to sufficiently similar alternatives that fared better, said Judge Zahid N. Quraishi of the US District Court for the District of New Jersey in an unpublished opinion Wednesday.

The funds identified in the complaint as better options had different management styles and asset allocations than the disputed Schwab funds, and the difference in performance was generally less than 3%, Quraishi said.

Fund comparisons have emerged as a sticking point in class litigation under the Employee Retirement Income Security Act, with multiple federal appeals courts adopting some iteration of the "meaningful benchmark" standard. This standard, which asks whether workers alleging fiduciary imprudence in their 401(k) plans have identified a better alternative that's sufficiently similar to the fund being challenged, is scheduled to be considered by the US Supreme Court during its upcoming term.

Quraishi's prior opinion in the case dismissed allegations tied to Novo Nordisk's use of forfeited 401(k) contributions, which has driven an influx of litigation over the past three years. The workers also challenge the plan's recordkeeping fee levels, but Novo Nordisk hasn't asked for these claims to be dismissed, Quraishi said.

Morgan, Lewis & Bockius LLP represents Novo Nordisk. Capozzi Adler PC and Muhic Law LLC represent the plan participants.

The case is Fumich v. Novo Nordisk Inc., 2026 BL 236793, D.N.J., No. 3:24-cv-09158, unpublished 6/24/26.

Parsons Corp. Sued Over Investment Performance in 401(k) Plan

bloomberglaw.com/product/blaw/bloomberglawnews/bloomberg-law-news/X1SVEF8GJ6A9N89IMRQBJOE7V32

Jacklyn Wille July 1, 2026

Parsons Corp. was hit with a proposed class action claiming the defense technology company's retirement plan was plagued by a chronically underperforming large-cap fund that drove about $28 million in lost savings.

Parsons' 401(k) plan lineup included a fund from non-party Nuveen Investment Management that was among the worst performing funds focused on large US companies "in the entire market for 14 years," according to the lawsuit. This fund's "remarkable" poor performance, coupled with its high fees and growing unpopularity, should have spurred Parsons to take action long before it finally removed the fund from the plan in 2025, plaintiff Christopher Solee said in a complaint filed Tuesday in the US District Court for the Eastern District of Virginia.

- Solee brings claims under the Employee Retirement Income Security Act on behalf of a proposed class of thousands of people who invested in the Nuveen fund through Parsons' retirement plan since July 2020
- ERISA class action filings are up significantly in 2026 compared to prior years, with dozens of cases centering on the performance of specific 401(k) funds
- Parsons didn't immediately respond to an emailed inquiry

Sanford Heisler Sharp McKnight LLP represents Solee.

The case is Solee v. Parsons Corp. , E.D. Va., No. 1:26-cv-01902, complaint 6/30/26 .

Pitney Bowes Accused of Offering Workers Lackluster 401(k) Funds

bloomberglaw.com/product/blaw/bloomberglawnews/bloomberg-law-news/X1AKVDGFL29EQRJAOE7POLHAOC

Pitney Bowes Inc. mismanages its employees' 401(k) plan by failing to cull underperforming funds from its investment menu, a federal lawsuit filed against the mail equipment company alleges.

The proposed class action, filed Tuesday in the US District Court for the District of Connecticut, centers on two funds from non-party T. Rowe Price that collectively held about $139 million of the Pitney Bowes plan's assets. The funds, which invest in large companies expected to withstand economic downturns and mid-size companies expected to grow quickly, consistently underperformed their benchmarks and similar investments, driving lost retirement savings ranging between $64 million and $179 million, Pitney Bowes plan participant Anthony Guastella alleged.

- Guastella brings claims under the Employee Retirement Income Security Act on behalf of a proposed class of thousands of people covered by the Pitney Bowes plan since June 2020
- ERISA class action filings are up significantly in 2026 compared to prior years, with dozens of cases centering on the performance of specific 401(k) funds
- Pitney Bowes didn't immediately respond to an inquiry about the lawsuit

Guastella and the proposed class are represented by Cowdery, Murphy & Healy LLC, Milberg PLLC, and Stiegler Law Firm LLC.

The case is Guastella v. Pitney Bowes Inc. , D. Conn., No. 3:26-cv-01043, complaint 6/30/26 .

Resale Ticket Buyers Must Arbitrate Live Nation Claims

(July 1, 2026, 6:09 PM EDT)-- A New York federal court has sent antitrust claims from concertgoers who purchased Ticketmaster tickets on the secondary market to arbitration, after finding an arbitration clause in Live Nation's terms of service is enforceable.

U.S. District Judge Arun Subramanian, who is also overseeing the government's monopolization case against Live Nation, issued an order Monday granting the company's motion to **compel arbitration** for claims from three consumers who purchased secondhand tickets.

The consumers allege Live Nation's Ticketmaster unit is a monopolist that drives up ticket prices and fees on the secondary market, where tickets are resold, but the judge said the case can't proceed in federal court.

"The three customers agreed to arbitrate their claims against defendants when they agreed to Ticketmaster's terms of use," Monday's order said. "That agreement delegates the question of arbitrability to the arbitrator. And none of the customers has shown that the delegation clause is unenforceable."

The claims in the case are similar to those being brought by federal and state enforcers against Live Nation, accusing the company of monopolizing key aspects of the live entertainment industry following its 2010 purchase of Ticketmaster. The U.S. Department of Justice settled the federal government's claims **a week into trial** earlier this year, while enforcers from 33 states and the District of Columbia pressed ahead and **won a jury verdict**.

Live Nation is currently **challenging the verdict** as state enforcers prepare for a remedies proceeding where they plan to ask Judge Subramanian for an order forcing a sale of Ticketmaster.

Primary ticketing purchasers have a similar case pending in California federal court, where the Ninth Circuit affirmed a ruling in 2024 that found Live Nation's arbitration agreement was **unconscionable**. The appeals court was concerned with Live Nation's switch of arbitrators from JAMS to New Era ADR, an upstart arbitration provider with procedures designed to combat mass consumer arbitrations.

Live Nation petitioned the U.S. Supreme Court to review that case, but the justices **declined in October**.

The consumers in the secondary market case raised several arguments over Live Nation's choice of New Era, including that Live Nation worked with its attorneys at Latham & Watkins LLP to help write New Era's rules in its favor.

But the judge said in Monday's order that the district court in the California case found a lack of "concrete" evidence showing Latham shaped New Era's rules and said the Ninth Circuit did not address the issue in its ruling. The order also said none of the documents cited by the consumers suggest Latham was involved in authoring the rules, much less at Live Nation's behest.

"[The consumers] originally raised a serious concern that New Era's rules were tainted by Latham's involvement in drafting them. But now that there has been discovery, it's clear that this is but a phantom concern," the order said. "So the court concludes that there's no evidence of anything untoward."

The order also said there are several important differences between the issues being presented by the consumers here and those in the primary ticketing case.

The judge said the arbitration rules at issue have meaningfully changed since the Ninth Circuit's ruling and that most of the problems identified by the appeals court have now been cured after Live Nation agreed that two of the more controversial provisions in the rules will not apply.

"What's left is fairly typical for arbitration of this sort, especially when uncoupled from the mass arbitration protocols or appeal provisions," the order said.

Two of the ticket buyers, who purchased tickets on StubHub, also argued they should not be bound by Live Nation's terms of service because they signed the contract under duress, contending their tickets were held "hostage" until they agreed to the terms. But the judge said the consumers agreed to Live Nation's terms each time they logged on to Ticketmaster or bought tickets, not just when they claimed a specific resold ticket.

The judge also found that losing out on a concert ticket is not enough to show duress, noting that cases where duress applied involved companies being forced to the brink of bankruptcy.

"Losing out on a concert ticket falls far short of that, and plaintiffs do not point to any case in which a court applying California law found duress with stakes this low," the order said.

Representatives for Live Nation and the consumers did not immediately respond to requests for comment Wednesday.

Plaintiffs Tamara Stevens and Abraham Leifer are represented by Israel David, Adam M. Harris and Mark A. Cianci of Israel David LLC, David W. Mitchell, Alexandra S. Bernay, Arthur L. Shingler III, Stuart A. Davidson and Mark J. Dearman of Robbins Geller Rudman & Dowd LLP and Serina M. Vash and John C. Herman of Herman Jones LLP.

Plaintiff James R. Jacobson is represented by Christopher Lovell, Christopher M. McGrath and Adam C. Mayes of Lovell Stewart Halebian Jacobson LLP, Thomas J. Connick of Schneider Smeltz Spieth Bell LLP, Edward W. Cochran, Edward A. Proctor and George W. Cochran.

Live Nation and Ticketmaster are represented by Timothy L. O'Mara, Alicia R. Jovais, Samuel R. Jeffrey and Anna M. Rathbun of Latham & Watkins LLP.

The cases are Leifer v. Live Nation Entertainment Inc. et al., case number 1:24-cv-03994, and Jacobson v. Live Nation Entertainment Inc., case number 1:24-cv-06538, both in the U.S. District Court for the Southern District of New York.