Class Action

BDO Faces AmTrust Investor Class in Suit Claiming Shoddy Audit

Aug. 5, 2026, 9:42 AM PDT

AmTrust Financial Services Inc. investors are entitled to class status on securities fraud claims against BDO USA PC for allegedly misrepresenting its adherence to auditing standards, a federal court ruled.

The decision Tuesday comes as AmTrust, which acknowledged overstating its income, and its underwriters are in the process of settling the investors' allegations against them for $19 million. The claims against the three sets of defendants are in the same lawsuit in the US District Court for the Southern District of New York.

BDO was one of many corporate defendants arguing that individual issues outweigh common issues when it comes to investors' reliance on company statements and damages, preventing class certification.

Judge Lewis A. Kaplan, however, said "common issues of liability predominate and justify class action treatment notwithstanding the need to calculate damages."

Those issues were argued at the US Court of Appeals for the Fifth Circuit on Aug. 3 in a case against Cassava Sciences, shortly after the Fourth Circuit freed Boeing Co. from an investor class on the damages question.

The AmTrust investors alleged its then-auditor BDO vouched for the accuracy of the insurance company's 2013 financials in a Securities and Exchange Commission filing. But BDO hadn't completed its work before signing off on AmTrust's financial statements, they alleged.

The investors leading the suit sought certification of three subclasses. But with settlements pending with Amtrust and the underwriters, Kaplan addressed only those investors with claims against BDO.

The shareholders are entitled to a presumption of reliance because AmTrust's stock traded in an efficient market — quickly responding to company news — and because there's evidence that the stock price dropped after a media report on the company's auditing problems, Kaplan said. "The evidence nearly universally supports the conclusion that the alleged misstatements affected the price of AmTrust stock," he said.

And the plaintiffs' "out-of-pocket" measure of damages is a "well-accepted method," he said. There's "no reason to believe that the calculation of damages, should that prove necessary, would be anything other than formulaic."

The case has already taken a trip to the Second Circuit. After the AmTrust investors' BDO claims were revived on appeal, the auditor in October 2025 lost a bid for US Supreme Court review of the circumstances under which accounting firms can be held liable for shoddy audits.

Kaplan appointed Robbins Geller Rudman & Dowd LLP as class counsel for the BDO subclass. Clark Smith Villazor LLP, Dechert LLP, and McDermott Will & Schulte represent BDO, formerly called BDO USA LLP.

The case is In re AmTrust Fin. Servs. Sec. Litig. , S.D.N.Y., No. 1:17-cv-01545, 8/4/26 .

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Artificial Intelligence
Deep Dive

California Nears Becoming First to Set Attorney AI Guardrails

Aug. 6, 2026, 2:00 AM PDT

California legislators are nearing the final steps to create a first-in-the-nation law for the legal industry, establishing ethical expectations and guardrails for lawyers and arbitrators in the state on the use of generative artificial intelligence.

Senate Bill 574 requires a full floor vote in both the state Assembly and Senate by the Aug. 31 legislative session deadline. The bill, which has undergone amendments since its bipartisan approval in the Senate in January, has encountered little legislative resistance thus far but will need to be advanced by the legislature's fiscal appropriations committees on Aug. 13. It received support from the California State Assembly's judiciary and privacy and consumer protection committees. Once the bill has final approval by both legislative bodies, it will need to be signed into law or vetoed by Gov. Gavin Newsom (D).

Introduced by state Sen. Thomas Umberg (D), the bill codifies guidance from the California Judicial Council on AI use, including requiring that lawyers verify the accuracy of all AI-generated content, correct any errors or hallucinations, and disclose AI use to the court in all submitted documents. Similarly, arbitrators are prohibited from delegating any part of their decision-making process to AI. Violators would be subject to sanctions from the California State Bar.

The bill is under consideration as instances of AI-hallucinated citations continue to wind up in briefs and sometimes aren't caught. For example, a California Courts of Appeal in March affirmed but acknowledged a trial court erred by approving an order in a custody dispute that relied on fictitious citations generated by AI, ruling the appealing party forfeited their opportunity to challenge the order since they didn't do so in the lower court. The appeals court nonetheless imposed a $5,000 sanction on the counsel responsible for the fictitious citations.

William Slomanson, a law professor emeritus at Thomas Jefferson School of Law in San Diego, said the bill is absolutely a necessary measure, as a result of these instances.

"When you have decisions that are based upon fake law, that really tarnishes the image that the judges have and the judicial system has," Slomanson said.

The bill would make it much easier for judges to impose sanctions with respect to both fictitious citations and frivolous filings, Slomanson said.

“I think the bill makes perfect sense,” he said. “I hope that it will unanimously or will somehow become law sooner rather than later.”

Umberg, a licensed attorney and founding partner at Umberg Zipser LLP, told Bloomberg Law he introduced the bill because he “cares about the profession and about the administration of justice” and wanted to address the proliferation of AI in everyday life and the legal field. Umberg also chairs the state Senate’s Judiciary Committee.

“The purpose of the bill is to make sure that both the litigants as well as the decision-makers have as accurate information as is possible and hold someone accountable if that information is not accurate,” Umberg said.

Financial Burdens

Jeff Fisher, a partner with Farella Braun & Martel LLP, said that while he sees S.B. 574 as a way to codify what courts have been struggling with regarding the proliferation of AI, the bill has one component he feels goes too far by potentially driving up the costs of litigation for clients. The proposed legislation as of Aug. 5 would expand the state’s Code of Civil Procedure and require signatory attorneys to “personally read” and verify all citations in court filings, whether or not AI was used.

This would “heighten” verification standards, “as opposed to working with a team, as many in the legal industry have done for years,” Fisher said.

Umberg acknowledged these concerns and said he’s planning to amend the bill to narrow its language to only require “an attorney” to verify the citations.

Slomanson echoed Fisher’s concerns and said the bill’s language that would require the California Judicial Council to revisit its standards for judges regarding AI use could financially burden already short staffed judicial offices. The judicial council’s standards currently require judicial officers to take “reasonable steps” to verify AI-generated material, among other things.

You should apply these standards “to judges just like you do with lawyers, now that everybody knows about the dangers or the problems with hallucinations,” Slomanson said. “But the Legislature has not come up with the bucks to do two things.”

Other Components

S.B. 574 would also require the California State Bar to create a certification program for alternative dispute resolution firms, mediators, and arbitrators open to both attorneys and non-attorneys. The program would require certified practitioners to adhere to established ethical standards, and the program must include complaint procedures for addressing violations.

This component of the bill earned an endorsement from the State Bar, according to a letter of support to Umberg by the Bar's Legislative Director Donna Hershkowitz that was provided exclusively to Bloomberg Law. This section of the bill would require independent investigation of complaints against certified ADR providers by the State Bar, rather than allowing self-investigation, which Hershkowitz said is a "necessary" tool.

"We believe that to have the imprimatur of State Bar certification, it is insufficient for ADR firms, providers, and practitioners to investigate and resolve complaints against themselves," Hershkowitz said, noting this section of the bill will fulfill a separate state law's requirement for the Bar to create the certification program. That law, S.B. 940, which went into effect in January, altered arbitration rules.

The California Judicial Council, which provided technical assistance while the proposed bill was in review within the council's legislation committee, hasn't taken a position on S.B. 574.

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Walmart accused of collecting customers' voiceprints

courthousenews.com/walmart-accused-of-collecting-customers-voiceprints

CHICAGO (CN) — A group of shoppers say in a class action that retail giant Walmart is illegally collecting their biometrics.

In a 15-page complaint, customers described how they'd periodically call the Walmart customer service line. Unbeknownst to them, however, Walmart creates a voiceprint or biometric identifier with an artificial intelligence system every time someone calls the customer service line.

"Despite having her voiceprint taken, Defendant never informed [plaintiffs] of the specific limited purposes for which it collected, stored, or used her biometric identifier, other than to play the automatic message that her voice could be taken for business purposes, including fraud prevention," the two lead plaintiffs write in the complaint.

Walmart's privacy policy, which was updated on June 18, 2026, states that Walmart collects biometrics, like voiceprints, when a customer contacts them. The privacy policy further states that "when you speak to customer service we collect your personal information using call recording technology in accordance with applicable law."

The named plaintiffs — two Illinois residents — however, say Walmart's privacy policy is not accordance with local laws. They brought the class action filed Tuesday under the Illinois Biometric Information Privacy Act, which regulates the collection and use of biometric identifiers.

The statute makes it illegal to "collect, capture, purchase, receive through trade, or otherwise obtain a person's or a customer's biometric identifiers or biometric information, unless it first: (1) informs the subject … in writing that a biometric identifier or biometric information is being collected or stored; (2) informs the subject … in writing of the specific purpose and length of term for which a biometric identifier or biometric information is being collected, stored, and used; and (3) receives a written release executed by the subject of the biometric identifier or biometric information."

A Walmart spokesperson did not respond to Courthouse News Service's request for comment. The plaintiffs are seeking statutory damages of $1,000 to $5,000 for each of Walmart's violations of the Illinois law.

"Defendant's collection and storage of biometric identifiers and/or biometric information exposes consumers to serious and irreversible privacy risks. For example, if an employee database is hacked, breached, or otherwise exposed, employees have no means by which to prevent identity theft and unauthorized tracking," they write.

The limits of biometrics class actions have already been tested in Illinois state and federal courts. A class of White Castle employees sued the fast food giantin 2019 for biometrics law violations because they were required to scan their fingerprints to clock in and out of work.

The burger chain didn't challenge the initial breach of its employees' biometrics; it instead argued that a person's biometrics cannot be regained once they're lost. Thus, a breach on employees' biometrics only occurred the first time they clocked in after the law was passed in 2008.

In 2023, the Illinois Supreme Court ruled that a biometrics claim accrues each time an employee scans their fingerprint, and an Illinois federal judge later awarded the White Castle employees a $9.39 million settlement.

The BIPA statute was later amended, however, in part to address the 2023 Supreme Court decision. In 2024, Illinois Governor JB Pritzker signed Senate Bill 2979, which limits the statutory damages to a single violation per claimant.

A Seventh Circuit panel reaffirmed the new amendment in April, and determined that it did apply retroactively to cases pending at the time it was enacted.

Hub Security, Investors Get Final Nod for $11 Million Settlement

Aug. 5, 2026, 11:43 AM PDT

Hub Cyber Security Ltd.'s $11 million settlement of investor claims that the company concealed embezzlement and other problems deserves final approval, a federal court ruled.

Judge Arun Subramanian found the deal fair, reasonable, and adequate in a judgment order Tuesday for the US District Court for the Southern District of New York. He awarded the investors' attorneys one-third of the settlement amount, or about $3.7 million, in fees. The accord won't be evidence that Hub or current or former leaders named as defendants admit any allegations, according to the judgment.

The investors alleged the Israeli company merged with a New York-listed special purpose acquisition company and went public in the US — only to announce an investigation and, within several months, a conclusion that the former CEO and his wife had embezzled hundreds of thousands of dollars

Hub also allegedly misrepresented the solidity of financing for the merger, as well as a flagship cybersecurity product's readiness for market

Subramanian rejected Hub's request for dismissal in March 2025, and gave the would-be settlement preliminary approval in December

Glancy Prongay Wolke & Rotter LLP and the Law Office of Jacob Sabo were settlement class counsel. Pillsbury Winthrop Shaw Pittman LLP represented Hub. Pierson Ferdinand LLP represented former CEO Eyal Moshe.

The case is In re Hub Cyber Sec. Ltd. , S.D.N.Y., No. 1:23-cv-05764, 8/4/26 .

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LinkedIn Co-Founder Hoffman, CEO to Be Deposed in Lawsuit (1)

Aug. 5, 2026, 2:27 PM PDT; Updated: Aug. 5, 2026, 4:11 PM PDT

Summary by Bloomberg AI

AI Generated

- Depositions can proceed against LinkedIn CEO Daniel Shapero, as well as former CEOs Reid Hoffman and Ryan Roslansky, and former chief product officer Tomer Cohen, said Magistrate Judge Laurel Beeler.
- They have unique knowledge pertaining to the case, including Shapero and Cohen, who had first-hand knowledge of LinkedIn's API partnership program and Premium pricing.
- The plaintiffs alleged that LinkedIn made private agreements that granted privileged access to private LinkedIn user data in exchange for restraints against competing with LinkedIn.

LinkedIn CEO Daniel Shapero, along with former C-suite executives, can be questioned in a case alleging the company maintained monopoly power in the professional social networking market.

Depositions can proceed against Shapero, as well as former CEOs Reid Hoffman and Ryan Roslansky, and former chief product officer Tomer Cohen, said Magistrate Judge Laurel Beeler of the US District Court for the Northern District of California in a Tuesday discovery order.

They have unique knowledge pertaining to the case, including Shapero, who was appointed CEO in April, and Cohen, who had first-hand knowledge of LinkedIn's API partnership program and Premium pricing, the court said.

Although the alleged conduct predates Shapero's time as CEO, the documents suggest that he was acting as "decisionmaker" on some of the underlying issues in the case, Beeler said.

"The claims made in this case are baseless, and no amount of additional discovery will change that," a LinkedIn spokesperson said in a statement. "We remain confident in our position and will continue to contest this case."

Hoffman didn't immediately respond to a request for comment sent through a venture capital firm where he is a partner.

Plaintiffs alleged in 2022 that the company made private agreements that granted privileged access to private LinkedIn user data in exchange for restraints against competing with LinkedIn. They sought to depose five of LinkedIn's current and former C-suite executives given that each held a senior role at LinkedIn during the relevant time.

LinkedIn sought a protective order barring the depositions, arguing that the plaintiffs couldn't show that the executives had unique first-hand knowledge, "particularly where the plaintiffs have not deposed lower-level witnesses first."

Beeler granted LinkedIn's motion for a protective order with regard to former CEO Jeff Weiner "because the record does not show his unique first-hand, nonrepetitive knowledge."

The deposition of Shapero is limited to four hours, while the depositions of Hoffman, Roslansky and Cohen are limited to three hours, Beeler said.

The plaintiffs are represented by Bathaee Dunn LLP. LinkedIn is represented by Dechert LLP.

The case is Crowder v. LinkedIn Corp. , N.D. Cal., No. 4:22-cv-00237, Discovery Order 8/4/26 .

(Adds LinkedIn comment beginning in fifth paragraph.)

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Mealey's PI/Product Liability - Judge Says Depo-Provera MDL Settlement Terms Will Be Explained At Town Hall Meeting

Mealey's Daily News Update

August 5, 2026

Cite: 2026-9945 Mealey's Daily News Update 6

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Dateline: PENSACOLA, Fla.

Body

Eligibility requirements and other details of a recently announced master settlement agreement (MSA) in the Depo-Provera multidistrict litigation will be explained at a town hall for plaintiffs who allege that the long-lasting injectable contraceptive caused women to develop intracranial meningiomas, a type of brain tumor, the judge overseeing the MDL said in a case management order (In Re: Depo-Provera [Depot Medroxyprogesterone Acetate] Products Liability Litigation, No. 25-3140, N.D. Fla.).

(Case management order No12 available 28-260807-057R)

"Importantly, this is a private agreement governed by a confidentiality agreement. . . . [The parties] explained that eligibility for participation is defined within the MSA and will not be impacted by any future Court ruling on the legal issues that remain outstanding in the MDL," U.S. Judge M. Casey Rodgers of the Northern District of Florida said in a case management order signed July 27.

The date and details of the town hall meeting were not announced.

Cases Centralized

The U.S. Judicial Panel on Multidistrict Litigation on Feb. 8, 2025, centralized Depo-Provera cases. At the time of centralization, there were 27 cases pending in eight district courts, with at least 41 related actions filed in 15 districts. All cases involve the use of Depo-Provera/Depot Medroxyprogesterone Acetate and the connection to intracranial meningiomas. Judge Rodgers oversees the MDL. The defendants are Pfizer Inc., Pharmacia LLC and Pharmacia & Upjohn Co.

Judge Rodgers stated in a June 15 order that the manufacturers reached a settlement agreement with the plaintiffs' lead counsel to resolve all cases that "meet the eligibility criteria agreed to by the Parties."

At the July 27 case management conference, the judge said the parties will be moving to appoint BrownGreer as the settlement administrator. She said the parties stated that registration for the settlement should be completed in November 2026. Payments are expected to begin by the first quarter of 2027.

Judge Rodgers noted in a footnote, "The Settlement is not subject to a fairness determination by the Court because this MDL is not a class action. However, having been apprised of its terms, the undersigned did express the opinion that the Settlement offers an excellent outcome to thousands of eligible litigants, who now will have the opportunity to settle their claims without the need for protracted litigation or undue expense."

She agreed to enforce the "confidentiality agreement and establish a no-fee administrative docket, as requested."

"And, the Court will enter a separate Order to govern ongoing litigation in cases that opt out of the Settlement or are not eligible to participate. The undersigned commends Leadership Counsel for their hard work on reaching this Settlement," Judge Rodgers said.

Counsel

Co-lead counsel for the plaintiffs are Christopher Seeger of Seeger Weiss LLP in Ridgefield Park, N.J., and Bryan Aylstock of Aylstock, Witkin, Kreis & Overholtz in Pensacola.

Co-chairs for law and briefing for the plaintiffs are David C. Frederick, Ariela M. Migdal and Jimmy A. Ruck of Kellogg, Hansen, Todd, Figel & Frederick PLLC in Washington, D.C., and Michael A. Sacchet and Heather McElroy of Ciresi Conlin LLP in Minneapolis.

Pfizer, Pharmacia & Upjohn and Pharmacia are represented by Joseph G. Petrosinelli and Jessica Bodger Rydstrom of Williams & Connolly LLP in Washington, D.C., and Loren H. Brown and Matthew A. Holian of DLA Piper LLP (US) in New York.

Medical Records Company's Investors Can Again Claim Fraud (1)

Aug. 5, 2026, 2:57 PM PDT; Updated: Aug. 6, 2026, 10:18 AM PDT

Summary by Bloomberg AI AI Generated

- A federal appeals court ruled that investors who purchased startup securities in LifeVoxel.AI Inc. were held to too tough a standard for showing that alleged misrepresentations caused their losses.
- The appellate panel said the plaintiffs only must show that the alleged misrepresentations were a substantial cause of their notes' decline in value.
- The Ninth Circuit said the lower court should have given the investors a chance to revise their complaint, and the investors "look forward" to filing a fourth amended complaint.

Investors who purchased startup securities in LifeVoxel.AI Inc. were held to too tough a standard for showing that alleged misrepresentations caused their losses, a federal appeals court ruled Wednesday in potentially reviving their case.

The district court "demanded too much" in requiring the investors to show that the statements by the medical records technology company and its two founders made it impossible for them to convert their notes to stock, the US Court of Appeals for the Ninth Circuit said in an unpublished, unsigned opinion.

Instead, the plaintiffs only must show that the alleged misrepresentations were a substantial cause of their notes' decline in value, the appellate panel said.

The lower court properly dismissed the investors' claims as pleaded, but it should have given them a chance to revise their complaint, the Ninth Circuit said.

The investors "look forward" to filing a fourth amended complaint, said one of their attorneys, Amjad Mahmood Khan of Brown, Neri, Smith & Khan LLP.

At issue are simple agreements for future equity, or SAFE notes. These instruments are "nondebt convertible securities that permit the holder to obtain shares of stock upon a conversion event" that could be a direct listing, an initial public offering, or a change of control of the company, according to opinion of the US District Court for the Southern District of California dismissing the suit in December 2024.

Millions in Losses?

Four individuals and a specialized investment company, LifeVoxel Virginia SPV, alleged they lost more than $3.5 million by investing in LifeVoxel.AI SAFE notes. Other investors' losses brought the total to $5 million, they said, though they didn't sue on behalf of a proposed class.

The suit arose after a split between the founders—patent holder Kovey Kovalan and his wife Linh Le—and the CEO they hired for the company, Sekhar Puli, according to an earlier ruling by Judge Gonzalo P. Curiel.

The Ninth Circuit addressed the factual question of valuation as well as the legal standard for loss causation. Curiel was wrong in assuming that there's no way to determine the present value of a SAFE note, the appeals court said.

It's true that inferring economic loss is harder when securities aren't traded on a public market, it said.

But if the investors "can show that Defendants' misrepresentations were a substantial cause of their investment's decline in value, they—like all other securities fraud plaintiffs—will have met their burden of pleading economic loss and loss causation," it said.

Khan said, "We believe the decision is significant because, in this case, the panel rejected the district court's legal premise that plaintiffs must plead an impossible conversion event or that a SAFE cannot have a present value before conversion."

Joseph Sargent, an attorney for LifeVoxel.AI, Kovalan, and Le, said the court took the misrepresentation allegations as true for purposes of the motion to dismiss. But "in reality the Plaintiffs cannot allege any theoretical, not to mention actual, economic loss," he said. That's because "there were no actual misrepresentations that could lead to even a theoretical economic loss. This will not change no matter how many times they replead."

Judges Kim McLane Wardlaw, John B. Owens, and Ana de Alba served on the panel.

Biedermann Hoenig Semprevivo PC and Joseph P. Sargent, who practices in Fairfield, Conn., represented LifeVoxel.AI.

The case is LifeVoxel Virginia SPV, LLC v. LifeVoxel.AI, Inc. , 9th Cir., No. 25-613, unpublished 8/5/26 .

(Updates story originally published Aug. 5 with comment from defendants' attorney in 13th paragraph.)

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Class Action

Manage Newsletters

Owlet's $3.5 Million Securities Settlement Gets Final Approval

Aug. 5, 2026, 12:52 PM PDT

Owlet Inc. and its investors have received final court approval for their $3.5 million settlement of securities claims over alleged company misstatements about a baby monitoring product's readiness for market.

The deal is fair, Judge Fernando L. Aenlle-Rocha said in an order entered Tuesday in the docket of the US District Court for the Central District of California. Aenlle-Rocha also approved more than $580,000 in attorneys' fees for the investors' attorneys.

The suit alleges Owlet misled investors by saying it didn't need the Food and Drug Administration to approve the Smart Sock monitor as a medical device, and that its stock price fell after it received an FDA warning letter

Owlet went public in 2021 by merging with a special purpose acquisition vehicle

The settlement amount represents about 38% of total estimated recoverable damages on the claims remaining in the suit after a partial dismissal, the investors said when requesting final a final nod from the judge

Kessler Topaz Meltzer & Check LLP is lead counsel for the investors. Latham & Watkins LLP represents Owlet.

The case is Butala v. Owlet, Inc. , C.D. Cal., No. 2:21-cv-09016, docketed 8/4/26 .

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Social Media Companies Seek Verification for Addiction Cases

Aug. 5, 2026, 3:28 PM PDT

Summary by Bloomberg AI AI Generated

- Tech companies are asking a California judge to establish a verification system for plaintiffs in the Los Angeles mass tort, requiring attorneys to certify that plaintiffs want to continue with the lawsuit.
- The request comes after a teenager dropped his claims against Meta and settled with other social media companies, with tech companies' attorneys arguing that the lawsuit against Meta never should have been brought.
- The mass tort has over 4,900 cases, with defendants saying that a large proportion of cases that plaintiffs have no intention of litigating portray "a false picture of the scope of this litigation".

On the heels of a teenager dismissing his social media addiction lawsuit days before he was set to stand trial, tech companies are again asking a California judge to establish a verification system for anyone seeking to maintain their claim in the Los Angeles mass tort.

Attorneys for Meta Platforms, Snap Inc., Google's YouTube, and TikTok proposed a requirement for attorneys to certify that plaintiffs indeed want to continue with the lawsuit in a Tuesday filing in Los Angeles County's California Superior Court, pointing to a spate of dismissals that they said spent resources on cases that ultimately fell apart. The request seeks to eliminate lawsuits that individuals have no intention of seeing through, the lawyers say, and lead to an inflated pool of claimants.

Plaintiffs in the case said that their opponents were "recasting ordinary, anticipated bellwether attrition as a systemic crisis." Social media companies have sought a certification filter before, the plaintiffs' attorneys say, but the court rejected it.

This effort by the social media companies comes after a Florida teenager dropped his claims against Meta just days before his trial approached in Los Angeles. He settled with Snap, Google's YouTube, and TikTok.

Attorneys for the social media companies said Meta prepared to take his case to trial for more than two years. They argued that the lawsuit against Meta never should have been brought in the first place, noting limited usage on the company's platforms in a case that alleged addiction.

Broadly, the cases of 414 plaintiffs were dismissed either voluntarily or because they did not provide minimum details required to participate in the litigation, the tech companies' attorneys said. A smaller handful of 12 plaintiffs who were selected as bellwethers elected to dismiss their cases, defendants said in the court filings. Five cases were dismissed after discovery began.

Overall, the mass tort has ballooned to more than 4,900 cases, plaintiffs said in the filing.

The large proportion of cases that plaintiffs have no intention of litigating portraying "a false picture of the scope of this litigation," defendants said.

Attorneys will be discussing the request during a status conference on Aug. 7. The social media companies proposed that plaintiffs' counsel would need to certify to the court the individuals that wish to continue or drop their lawsuits. Lawyers would have additional time to track down anyone they have not been able to contact.

The plaintiffs' attorneys say the increase in dismissals is a product of the case pool growing, adding that they have not identified any growth in the rate of individuals who have declined to move forward.

The case is Social Media Cases , Cal. Super. Ct., No. JCCP5255, 8/4/26 .

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Opinion

The Supreme Court Quietly Killed SEC Independence: Noah Feldman

Aug. 6, 2026, 3:30 AM PDT

Summary by Bloomberg AI

AI Generated

- The Supreme Court's decision to kill the independence of every federal agency, including the Securities and Exchange Commission, means the president can fire any SEC commissioner at any time, for any reason or none at all.
- The loss of the SEC's independence could lead to a decline in confidence in financial disclosures, as corporate actors may feel they can lie without consequence if they have presidential influence.
- The SEC's traditionally independent enforcement power is now effectively under presidential control, which could result in a gradual increase in corporate lying and a decline in the value of equities and bonds.

When the Supreme Court voted narrowly to preserve the independence of the Federal Reserve at the end of June, many investors breathed a sigh of relief . It may have been premature. Because on the same day, in another decision, the court killed the independence of every federal agency — including the Securities and Exchange Commission.

The consequences of that decision for capital markets are not as immediate, but they are equally profound and have been curiously overlooked. From now on, whoever is president can fire any SEC commissioner at any time, for any reason or none at all. He can reduce the commission to a single member, the chair. The SEC's traditionally independent enforcement power is now effectively under presidential control.

This matters because the underlying purpose of the SEC is to guarantee that market actors can be trusted. In a real sense, investors trust the honesty and accuracy of financial disclosures because the people who make them can be pursued criminally and civilly if they make material misstatements. Or, in ordinary English: If they lie, they will pay for it.

This function is so fundamental that most investors take it for granted. It helps explain the popularity of cases like that of Elizabeth Holmes, convicted of fraud for misrepresenting her company's products and subsequently the subject of books and podcasts and films. The appeal of these stories is not only why someone lies to investors, but how anyone could think they would get away with it.

But what if fraud on the markets became increasingly common? The result would be gradually declining confidence in the representations made by corporate actors. That, in turn, would depress the value of all equities and bonds. No private actor could replace the SEC's enforcement function, because no private actor would have its statutory authority, its resources, or its investigative and judicial power.

It's easy to see how this could result in a gradual but ultimately meaningful increase in corporate lying. All it takes is for a few people who are being investigated to get their investigations dismissed after some presidential pressure is applied to the SEC. Once the market sees that can happen, the calculus changes. The question is no longer, "Will I get caught?" It is, "If I get caught, will I be able to purchase enough presidential influence to get away with it?"

Smart corporate actors will get ahead of the game by cultivating presidential access and influence first, then taking bigger risks with the accuracy of their disclosures.

Lest you think this is overstated, consider that Margaret Ryan, head of enforcement at the SEC, resigned after six months in the job last March. Reuters reported that she had clashed with the commission's leadership over investigations into people close to President Donald Trump's inner circle, including cryptocurrency entrepreneur Justin Sun. In other words, the independence of SEC enforcement is already compromised.

Meanwhile, over at the formerly independent Commodity Futures Trading Commission, crypto firms have received extremely favorable treatment under the leadership of the 36-year-old chair. He is also now the only commissioner, since Trump didn't bother to fill the other seats.

Current SEC Chair Paul Atkins is an insider who served as a staffer and a commissioner at earlier points in his career, so the potential long-term damage to the SEC has not yet received much attention. What's more, it is not obvious how the market should value the growing probability of reduced SEC effectiveness. And there will certainly be those who claim that it would be in the interests of any administration to keep the SEC reasonably effective.

But the lack of an immediate market reaction doesn't mean there won't be major long-term consequences. Markets may not be able to price the gradual, structural derogation in the quality of regulation and rule of law.

The truth is that it is unrealistic to think that the SEC can be unaffected by a fundamental transformation in how the federal government operates. And because the Supreme Court's anti-independence ruling is based on the Constitution, not a statute, it cannot be fixed by Congress or a future president. Agency independence isn't coming back unless the Supreme Court reverses itself.

It’s also true that any presidential administration, whatever its politics, will be tempted to intervene in SEC enforcement. The danger isn’t only under enforcement for those able to get presidential preference. It’s also possible that the commission could target disfavored people and industries.

The whole point of agency independence was that it was supposed to be nonpartisan and apolitical. Decisions crucial to the functioning of the nation were supposed to be based on expertise and experience. For essentially its entire history, the SEC has stood as an example of how agency independence could help markets function well. Its future may well be as a case study of what happens when independence is wiped out.

To be clear, no one really knows exactly what will happen to the SEC now. Some of the avenues of direct White House influence that the Trump administration has pursued were available even when the commission was formally independent. What we do know is that it’s time to start watching the SEC more closely — and asking about the long-term costs of a world in which we can no longer rely on honest, independent enforcement of the securities laws.

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Amgen sued over data breach that exposed customer information | Secondary Sources | National

(August 05, 2026) - Amgen Inc. is facing a proposed class action alleging the biotechnology company failed to protect the sensitive data of customers from a July 2026 data breach.

Anderson et al. v. Amgen Inc., No. 26-cv-8527, *complaint filed* (C.D. Cal. Aug. 3, 2026).

The lawsuit, filed Aug. 3 in the U.S. District Court for the Central District of California, says Amgen's deficient cybersecurity practices allowed criminals to steal the personal and health information of thousands of people.

Amgen, a multinational biotechnology company based in Thousand Oaks, California, develops medicines to treat conditions such as cancer, heart disease, obesity, inflammatory conditions and rare diseases.

Plaintiffs Peggy Anderson and Gladys Cooper, who describe themselves as patients and customers of Amgen, say their sensitive information was "collected, stored, and maintained" by the company.

They also say that in July, unauthorized actors accessed Amgen's computer systems and exfiltrated files containing personally identifiable information and protected health information.

The complaint says the stolen data included names, addresses and financial information as well as health conditions, diagnoses and prescription details.

This breach was a result of Amgen's failure to implement reasonable security measures to safeguard the data in its custody, the suit says.

The complaint alleges Amgen knew its systems were attractive targets for cybercriminals because health-related data has significant value on the black market, where it can be used for identity theft and fraud.

Anderson and Cooper, represented by Zimmerman Reed LLP, seek to represent a nationwide class of all U.S. residents and a subclass of California residents whose information was compromised.
They also say those in the class are the people the Health Insurance Portability and Accountability Act was designed to protect. As such, Amgen's "inadequate data security failed to comply with HIPAA," the suit says. The plaintiffs claim Amgen failed to adhere to industry standards and Federal Trade Commission guidelines for data protection.
The plaintiffs ask for damages, attorney fees and costs.

Bayer seeks short delay to $7.25 billion Roundup settlement hearing | Business Information & News | FE

NEW YORK, Aug 5 (Reuters) - Bayer has asked a Missouri court to reschedule a hearing to evaluate the company's $7.25 billion proposed settlement of cases alleging that its popular weedkiller Roundup causes cancer.

Bayer's Monsanto unit and plaintiffs' lawyers who support the deal in a joint filing on Tuesday asked the court for a three-week delay which would push back the settlement approval hearing to September 10, rather than August 19.

The German drugmaking and crop science company is facing approximately 65,000 claims in U.S. state and federal courts from plaintiffs who say they developed non-Hodgkin lymphoma and other forms of cancer after using Roundup at home or on the job. Bayer, which acquired Roundup when it purchased Monsanto in 2018, has said that decades of studies have shown Roundup's key ingredient, glyphosate, is safe, and does not cause cancer.

Attorneys representing plaintiffs objecting to the settlement have criticized several aspects of the settlement, saying that the Missouri state court does not have the power to bind citizens of other U.S. states and that Bayer's "draconian" procedures for opting out of the settlement are designed to trap people who wish to pursue their lawsuits in court.

Bayer and the lawyers said in the filing that the additional time would help resolve requests to opt out of the class action settlement. They said they are considering requests from people who opted out of the settlement but now want back in, after a recent Supreme Court decision undercut one of the central legal claims in the Roundup cases.

Bayer's proposal aims to bring closure by resolving current and future claims that Roundup causes non-Hodgkin lymphoma, and it said when announcing the deal that the settlement won't go forward if too many people opt out. If more than 650 class members opt out, Bayer can deduct what it would have paid them from the overall settlement fund, up to $400 million.

The settlement allows Bayer and the lead class action attorneys to vet and possibly deny opt-outs, which has been criticized by lawyers for plaintiffs who oppose the settlement. Lawyers who support the deal have said that the vetting process will ensure that invalid opt-outs don't end up causing the deal to fail, but lawyers who oppose the deal say that allowing Bayer to contest the opt-outs creates a needless bureaucratic hurdle for people who don't want to join the settlement.

The three-week delay will also help resolve disputes over the validity of contested opt-out decisions, according to the joint filing.

The proposed settlement, if approved, would resolve most of the current Roundup cases in the U.S. It would not address currently pending Roundup cases that are consolidated in a federal court proceeding.

The case is King v. Monsanto, City of St. Louis Circuit Court, No. 2622-CC00325

For Bayer: Elaine Golin, Jeffrey Wintner and Carrie Reilly of Wachtell Lipton Rosen & Katz; Daniel Nelson and Derek Kraft of Gibson Dunn & Crutcher LLP; James Bennet of Dowd Bennett

Class counsel: Seeger Weiss; Motley Rice; Williams Hart & Boundas; Waters Kraus Paul & Siegel; The Holland Law Firm; Ketchmark & McCreight.

For objecting plaintiffs: Ashley Keller of Keller Postman LLC and R. Prescott Sifton of Frazer PLC.

California District Court Relies on Popa v. Microsoft to Deny Class Certification, Finding Individualized Questions of Class Member Standing in CIP... | Business Information & News | FE

On July 20, the court in Edward Lewis et al. v. Magnite, Inc., No. 2:25-cv-03448 (C.D. Cal.), relied on the Ninth Circuit's recent decision on Article III standing, Popa v. Microsoft Corporation, to find that individualized inquiries into whether each putative class member suffered a concrete injury from alleged violations of the California Invasion of Privacy Act ("CIPA") would predominate, defeating class certification under Rule 23(b)(3). This appears to be one of the first decisions applying Popa to Article III standing issues at the class certification stage, and represents a significant development for companies defending adtech and data privacy class actions.

OVERVIEW OF POPA V. MICROSOFT CORPORATION

In Popa v. Microsoft Corp., 153 F.4th 784 (9th Cir. Aug. 26, 2025), plaintiff Ashley Popa brought a putative class action against Microsoft and Pet Supplies Plus, alleging that Microsoft's session-replay technology deployed on petsuppliesplus.com violated Pennsylvania's Wiretapping and Electronic Surveillance Control Act and the common law tort of intrusion upon seclusion. Popa alleged that Microsoft's session-replay technology tracked over 30 categories of data, including the date a user visited the website, information regarding the user's device, browser, and operating system, and the country where the user accessed the website, as well as the user's mouse movements, screen swipes, user-inputted text, and scroll depth.

Popa alleged that when she visited petsuppliesplus.com, the session-replay technology tracked her mouse movements and click data, which products she viewed, and the mailing address she entered, though the street number and zip code were omitted. Popa argued that she was injured by this tracking of her actions on the website, but the district court dismissed the complaint for lack of Article III standing. The Ninth Circuit affirmed the dismissal, holding that Popa lacked Article III standing because she failed to allege a concrete injury.

Applying TransUnion LLC v. Ramirez, 594 U.S. 413 (2021), and Spokeo, Inc. v. Robins, 578 U.S. 330 (2016), the Ninth Circuit held that a bare statutory violation does not automatically confer Article III standing. As the court explained, "TransUnion clearly cautions courts not to treat an injury as concrete for Article III purposes based only on Congress's say-so." Rather, a court must "assess whether an individual plaintiff has suffered a harm that has traditionally been actionable in our nation's legal system." The court expressly rejected a "broad theory that the common law protected privacy rights" as a basis for standing. "In short," the court held, "there existed no free-roaming privacy right at common law" but rather four discrete privacy torts: intrusion upon seclusion, appropriation of another person's name or likeness, publicity given to another person's private life, and publicity that places one in a false light. To confer standing, a harm must be "similar to those protected by these torts."

Popa attempted to analogize her harm to that at issue in the traditional torts of intrusion upon seclusion and public disclosure of private facts. However, the court found that she failed to assert an analogous harm because she "identifie[d] no embarrassing, invasive, or otherwise private information collected" by the website, as is required under those common law torts.

THE LEWIS V. MAGNITE, INC. DECISION

Defendant Magnite is an advertising platform that gathers information by installing a cookie on the browser of individuals who access a website or app that uses Magnite's technology. Through that cookie, Magnite collects information such as the date and time of a user's website visits, any search terms the user enters, the user's click data, location information, device information, and browsing and interaction data.

Plaintiffs Edward Lewis and Patricia Castillo ("Plaintiffs") alleged that Magnite used this cookie to track users without consent, in violation of CIPA and the federal wiretapping act, and asserted related claims for unjust enrichment and invasion of privacy. The plaintiffs moved to certify two California classes and one nationwide class, but on July 20, the district court denied certification on typicality, predominance, and superiority grounds. As relevant here, one basis for denial was the district court's finding that individual issues regarding Article III standing predominated.

First, the court squarely rejected the plaintiffs' argument that a violation of CIPA automatically conferred Article III standing, applying TransUnion, Spokeo, and Popa for the principle that a bare violation of CIPA does not automatically confer Article III standing—a concrete injury is still required. This distinction is significant for CIPA claims because class-action plaintiffs often allege statutory violations arising from routine online activity that many would not consider injurious.

The court then found that individualized issues existed as to what information Magnite collected from putative class members. It explained that, under Popa, the plaintiffs were required to explain how Magnite's conduct caused a privacy harm "similar to the highly offensive interferences or disclosures" actionable at common law. But the plaintiffs neither explained how the court could evaluate such harms on a classwide basis, nor offered evidence of Magnite collecting personally identifying information. In fact, Magnite's cookie policy explicitly provided that it did not collect identifying information such as names, addresses, phone numbers, or emails. The court concluded that "[w]ithout information as to the private information that Defendant transmitted or how the Court could evaluate those harms on a classwide basis, individualized standing issues prevail."

IMPACT ON PRIVACY CLASS ACTION DEFENSE

Since its issuance in August 2025, Popa has been applied primarily at the motion to dismiss stage. This makes the Lewis v. Magnite decision notable, as it appears to be one of the first decisions to rely on Popa's standing framework as a basis for denying class certification. Statistically speaking, many privacy class actions withstand motions to dismiss. Defendants in privacy class actions now have a concrete framework for arguing that individualized standing inquiries under Popa defeat predominance under Rule 23(b)(3), even where claims have survived past the pleading stage.

Under Popa, a plaintiff must show that the specific information collected caused a harm to class members similar to the highly offensive interferences actionable at common law—that is, harm analogous to established privacy torts such as intrusion upon seclusion or public disclosure of private facts. At the certification stage, the Magnite court held that Popa requires plaintiffs to make this showing on a classwide basis using common evidence. The implications of this decision are significant for the hundreds of CIPA class actions now pending in federal courts because whether an intrusion is highly offensive under the common law privacy torts depends on what specific information was gathered about an individual, the circumstances of that collection, and potentially each class member's own expectations of privacy. Because tracking technologies often collect different categories of data depending on which websites a user visited and what consents or opt-outs applied, there is rarely a single fact pattern that can stand in for the entire class.

The Magnite decision highlights a subtle but important distinction between the Article III standing issues implicated by Popa and the line of cases that find a class may be certified under Rule 23(b)(3), even if a "de minimis" number of class members are uninjured. See, e.g., Olean Wholesale Grocery Coop., Inc. v. Bumble Bee Foods LLC, 31 F.4th 651, 668-69 (9th Cir. 2022). Those cases typically involve statistical models constructed with evidence common to the class that show an identified portion of class members were or may be uninjured (such as in Olean, an antitrust case, where defendants' expert opined that the plaintiffs' damages model could not establish that 28% of the class's purchases were affected by the alleged conspiracy).1 The Magnite court distinguished Olean from situations like the case before it, where determining whether each class member was injured or uninjured by the defendant's conduct would have required individualized proof. The court held: "Though Rule 23 allows certification of a class that potentially includes more than a de minimis number of uninjured class members, individualized questions regarding putative class members' injuries cannot predominate."

This dynamic could place plaintiffs in a difficult position going forward. The Magnite court's application of Popa effectively asks plaintiffs to make a showing that the defendant's conduct uniformly caused class members to suffer a common-law-equivalent privacy injury before a class is certified. Merely relying on common evidence that may demonstrate a bare statutory violation of CIPA or another privacy statute is insufficient. Plaintiffs who cannot supply expert methodologies or common proof capable of establishing injury are likely to face the same outcome reached in Magnite. The Magnite court's decision thus opens a potentially significant door for defendants to exploit this evidentiary vulnerability to defeat class certification.

1 The viability of the de minimis standard for uninjured class members has also been called into question, with the Supreme Court recently declining to decide the issue in Lab. Corp. of Am. Holdings v. Davis, No. 24-304. Justice Kavanaugh dissented from the Court's per curiam order dismissing the writ of certiorari and would have held, consistent with the defendant's position in the appeal, that "[f]ederal courts may not certify a damages class under Rule 23 when, as here, the proposed class includes both injured and uninjured class members."

Critical Element Missing From Pixel Tracking Lawsuit | Business Information & News | FE

As our readers know, we often discuss the use of third-party pixel tracking software on consumer-facing websites, and the various claims the plaintiffs' bar has advanced – namely, that the use of third-party pixel tracking software on websites violates federal and state privacy laws. In a recent decision, a Florida federal judge denied class certification and dismissed a pixel tracking lawsuit in which Plaintiffs sought to certify four separate classes of affected consumers. Below, we discuss: (1) the claims asserted in the lawsuit; (2) the decision and the judge's attendant reasoning; and (3) its implications for e-commerce companies.

Pixel Tracking Case Runs Out of Fuel

According to the Complaint, Plaintiffs alleged that an online veterinary pharmacy employed third-party pixel tracking software on its website (without Plaintiffs' consent) to track their activities on the website and then shared that information with third parties. Specifically, Plaintiffs alleged that the information Defendant collected and shared revealed what website visitors viewed, selected, added to shopping carts, and purchased. As a result, Plaintiffs asserted that Defendant's use of third-party pixel tracking software violated federal and state wiretapping laws, including the Federal Wiretap Act and the California Invasion of Privacy Act ("CIPA"). After engaging in class discovery, Plaintiffs moved to certify four separate classes. Defendant opposed class certification and argued, among other things, that Plaintiffs lacked Article III standing. The Court agreed and dismissed the Complaint.

In its decision, the Court likened Plaintiffs' claims to those of the tort of intrusion upon seclusion. Relying upon Plaintiffs' own deposition testimony, the Court found that Plaintiffs had no privacy interest in their personal or veterinarian information that they provided to Defendant's website. As the Court explained in its decision, "no matter how much the named Plaintiffs love their pets and see them as part of their family, that cannot change the undeniable truth revealed during their depositions: neither Plaintiff . . . has any privacy interest (or "seclusion" interest) in their personal information . . . ." Because a bare statutory violation was insufficient to confer Article III standing, the Court denied class certification and dismissed the Complaint.

What Should You Do If You Employ Pixel Tracking Software on Your Website?

Most federal and state laws courts across the country continue to struggle with applying age-old wiretapping laws that were designed to, among other things, alleviate privacy concerns related to law enforcement eavesdropping on private conversations. Until legislation is enacted to curb pixel tracking lawsuits, online businesses should anticipate that these lawsuits will not disappear. Businesses should evaluate their use of third-party pixel tracking technology and associated data collection practices, particularly with respect to how consent to use consumer data is obtained from website visitors.

Delaware Court Of Chancery Dismisses Stockholder Derivative Suit, Rejecting "Eleventh Hour" Section 220 Demand Tolling Theory | Business Information & News | FE

On July 9, 2026, Vice Chancellor Lori W. Will of the Delaware Court of Chancery dismissed a stockholder derivative action against a biopharmaceutical company (the "Company"), as the nominal defendant, and several of its current and former officers and directors. In re Axsome Therapeutics, Inc. S'holder Deriv. Litig., Consol. C.A. No. 2025-1076-LWW (Del. Ch. July 9, 2026). The Court rejected plaintiffs' argument that a Section 220 demand necessarily tolls the statute of limitations and held that plaintiffs' breach of fiduciary duty, unjust enrichment, and waste claims were barred by laches because they were filed after the three-year limitations period expired. The Court explained: "A diligently pursued books and records suit may, in appropriate circumstances, justify equitable tolling. But an eleventh-hour, out-of-court demand pursued with little zeal does not."

Plaintiffs alleged that defendants breached their fiduciary duties by disseminating false and misleading statements between December 2019 and April 22, 2022 concerning the timing of the Company's New Drug Application ("NDA") while omitting known chemistry, manufacturing, and control ("CMC") deficiencies. On April 25, 2022, the Company disclosed in a Form 8-K that the U.S. Food and Drug Administration ("FDA") had identified unresolved CMC issues in connection with the NDA, and that it expected to receive a response from the FDA declining to approve the NDA. Thereafter, the Company's stock price fell by $8.60 per share. A separate securities class action and two derivative complaints (later consolidated as the "Federal Derivative Action") followed in federal court. The securities action settled in February 2026. Plaintiffs in this Delaware action—two individual stockholders—pursued Section 220 demands; one sent the demand by email on April 24, 2025, and the other formally served the Company on May 2, 2025. Both filed derivative complaints in the Court of Chancery in September 2025, which were consolidated. Defendants moved to dismiss the consolidated complaint under Court of Chancery Rule 23.1 for failure to plead demand excusal and under Rule 12(b)(6) for failure to state a claim, principally on timeliness grounds.

The Court found the complaint presumptively untimely: The claims accrued no later than April 22, 2022, when the last of the challenged public statements were disseminated; and plaintiffs were on inquiry notice no later than April 25, 2022, when the Form 8-K disclosing the NDA issue was filed. Yet plaintiffs did not file suit until September 2025, more than five months after the three-year limitations period expired.

Plaintiffs argued that transmitting their Section 220 demands tolled the statute of limitations until they filed suit, but the Court rejected that theory, explaining that Delaware precedent ties tolling to the filing of a Section 220 enforcement action, not the informal service of a demand. Plaintiffs relied on Lebanon Cnty. Emps.' Ret. Fund v. Collis, 287 A.3d 1160 (Del. Ch. 2022), which held that a stockholder "should receive credit for serving a demand and obtaining books and records without the need for an enforcement action." But the Court clarified that "Collis did not create a categorical rule that service of a Section 220 demand supports tolling," noting that Collis itself required a plaintiff to pursue the demand diligently and with deliberate speed.

The Court highlighted that neither plaintiff here validly served a demand before the limitations period expired: One plaintiff served the demand on May 2, 2025, while the other plaintiff's counsel improperly emailed a demand weeks before attempting proper service and subsequently stipulated that service was on May 14, 2025. The claims were therefore time-barred.

Because plaintiffs sued after the limitations period expired, defendants were entitled to a presumption of prejudice, rebuttable only by unusual conditions or extraordinary circumstances. Plaintiffs argued no prejudice existed because defendants were defending identical claims in the Federal Derivative Action. The Court rejected this as "self-defeating," explaining that defending a second, untimely suit while navigating parallel litigation compounds, rather than eliminates, prejudice to the Company and its fiduciaries. The Court granted defendants' motion to dismiss under Court of Chancery Rule 12(b)(6) and dismissed the action with prejudice, without reaching defendants' separate Rule 23.1 arguments.

Fourth Circuit Reverses Class Certification In Securities Class Action Against Aerospace Manufacturing Company | Business Information & News | FE

On July 20, 2026, the United States Court of Appeals for the Fourth Circuit reversed and remanded a decision from the United States District Court for the Eastern District of Virginia certifying a class in a securities fraud action against an aerospace manufacturing company (the "Company"), and four of its former officers (the "Individual Defendants"), alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder. Rhode Island Office of the General Treasurer, et al. v. The Boeing Co., et al., No. 25-1492 (4th Cir. July 20, 2026). In reversing the class certification order, the Fourth Circuit held that plaintiffs failed to provide a class-wide damages methodology consistent with their theory of liability, as required by Comcast Corp. v. Behrend, 569 U.S. 27 (2013), and that the district court failed to conduct the "rigorous analysis" that Comcast and Rule 23 require.

According to the operative complaint, the Company is one of only two manufacturers of large commercial airplanes. In the wake of two fatal plane crashes involving the Company's planes in 2018 and 2019, plaintiffs alleged that the Company repeatedly represented that it was prioritizing the safety and quality of its airplanes. Plaintiffs alleged that from January 7, 2021, to January 8, 2024, defendants made dozens of false or misleading statements concerning the safety and manufacturing quality of the Company's airplanes, the Company's culture of encouraging employees to report safety concerns, the stable and growing production of safe airplanes, and the Company's regulatory compliance including with respect to an investigation by the SEC. Plaintiffs alleged that these alleged statements were false because the Company continued unsafe practices such as "traveled work"—moving an airplane down the production line when production on its current station is not complete, in order to prevent delays—despite stating that it planned to eliminate that practice, that the Company allegedly tolerated manufacturing shortcuts, improper quality control, and that it retaliated against employees who reported concerns. Plaintiffs alleged that, as a result of these alleged misstatements and omissions, the Company's stock price was artificially inflated, and that the truth emerged when a door plug detached from one of the Company's airplanes during a flight on January 5, 2024, the reporting of which allegedly caused a drop in the Company's stock price on the next trading day.

The district court denied the Company's motion to dismiss the putative securities class action, and the district court later certified the proposed class. Defendants sought an interlocutory appeal of the class certification decision under Federal Rule of Civil Procedure 23(f), which the Fourth Circuit agreed to hear.

On appeal, defendants argued that plaintiffs' reliance on the "out-of-pocket" damages methodology offered by their expert—under which each class member's alleged "damages are equal to the artificial inflation per share at the time of purchase minus the artificial inflation per share at the time of sale"—was inadequate under Comcast. Defendants argued that plaintiffs' expert merely identified possible techniques for calculating damages without committing to an approach—including an approach for how to determine artificial inflation—and did not account for the complexity of the case.

The Fourth Circuit agreed. Applying Comcast, which the Court explained requires evidentiary proof of a damages methodology that measures damages on a class-wide basis and that is "consistent with its liability case," the Court reasoned that adequate damages methodology must show how damages will actually be measured in the specific case, and that "[a] menu of options that the party will decide on later is not a damages methodology."

In assessing whether plaintiffs' damages methodology was adequate, the Court held that the out-of-pocket approach plaintiffs offered was only a legal description of securities-fraud damages rather than a methodology, because it did not explain how to determine the alleged artificial inflation embedded in the Company's stock price on any day of the putative class period. The Court emphasized that plaintiffs' expert never committed to any methodology, offering instead a non-exhaustive list of possible valuation techniques, and three possible measures of inflation without selecting among them. The Court found that plaintiffs' expert offered "a series of 'maybe[s],' 'perhaps[es]' and 'what ifs'" that fell short of the Comcast requirements. The Court also held that plaintiffs failed to commit to a theory of liability by pleading both that the alleged misrepresentations inflated the Company's share price, or, in the alternative, caused the share price to be maintained at an artificially high level. The Court added that, at the class certification stage, plaintiffs must commit to a theory of liability, because "the district court needs that information to compare the plaintiffs' damages methodology to their liability theory." As a result, the Court held that the district court failed to conduct the rigorous analysis that Comcast and Rule 23 require.

Finally, the Court rejected plaintiffs' argument that their expert's later-filed merits report cured the deficiency. The Court reasoned that the report's application of a constant percentage to measure the alleged inflation was inconsistent with plaintiffs' own allegations of dozens of varied misstatements made over three years, and held that "[c]onclusorily claiming that each statement had the exact same effect on the market is speculation," not a showing of consistency. Accordingly, the Court reversed the class certification order and remanded the case to the district court for further proceedings.

Judge nixes class certification in suit over mortgage prepayment | Secondary Sources | National

(August 05, 2026) - LoanCare LLC has defeated a motion for class certification in a lawsuit brought by two West Virginia homeowners who allege that the mortgage subservicer misapplied prepayments on their loan.

U.S. District Judge Raymond A. Jackson of the Eastern District of Virginia on July 29 ruled that Gary and Lisa Tederick failed to satisfy the numerosity, predominance and superiority requirements for class certification under Federal Rule of Civil Procedure 23.

Prepayment dispute

The Tedericks refinanced their West Virginia home in March 2004 with a note secured by a deed of trust held by Federal National Mortgage Association, or Fannie Mae, the opinion said.

Between 2005 and 2020, the couple made 180 combined payments consisting of a scheduled monthly payment and an additional prepayment before the due date, according to the suit.

On 152 of those occasions, a servicer improperly applied the scheduled payment first and the prepayment second, in violation of Fannie Mae servicing guidelines, which direct servicers to apply a prepayment to principal first, the complaint says.

After LoanCare became the mortgage subservicer in April 2019, the Tedericks promptly alerted the company to the earlier misapplications, according to the suit. LoanCare assured the couple the problem was fixed but continued to apply prepayments in the wrong order, causing them to pay interest they did not owe, the complaint says.

The Tedericks paid off the loan in September 2020 and sued in September 2022. The District Court granted summary judgment to LoanCare in 2025 on a claim for violation of the fair debt collection provisions of the West Virginia Consumer Credit and Protection Act, but the 4th U.S. Circuit Court of Appeals vacated the order in February 2026.

On remand, the District Court considered a motion for class certification that the Tedericks filed in July 2024. They sought certification of a class of West Virginia residents who were credited by LoanCare with an additional principal payment on a home loan from Sept. 20, 2018, to the present.

Class size speculation

Judge Jackson determined that the Tedericks failed to satisfy certain prerequisites for class certification under Rule 23(a), including numerosity. Their assertion that the class contains "perhaps 5,000" members was not supported by direct or circumstantial evidence, the judge wrote.

Although a class of 40 or more members generally raises a presumption that a joinder would be impracticable, the court cannot rely on "mere speculation" about the size of the class, Judge Jackson said.

He said the Tedericks also failed to show that common factual and legal questions predominated over those specific to individual class members, as required by Rule 23(b)(3). Borrowers signed different mortgages, some containing notice-and-cure provisions, arbitration clauses or jury-trial waivers, and were subject to different guidelines depending on their loan type, the judge said.

He added that LoanCare raised "legitimate concerns" about liability and damages.

Because the proposed class period reached back to September 2018 — before LoanCare took over servicing — the court would need to determine which borrowers were transferred from prior subservicers and when to apportion damages, Judge Jackson wrote.

That would require "the functional equivalent of a full-blown trial on damages causation for each putative class member," he said.

The Investors Whose SpaceX Shares Vanished Before They Could Cash In

WSJ wsj.com/finance/stocks/spacex-ipo-spv-investors-2698a174

Ram Rupireddy could hardly believe his luck in 2020 when his friend told him about a New Jersey firm pitching investment opportunities in SpaceX and other buzzy privately held companies.

Rupireddy lives in Ashburn, Va., with his wife and two kids and was earning a reliable income as a data engineer at a healthcare company. But he had friends in the Bay Area who had invested early in hot startups, and he wanted in. This was his chance.

The investment firm, Late Stage Management, wasn't selling actual shares, but stakes in vehicles that it said held them.

Known as special-purpose vehicles, the funds hold shares in private companies either directly or indirectly, by investing themselves in other funds with stakes. The SPVs provide a workaround to the limit on the number of shareholders private companies can have without offering more detailed financials. They operate under few regulations and are supposed to be only for accredited investors, or those whose net worth or income reaches a certain threshold.

Rupireddy's friend introduced him to a sales manager at Late Stage, Jeremy Barish. They spoke on the phone but mostly messaged back and forth on WhatsApp, and he said he never met with anyone from the firm in person.

In November 2020, Rupireddy messaged Barish about how he had missed out on a few big IPOs recently and how he'd love to participate in buying stakes in Impossible Foods, SoFi and SpaceX. Barish said all three were available and sent over paperwork for Rupireddy to sign. Rupireddy wired over money before the end of the year, including $17,250 to take part in a fund that held shares in Elon Musk's SpaceX, according to documents reviewed by The Wall Street Journal. At the time, he estimated the rocket maker was valued at $58 billion.

When SpaceX went public this June at a $1.77 trillion valuation, Rupireddy's dream of a windfall seemed within reach. It's turned into more of a nightmare.

Shortly after the IPO, Rupireddy and three other investors who spoke to the Journal said they couldn't log in to Late Stage's web portal for investors.

Rupireddy said the investment firm eventually told him in an email that it sold the SpaceX shares he was exposed to in 2024, when they were worth around $105 each and before a 5-1 stock split, or when Rupireddy's holding was worth $45,450.

But Rupireddy—based on the holdings shown on his investment portal as of May 2026 and on his 2025 tax document—believed he still held the equivalent of 2,500 shares of SpaceX, which at the IPO price he estimated were worth more than $300,000.

"The plan was to fund college education for both of my kids. One is a rising senior in high school," said Rupireddy, who has since filed a complaint with the Securities and Exchange Commission.

Other investors in the fund are also alarmed. Rupireddy said he believes more than 100 others are in a similar situation, based on a group chat that has formed with about 150 Late Stage investors. Some have hired lawyers to file a complaint against Late Stage, with the purpose of recovering and preserving their pre-IPO shares of SpaceX.

One investor in the fund told the Journal an SEC lawyer called him in July to question him about his experience with Late Stage, and he said an FBI special agent was also on the line.

A test will come on Thursday, when a first wave of pre-IPO SpaceX investors will be permitted to sell shares under so-called lockup agreements. Bankers estimate there are at least a thousand SPVs tied to SpaceX stock alone, and it will be a chance for scores of investors to cash in on the shares' growth. Or, they could be hit by the same panic that overwhelmed Rupireddy if their share of the profits fails to materialize. Around 900 million shares are eligible to be sold beginning Thursday.

The Journal reviewed Rupireddy's tax documents, emails, WhatsApp messages and screenshots of his account portal.

Late Stage didn't respond to repeated requests for comment, including to executives and to lawyers representing the firm in a class-action lawsuit, or to questions sent to the company's main email address. The Journal attempted to deliver questions to the physical New Jersey address listed in March as Late Stage's office, but the company didn't appear to have a presence there. A property manager at the building said the company moved out three years ago.

Barish, the sales manager, told the Journal he would respond to requests for comment but didn't.

An SEC spokesman said the agency doesn't comment on the existence or nonexistence of a possible investigation. The FBI declined to comment.

Private investments

SPVs have grown more popular in recent years as many of the most high-profile startups opted to stay private for longer.

As startup valuations swelled, the checks venture-capital firms were asked to write in each successive funding round grew larger. Venture-capital firms didn't always have the hundreds of millions of dollars requested on hand, but they didn't want to miss out either. So they set up SPVs to tap in to funding from individual investors who were desperate for a piece of the pie.

SPVs often focus on a single company, and lock up investors' money until the company goes public or another liquidity event, such as an acquisition. SPVs don't directly sell stock—they sell "exposure" to stock. In the funds' parlance, they refer to investors "holding" shares they are exposed to, even though they don't directly own shares.

The funds are part of a surge in private vehicles being marketed to individual investors that operate outside the standard regulatory environment. These so-called alternative investments, including private-equity and venture-capital funds, offer substantial profits, and in many cases deliver them. But they also come with high risks that could overwhelm smaller investors, and many are opaque and complex.

SPVs can be especially fraught. So-called first-layer funds actually own the company stock. But as the popularity of the vehicles has grown, brokers have created SPVs that invest in other SPVs, creating multiple layers and making it hard to track who actually owns what.

SPVs aren't subject to the same regulatory oversight as mutual funds, and they aren't required to publicly report their holdings or investors. They aren't required to file audited financials or detailed income statements with the SEC and don't need SEC approval before they can raise money.

There is no official tally of how many SPVs exist. They often charge eye-popping fees, including "placement" or "management" fees of up to 5% just for the privilege of purchasing a stake, as well as fees on the fund's performance of 20% or more. Investors buy stakes in SPVs with the expectation that once a company goes public or is sold, the shares will be distributed, but funds' plans can sometimes be unclear.

The Journal spoke to four investors who shared similar complaints about Late Stage SPVs. Some said they had raised the issue with the SEC. They said the SPVs had promised them exposure to SpaceX, but they were told after the IPO that the holdings had been sold at an earlier date—leaving them out of the big gains.

Panicked messages

Late Stage set up private investment funds to pool money from individual investors such as Rupireddy who wanted a piece of SpaceX. But Late Stage didn't have direct access to Musk or SpaceX stock. Instead, there were multiple layers between it and SpaceX.

The rocket company routinely sold private shares to close friends and early investors. Some of those investors created SPVs for the pre-IPO shares.

A private offshore investment firm based in the Bahamas called Capital Truth acquired a portion of an SPV that owned pre-IPO SpaceX shares. It then appears to have repackaged the interests and sold them on to Late Stage, according to court documents and lawyers. Capital Truth didn't respond to requests for comment.

Rupireddy said he didn't understand how far removed the SpaceX stock was from his account.

When SpaceX went public on June 12, he watched the stock climb to $150.

He fielded dozens of congratulatory text messages from friends who knew about his SpaceX investment, and neighbors asked if he was going to throw a party. That night, he went out to dinner at a local Thai restaurant with his wife. He recalled wishing he'd invested even more.

He began to worry the following week, when he said he couldn't access Late Stage's investor portal, which he had done regularly in the past. When it came back online, he said his Late Stage account said for the first time that his SpaceX holdings were sold on Dec. 31, 2024. He learned that the friend who had introduced him to Late Stage was getting similar messages in his account.

Rupireddy called Late Stage's main line dozens of times, but he said no one answered. On June 23, he wrote to Late Stage's operations email address asking for clarification, noting that the updated message raised urgent questions. He added Diana Bartolata, an administrator at a New Jersey accounting firm that handled Late Stage's tax forms, to the email chain, which was reviewed by the Journal.

That same day he received a response from Bartolata. The message was short and asked for patience, and it promised Rupireddy the firm was conducting "a comprehensive review."

"Once our review is complete, we will reach out to you with an update and advise whether any revisions are required. We anticipate providing further information by late August," the message said.

Rupireddy responded shortly after. His tone remained polite, but he was panicking.

“Waiting until late August for a review is insufficient when these ‘corrections’ suggest a fundamental failure in reporting or disclosure,” he wrote.

He received a reply from Late Stage’s main email address, named “operations,” that was short. It informed Rupireddy that Bartolata couldn’t address issues on Late Stage’s portal since the accounting firm she worked for only did tax form reporting.

Bartolata didn’t respond to requests for comment.

“The portal is under maintenance as the earlier fix has a glitch. An email will be sent out once completed and back online,” the email said, which wasn’t signed.

Rupireddy once again asked for confirmation that he remained a holder of 2,500 SpaceX shares. His 2025 tax document and his account portal in May had listed 500 shares, just before SpaceX underwent a 5-1 stock split, resulting, by Rupireddy’s account, in 2,500 shares at the time of the IPO. He also wanted confirmation “that no unauthorized sale, transfer, or distribution has occurred.”

There was no response. Three days later, Late Stage’s operations email sent a note saying the portal would be back up and working later that day.

When Rupireddy logged on, his account showed he no longer held any SpaceX shares but that his prior investment had resulted in $45,450 in his account, which he could claim.

Rupireddy felt his stomach drop. He again asked via email for an explanation.

Late Stage wrote that it had sent an email to Rupireddy on Sept. 23, 2024, “indicating that block of SpaceX was sold.”

The new information revealed yet another discrepancy—when his portal first started saying a sale had taken place, it gave the date as Dec. 31, 2024.

The new email blamed a recent SEC investigation into Late Stage for why its portal had been “incorrectly reporting since 2024” that he still held the position. The email didn’t explain why such an investigation would affect the portal.

Rupireddy searched his spam, junk and trash email folders. He said he never received any communication from Late Stage about a sale in his stake. He hadn’t received any proceeds and his tax documents sent to him by Late Stage’s accounting firm in 2024 and 2025, viewed by the Journal, said he still held the position.

He said that in his previous investments with Late Stage, including in SoFi, he did receive the shares of companies after their IPOs, though he ultimately sold them with only small or no returns after fees.

A typical SPV fund buys shares of one pre-IPO company and sells stakes, or “interests,” in the fund to investors. The funds hold on to those shares after the company’s IPO until the so-called lockup period ends, when early investors are allowed to sell their stakes. At that point, the funds will either distribute the physical shares of the company to the SPV investors, or will sell the shares and distribute the cash.

Since the underlying investors don’t physically own the shares ahead of the IPO, buying stakes in an SPV is a trust exercise. Investors must trust in the fund managers to distribute the shares—or cash—promptly.

“Ultimately if you’re investing, you want to make sure you own what you think you own,” said Jared Fine, a partner in Davis Polk’s capital markets practice. “At the end of the day, like anything in life, it comes down to, do you trust your counterparty or with whom you’re doing business.”

SpaceX shares fell more than 13% Wednesday after it reported its first quarterly earnings as a public company. Now at around $108, the stock is well below its $135 IPO price, meaning people who had to wait until the rocket company’s stock-market debut to purchase shares are in the red on their investment.

This partly explains the race to buy pre-IPO stock—investors who access shares early can get in at a lower price, allowing for gains even if a stock stumbles post-IPO.

It’s still a risky bet. Investors who scoop up shares before a company’s IPO face lockup rules and can’t sell for a period of time, often several months. For investments in SPVs, high fees and volatile early trading by newly public companies could wipe out many of those gains.

Coming IPOs

Late Stage was founded in 2015 and marketed itself to individual investors as a way to access hot tech companies before they went public. The firm advertised that it only made money once a company’s shares went public. Rupireddy thought the fund’s SpaceX shares wouldn’t be sold until after the IPO.

This March, three Late Stage executives pleaded guilty to charges of defrauding investors. Federal prosecutors said Raymond John Pirrello, Jr., Joseph Passalaqua and Robert Cassino lied to investors about hidden markups and fees. They are awaiting sentencing, facing a maximum of 20 to 45 years in prison. Passalaqua’s lawyer said the issue of the pre-IPO shares wasn’t part of his case. The other executives’ lawyers didn’t immediately respond to a request for comment.

Separately, an ongoing class-action lawsuit alleges that Late Stage and Capital Truth added hidden markup fees for pre-IPO shares.

Rupireddy said he doesn't want to claim the funds in his account because he believes he is owed more. He and other investors have asked a court to block any sale of the SpaceX shares, because they fear that would limit their ability to access the money they believe they are owed.

SPVs with exposure to other potentially blockbuster IPOs have drawn attention. Anthropic, which is expected to launch its IPO this fall, recently rattled investors in SPVs tied to its stock. The artificial-intelligence company in May updated a notice on its website saying it wouldn't recognize sales of Anthropic stock that haven't been approved by its board, and called out several online platforms that resell interests both directly and indirectly through SPVs.

At least two brokerages are still sending emails and text messages, reviewed by the Journal, to prospective investors offering access to Anthropic's stock via SPVs.

AmTrust Investors Get Class Cert. Over Flawed BDO Audits

(August 5, 2026, 10:52 PM EDT) -- A class of AmTrust investors who are suing audit firm BDO USA LLP over its work on the insurer's alleged troubled financial statements won certification in the long-running suit while Robbins Geller Rudman & Dowd LLP was named class counsel.

U.S. District Judge Lewis Kaplan on Tuesday **granted** class certification to what's referred to in the action as the BDO subclass, which includes all purchasers of AmTrust Financial Services Inc. common stock and Series F preferred stock between March 3, 2014, and April 10, 2017.

The judge also appointed North Atlantic States Carpenters Guaranteed Annuity and Pension Funds and the Irving Lichtman Revocable Living Trust as class representatives Tuesday.

Two other subclasses in the suit, which included purchasers of AmTrust stock traceable to its initial public offering, **inked** a $19 million deal with the insurer in June. The BDO subclass is the only remaining investor group in the litigation that has not settled.

The suit claims AmTrust made a series of misstatements about its finances that caused it to restate five years of results, and ultimately caused the company's stock to sink. The suit also says that BDO, as the insurer's auditor during the relevant period, should be held liable as well.

In certifying the BDO subclass, Judge Kaplan said it meets all the necessary criteria, including numerosity, commonality and predominance, among others, and found that BDO has failed to prove "by a preponderance of the evidence" that the misrepresentations made by AmTrust did not actually affect the insurer's stock price.

"Whether BDO's statements in [AmTrust's] 2023 audit opinion were material, false, and made with a sufficiently culpable state of mind are pure common questions central to the validity of each class member's claim," the order stated.

According to the order, BDO had opposed certification of the subclass, arguing that the Living Trust and executive director of the North Atlantic Funds did not have enough familiarity with the case to adequately serve as class representatives.

However, Judge Kaplan rejected the arguments, saying the charges were "unfounded."

Tuesday's class certification ruling comes nearly two years after claims against BDO were revived by the Second Circuit. The appeals court reversed itself after previously affirming dismissal of claims against the auditor, holding BDO was not off the hook for certifying AmTrust's financial statements.

During the most recent appeal, the U.S. Securities and Exchange Commission filed an amicus curiae brief at the court's request. The agency urged the court to reconsider its materiality analysis on the BDO audit, arguing investors rely on such information to make investment decisions.

The SEC **temporarily barred** three former BDO accountants in 2018 from auditing publicly traded companies, following the release of a different AmTrust audit report. BDO **petitioned** for U.S. Supreme Court intervention in the case, but the justices **declined** last October.

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

The investors are represented by Samuel H. Rudman, David A. Rosenfeld, Mark T. Millkey, Robert D. Gerson, Natalie C. Arenella and Ellen Gusikoff Stewart of Robbins Geller Rudman & Dowd LLP, Jeremy A. Lieberman of Pomerantz LLP, and Peretz Bronstein of Bronstein Gewirtz & Grossman LLC.

BDO is represented by Timothy E. Hoeffner, Jason D. Gerstein and Fabiola Vega of Dechert LLP, and Jeffrey D. Rotenberg and Siyuan Sonia Qin of Clark Smith Villazor LLP.

AmTrust is represented by Steven M. Farina, Amanda M. MacDonald, Anna K. Tsiotsias, Lydia A. Weiant and George A. Borden of Williams & Connolly LLP.

The underwriter defendants are represented by Gregg Weiner, Thomas Brown and Christopher Meyer of Ropes & Gray LLP.

The case is In re: AmTrust Financial Services Inc. Securities Litigation, case number 1:17-cv-01545, in the U.S. District Court for the Southern District of New York.

--Editing by Kristen Becker.

AGs Can't Yet Get Discovery Into Live Nation's DOJ Deal

law360.com/articles/2509741

(August 4, 2026, 10:51 PM EDT) -- A New York federal judge on Tuesday rejected a request by some state attorneys general for discovery into the Justice Department's antitrust settlement reached midtrial with Live Nation, ruling that the scope of the request is "unclear" but the AGs can try again with "narrow and targeted requests."

The **order** from U.S. District Judge Arun Subramanian denied without prejudice the request from a bipartisan group of state attorneys general seeking more information on the settlement, which was reached along with six state attorneys general, while the remaining plaintiffs continued the trial and won when a federal jury found Live Nation liable for **anticompetitive practices**.

The litigation has entered the remedies phase, where the states are seeking to force the sale of Ticketmaster.

"While the states certainly may seek relevant and proportional discovery as to the United States' settlement with Live Nation, the court has no actual requests for testimony or documents to review, and so the precise scope of what the states are asking for is unclear," the judge said.

The attorneys general are part of a coalition of state and federal plaintiffs who filed an antitrust lawsuit against Live Nation over accusations of monopolizing ticketing services for large music venues. A week into the jury trial earlier this year, the DOJ reached a settlement with Live Nation that would allow the company to retain ownership of Ticketmaster, despite the online ticketing giant's central role in claims that Live Nation coerced performers into using its promotion services exclusively.

The settlement also calls for Live Nation to offer a standalone version of its ticketing technology system that online ticketing rivals like SeatGeek and StubHub can use. It also requires Live Nation to divest exclusive long-term booking agreements for 13 amphitheaters and includes other restrictions on its contracting practices.

The DOJ is seeking court approval for the settlement, which also directs Live Nation to set aside a $280 million fund to address damages from the states.

Live Nation and the Justice Department argued in separate **letters** to the judge last month that the request for discovery by the attorneys general was too broad, too vague and beyond the scope of previous settlement reviews.

"The states should prepare narrow and targeted requests for information, send those to the United States and Live Nation, and meet and confer as to whether some or all the discovery can be agreed upon," Judge Subramanian said Tuesday. "If not, then the court will review any disputed requests in a subsequent application."

"The states should make sure their requests are narrow and targeted, and the United States and Live Nation should entertain these requests in good faith, with an understanding that the court, having reviewed the statute and relevant authorities, believes that requests for discovery in this context are cognizable if within reasonable bounds," the judge added.

Representatives from the parties could not be reached for comment Tuesday.

The federal government is represented by Andrew L. Kline and David M. Teslicko of the DOJ's Antitrust Division.

The states and Washington, D.C., are represented by their respective attorneys general, and by Jeffrey L. Kessler, Eva Cole, Johanna Rae Hudgens, Jeanifer Parsigian and Joshua Hafenbrack of Winston Taylor.

Live Nation and Ticketmaster are represented by Alfred Pfeiffer, David Marriott, Tim O'Mara, Jennifer L. Giordano, Andrew Gass, Kelly Fayne, Lindsey S. Champlin and Robin L. Gushman of Latham & Watkins LLP, and Lauren A. Moskowitz, Jesse M. Weiss and Nicole M. Peles of Cravath Swaine & Moore LLP.