

Global Class Action Mega-Settlements Smash Four-Year Average by Over 87% New Broadridge Report Shows

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Expansion of Opt-in Jurisdictions and Increasing Prevalence of Collective Investor Global Actions Among Top 2023 Trends

NEW YORK, Feb. 15, 2024 /PRNewswire/ -- Class action securities settlements had an exceptional year in 2023 with 126 distinct filing opportunities globally, resulting in a settlement value of more than \$5.5 billion, according to the fifth annual Broadridge Global Class Actions Report released by global Fintech leader **Broadridge Financial Solutions, Inc.** (NYSE: **BR**).

"2023 marked another step forward in terms of the globalization of securities class actions. With over \$5 Billion in recoveries, and a healthy number of new U.S. class action filings, our team is now tracking over 1,000 cases globally that are in active litigation," said Steve Cirami, Broadridge Global Securities Class Actions leader. "We also saw a record number of settlements exceeding \$100 million and a continued trend of new or enhanced laws or judicial rulings across several jurisdictions including, the UK, several EU countries, South Korea, China, and New Zealand."

Notably, fifteen settlements surpassed \$100 million, a 25% increase over last year, eclipsing the four-year average for "mega-settlements" by more than 87%. Financial instrument antitrust cases also realized a landmark year, with a record nine settlements reaching a combined recovery exceeding \$650 million.

Read the full report [here](#).

[Key Trends in Global Class Actions](#)

According to Cirami, broker-dealers have been key to providing notification of potential securities class actions to their retail wealth customers over the past few decades. More recently, there has been a significant shift in the industry to provide holistic claim-filing and asset recovery services to their clients. This has led to an increase in filing participation by retail investors, who historically were left behind because of the complex and cumbersome paper process. Now, most brokers are supporting filing at the enterprise level in a digitized and automated manner to deliver an optimal investor experience.

Other key trends include:

- Going global - The rise of opt-in jurisdictions and a surge in collective investor actions beyond the U.S. presents substantial global opportunities. A growing wave of collective action litigation in the European Union (EU), Asia Pacific (APAC) and other regions underscores this shift.
- Crypto cases surge, while SPACs cases wane - SPACs and cryptocurrency related securities litigation maintain dominance in U.S. federal court dockets for the third consecutive year. Cryptocurrency related cases are anticipated to surge globally as it gains institutional acceptance amid regulatory changes. However, a decline in SPAC cases is projected as related IPOs plummeted by 95% since peaking in 2021.
- New comprehensive custodian approach - Custodians take a more hands-on approach by providing comprehensive global filing support. With the increasing complexities, especially in opt-in and antitrust cases, many custodians are evaluating their current class actions programs and taking steps to provide comprehensive global class action asset recovery support.
- Privacy is front and center – Jurisdictions worldwide are introducing new disclosure requirements and regulations related to cybersecurity as data breaches surge by 600%. A new wave of cybersecurity-related securities litigation is on the horizon as issuers implement increasingly strict disclosure requirements.
- ESG effect - The focus on ESG investing and shareholder activism aligns with the escalating interest in these principles. Proposed SEC changes mandating climate related disclosure further fuel the increasing trend of ESG related class actions.

The 10 Most Complex Cases of 2023

The Report also lists the top 10 most administratively challenging asset recovery opportunities and offers detailed analysis of why that is so. These cases are chosen from more than 125 global claim filing deadlines, collectively amount to settlements exceeding \$1.5 billion. According to the Broadridge Annual Class Actions Report, these 10 cases are:

1. Arconic Securities Litigation \$74,000,000
2. JA Solar Holdings Co. Ltd. Securities Litigation \$21,000,000
3. Diversified and Volatility Alpha Fund Securities Settlement \$48,000,000
4. BBSW-Based Derivatives Antitrust Settlement \$185,875,000
5. Structured Alpha Mutual Fund Litigation \$145,000,000
6. Glencore plc Opt-in Securities Litigation (International Opt-In)
7. Kraft Heinz Company Settlements \$512,000,000
8. Zillow Group, Inc. Securities Litigation \$15,000,000
9. Newell Brands Securities Litigation \$102,500,000
10. Microfocus International Global Settlement \$107,500,000

Report Methodology

The fifth annual Broadridge Class Action Report examines global cases identified by the Broadridge Asset Recovery Advocate™ involving publicly traded securities or financial instruments that use a class action process to recoup lost funds.

The report identified 126 global cases related to securities and financial products with a 2023 claim filing deadline. It offers a detailed overview of the most complex cases in 2023 and highlights noteworthy cases. Note that the study is for informational purposes only and should not be considered as investment, legal, or any other form of advice.

Broadridge Class Action Services

Broadridge's team of dedicated class action experts include attorneys, client advocates, class action auditors, data analysts, research professionals and client service representatives, all of whom on average have 15-20 years of class action experience. Over 900 organizations rely on Broadridge's global class action services because of our worldwide reach, industry expertise and world-class standards. Our experts analyze and match all investment positions to identify recovery opportunities for each security relevant to every case.

Broadridge's proprietary technology and processes—the backbone of which is our Advocacy Model—enable you to reduce risk, improve the client experience, protect program data, and increase filing participation and recoveries. Given our extensive knowledge of claims administration, global securities litigation and antitrust litigation, we know the importance of accuracy, timeliness and transparency. Our proactive approach and unique system of analysis and reconciliation ensures we do everything possible to maximize your recovery.

About Broadridge

Broadridge Financial Solutions (NYSE: **BR**), a global Fintech leader with over \$6 billion in revenues, provides the critical infrastructure that powers investing, corporate governance and communications to enable better financial lives. We deliver technology-driven solutions to banks, broker-dealers, asset and wealth managers and public companies. Broadridge's infrastructure serves as a global communications hub enabling corporate governance by linking thousands of public companies and mutual funds to tens of millions of individual and institutional investors around the world. In addition, Broadridge's technology and operations platforms underpin the daily trading of on average more than U.S. \$10 trillion of equities, fixed income and other securities globally. A certified Great Place to Work®, Broadridge is a part of the S&P 500® Index, employing over 14,000 associates in 21 countries. For more information about Broadridge, please visit www.broadridge.com.

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