



BRENDON DEMAY AND PRIYANKA TIMBLO PARTICIPATE IN ACC WEBCAST ON LIMITING EXPOSURE WHEN NEGOTIATING CLASS ACTION SETTLEMENT AGREEMENTS: BLOW-UP PROVISIONS

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As institutional investors and other sophisticated plaintiffs increasingly opt out of securities and other class action settlements to seek higher individual payouts, negotiating an effective settlement with an eye towards opt-outs is critical. One method of limiting exposure is to include a so-called “blow-up provision” that permits class defendants to terminate a settlement if the percentage of opt-outs exceeds a certain—usually secret—threshold.

Drawing on examples from landmark securities class action settlements, Brendon and Priyanka explored the implications of recent cases that have challenged their secrecy, and provided guidance on how to avoid common drafting pitfalls, in a webcast hosted by the Association of Corporate Counsel. The full presentation slides are available [here](#).

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