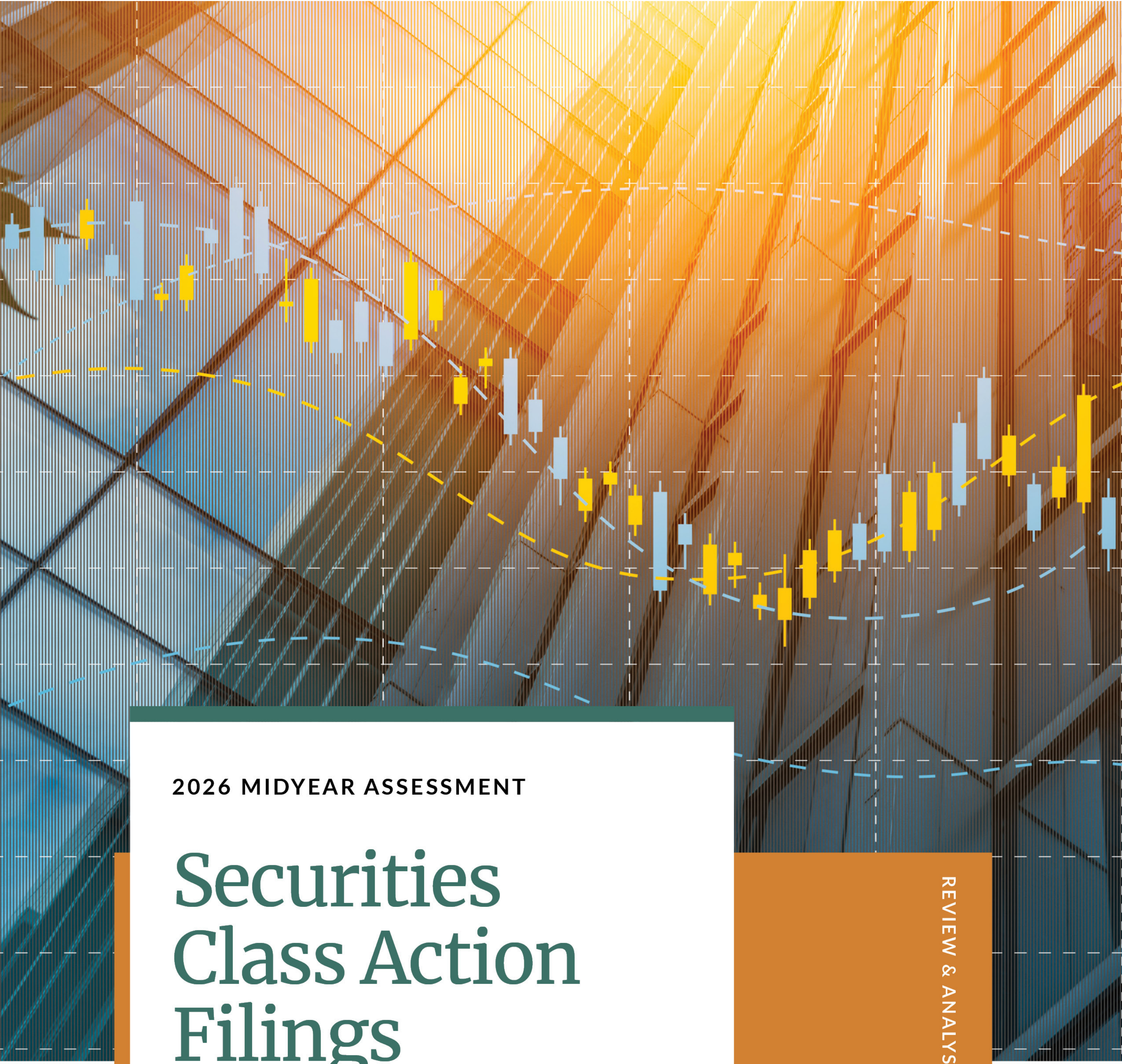

2026 MIDYEAR ASSESSMENT

Securities Class Action Filings

REVIEW & ANALYSIS

CORNERSTONE RESEARCH
Economic and Financial Consulting and Expert Testimony

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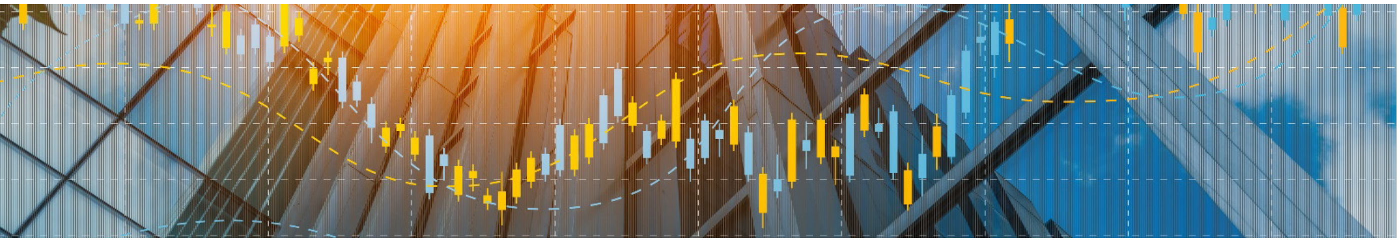


Executive Summary

Filing activity in the first half of 2026 increased substantially relative to the second half of 2025, from 93 to 121 filings. The number of Artificial Intelligence (AI)-related filings in 2026 H1 (15) nearly equaled the full-year total in 2025 (16), while federal and state 1933 Act filings remained low but in line with recent years. Disclosure Dollar Loss (DDL) and Maximum Dollar Loss (MDL) also increased, from $299 billion and $1,000 billion, respectively, in 2025 H2 to $529 billion and $1,858 billion in 2026 H1.

Plaintiffs filed 121 **new securities class actions** in 2026 H1, up significantly relative to 2025 H2 (93 filings). (page 5)

The annualized number of **AI-related** filings (30) is on pace to far surpass the 2025 total (16). (page 6)

The number of **core filings**—those excluding merger and acquisition (M&A) class action filings—in 2026 H1 (117) increased significantly relative to 2025 H2 (90) and exceeded the historical semiannual average (97). (page 5)

Disclosure Dollar Loss (DDL) sharply increased to $529 billion in 2026 H1, nearly reaching the all-time high of $544 billion set in 2022 H1. (page 7)

Filings, DDL Index, and MDL Index in 2026 H1 were up relative to 2025 H2.

Maximum Dollar Loss (MDL) in 2026 H1 ($1,858 billion) was up from 2025 H2 ($1,000 billion), substantially above the 1997–2025 semiannual average ($667 billion). (page 9)

In 2026 H1, **mega filings** accounted for 85% of total DDL, the third-highest of all time, behind only 2022 H1 (89%) and 2000 H1 (88%). (page 10)

Figure 1: Federal and State Semiannual Class Action Filings Summary
(Dollars in 2026 billions)

	Semiannual (1997 H1–2025 H2)			2025 H1	2025 H2	2026 H1
	Average	Maximum	Minimum			
Class Action Filings	113	222	55	114	93	121
Core Filings	*97*	*134*	*55*	*111*	*90*	*117*
Disclosure Dollar Loss (DDL)	$136	$544	$24	$414	$299	$529
Maximum Dollar Loss (MDL)	$667	$2,472	$111	$1,902	$1,000	$1,858

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts and index totals may not match those in Figures 4, 9, 11, and 13 or Appendices 2, 4, 5, and 6. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Spotlight on AI Securities Class Action Filings

There were 15 AI-related filings in 2026 H1, which is on pace to nearly double the 2025 total (16). Of these 15 filings, seven were related to AI development, five involved data centers, and four concerned AI infrastructure and/or hardware (three of which also focused on data centers). In contrast to prior years, there were no AI-related filings in 2026 H1 that concerned autonomous vehicles. Six AI-related filings were brought in the Ninth Circuit, three in the Second Circuit, and three in the Third Circuit. All AI-related filings involved claims under Section 10(b), while only one such filing also included Section 11 allegations.

MARKET CAPITALIZATION LOSSES

AI-related filings comprised only 13% of total core filings, but **DDL and MDL from these filings** ($385 and $1,349 billion, respectively) **made up 73% of both the DDL and MDL Indices** in 2026 H1. (pages 7, 9)

Two of the 15 AI-related filings accounted for $1,235 billion (66%) of the MDL Index in 2026 H1. (page 9)

MEGA FILINGS

AI-related mega filings comprised 80% of Mega MDL in 2026 H1. (page 10)

Five of the 17 **Mega MDL filings** in 2026 H1 were AI-related filings. (page 10)

BY INDUSTRY

The number of filings in the **Technology sector** was twice the 1997–2025 average, largely driven by a **surge in AI-related filings**. (page 15)

BY CIRCUIT

Of the 15 AI-related filings in 2026 H1, six were brought in the **Ninth Circuit**, three in the **Second Circuit**, three in the **Third Circuit**, and one in each of the First, Fifth, and Sixth Circuits. (page 16)

Figure 2: Artificial Intelligence-Related Filings by Defendant Type—Core Federal Filings
2020–2026 H1

	2020	2021	2022	2023	2024	2025	2026 H1
Single-Category Filings							
AI Development	1	3	2	1	9	6	6
AI Usage	3	4	3	2	3	1	2
AI Infrastructure/Hardware				1	2	6	1
Data Centers							2
Autonomous Vehicles			1	2		1	
Other AI-Related Filings	1	1			1	1	
Multi-Category Filings							
AI Development; AI Usage						1	1
AI Infrastructure/Hardware; Data Centers				1			3
Total AI-Related Filings	**5**	**8**	**6**	**7**	**15**	**16**	**15**

Note: Filings are limited to those categorized as AI-related. If a filing meets multiple category definitions, it is counted once as a multi-category filing. See Figure 5 and Additional Notes to Figures and Appendices for more detailed information.

Key Trends in Federal Filings

AI-related filings continued to be the most significant trend in federal filings with 15 filings in 2026 H1. The annualized number of Cryptocurrency-related filings (6) is on pace to be the lowest since 2019. So far in 2026 H1, there have been no COVID-19 or Cybersecurity-related filings for the first time since 2019 and 2016, respectively. The number of filings in the Technology sector was twice the 1997–2025 average, largely driven by a surge in AI-related filings.

TREND FILINGS

There were 15 AI-related filings in 2026 H1, which is on pace to nearly double the 2025 total. (page 6)

The annualized number of **Cryptocurrency-related filings** (6) is on pace to **be the lowest since 2019**. So far in 2026 H1, **there have been no COVID-19 or Cybersecurity-related filings** for the first time since 2019 and 2016, respectively. (page 6)

MEGA FILINGS

In 2026 H1, **AI-related mega filings** comprised at least 80% of both Mega DDL and Mega MDL. (page 10)

In 2026 H1, the percentage of total DDL represented by mega filings (85%) was the third-highest of all time, behind only 2022 H1 (89%) and 2000 H1 (88%). (page 10)

1933 ACT FILINGS

Combined federal Section 11 and state 1933 Act filing activity was in line with recent semiannual counts. (page 13)

U.S. EXCHANGE–LISTED COMPANIES

The likelihood of a core filing against a U.S. exchange–listed company in 2026 is on pace to be the highest since 2019. (page 11)

NON-U.S. ISSUERS

The number of core federal filings against non-U.S. issuers is on pace to increase significantly in 2026 and reach the highest total since 2020. (page 14)

BY INDUSTRY

The number of filings in the Technology sector increased by 15, from nine in 2025 H2 to 24 in 2026 H1, largely driven by a surge in **AI-related filings** in the Technology sector (7). (page 15)

In 2026 H1, 29 of the 44 (66%) **Consumer Non-Cyclical filings** were in **the Biotechnology, Pharmaceuticals, and Healthcare-related subsectors**. (page 15)

BY CIRCUIT

The number of core filings in the Second Circuit in 2026 H1 (46) increased compared to 2025 H2 (34) and 2025 H1 (30), primarily driven by a **surge of filings in the Technology sector.** (page 16)

The number of core filings in the Ninth Circuit in 2026 H1 (34) increased relative to 2025 H2 (23) and 2025 H1 (25), driven in part by an increase in **Consumer**, **Non-Cyclical** and **Technology sector** filings (15 and 7, respectively). (page 16)

Filings from the **Second and Ninth Circuits** made up 70% of core federal filings in 2026 H1 (80 out of 115), up from 64% in 2025 H2 (57 out of 89). (page 16)

OTHER POTENTIAL TRENDS IN ALLEGATIONS

Starting in 2025 H2, there have been 10 filings alleging **"pump-and-dump" schemes**, six filings with **tariff-related allegations,** and four filings with **private credit-related allegations** involving **business development companies (BDCs)**. (page 17)

Combined Federal and State Filing Activity

The number of federal Section 10(b)–only filings is on pace to far exceed the number of such filings in 2025, with an annualized count of 212 filings in 2026 compared to 176 in 2025. This annualized total would surpass the all-time high of 198 Section 10(b)–only filings set in 2024.

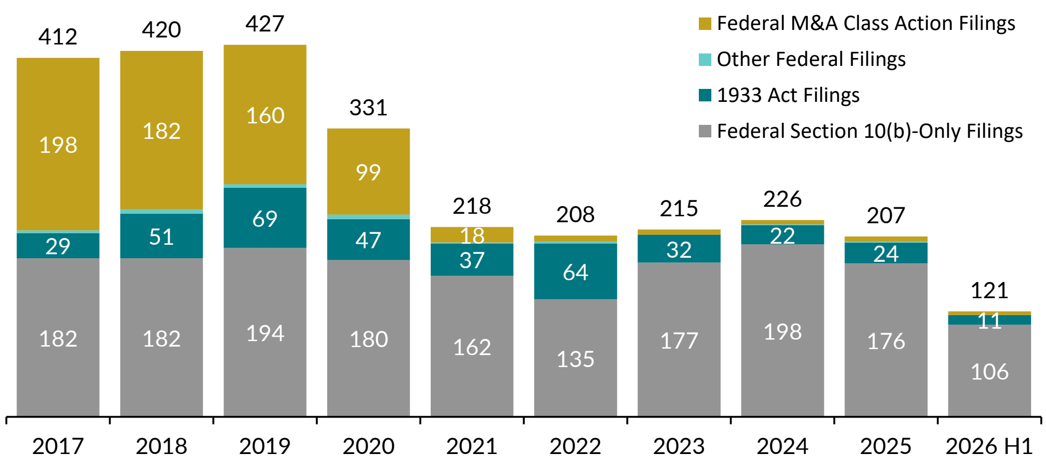
In 2026 H1, 11 federal and state 1933 Act lawsuits were filed, which is in line with the prior two years' totals when annualized (22 in 2024 and 24 in 2025).

Federal M&A class action filing activity remained low with only four filings in 2026 H1, far below the level of federal M&A class action filing activity in 2015–2020.

The number of 2026 federal Section 10(b)–only filings, if annualized, is on pace to increase sharply relative to 2025, while 1933 Act filings are in line with prior years.

The total number of filings in 2026 H1 (121) was up relative to 2025 H2 (93). Filing activity was much higher in 2026 Q1 than in 2026 Q2—of the 121 total filings in 2026 H1, there were 69 filings in Q1 and only 52 filings in Q2.

Figure 3: Federal Filings and State 1933 Act Filings by Venue
2017–2026 H1



	Federal and State 1933 Act Filings									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 H1
Federal Courts Only	13	19	16	25	25	51	26	17	19	9
State Courts Only	3	16	28	14	7	11	4	4	4	2
Parallel Filings	13	16	25	8	5	2	2	1	1	0
Total	29	51	69	47	37	64	32	22	24	11

Source: Cornerstone Research, Stanford Law School Securities Class Action Clearinghouse, and Stanford Securities Litigation Analytics; Bloomberg Law; Institutional Shareholder Services's Securities Class Action Services (ISS's SCAS)

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts may not match those in Figures 2, 5, 11, 13, and 15 or Appendices 2, 4, 5, and 6. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

Number of Federal and State Filings

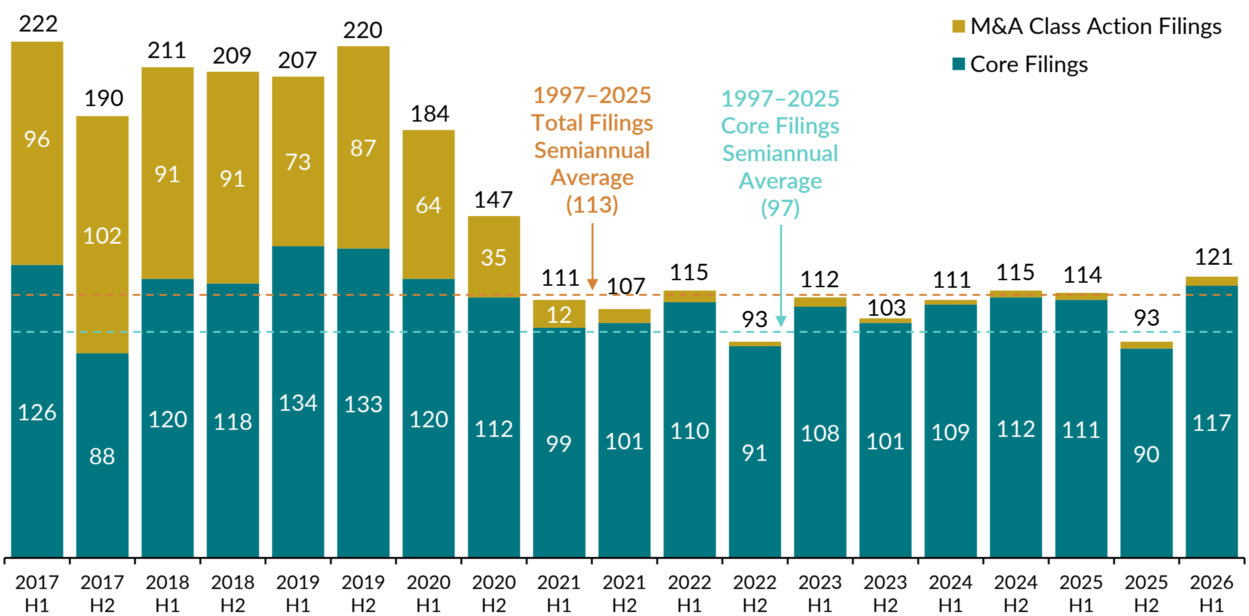
In 2026 H1, plaintiffs filed 121 securities class actions, up significantly relative to 2025 H2 (93 filings).

From 2017 to 2025, the average number of core filings in the first half of each year was 115, while the average number of core filings in the second half of each year was 105. Although the number of 2026 H1 core filings (117) is much higher than the 2017–2025 second half-year average (105), it is in line with the 2017–2025 first half-year average (115).

Total core filing activity in 2026 H1 was up significantly relative to 2025 H2 and well above the historical semiannual average.

The number of core filings in 2026 H1 (117) was the highest since 2020 H1 (120) and was significantly above the historical semiannual average of 97 core filings.

Figure 4: Class Action Filings Index® (CAF Index®) Semiannual Number of Class Action Filings
2017 H1–2026 H1



Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different semiannual periods, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts may not match those in Figures 2, 5, 11, 13, and 15 or Appendices 2, 4, 5, and 6. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

Summary of Trend Filings

The figure below highlights recent trend categories that have appeared in core filing activity. See Glossary for definitions of each trend category.

There were 15 AI-related filings in 2026 H1; the count, if annualized to 30, is on pace to nearly double the 2025 total (16). Of these filings, seven were related to AI development and five were related to data centers.

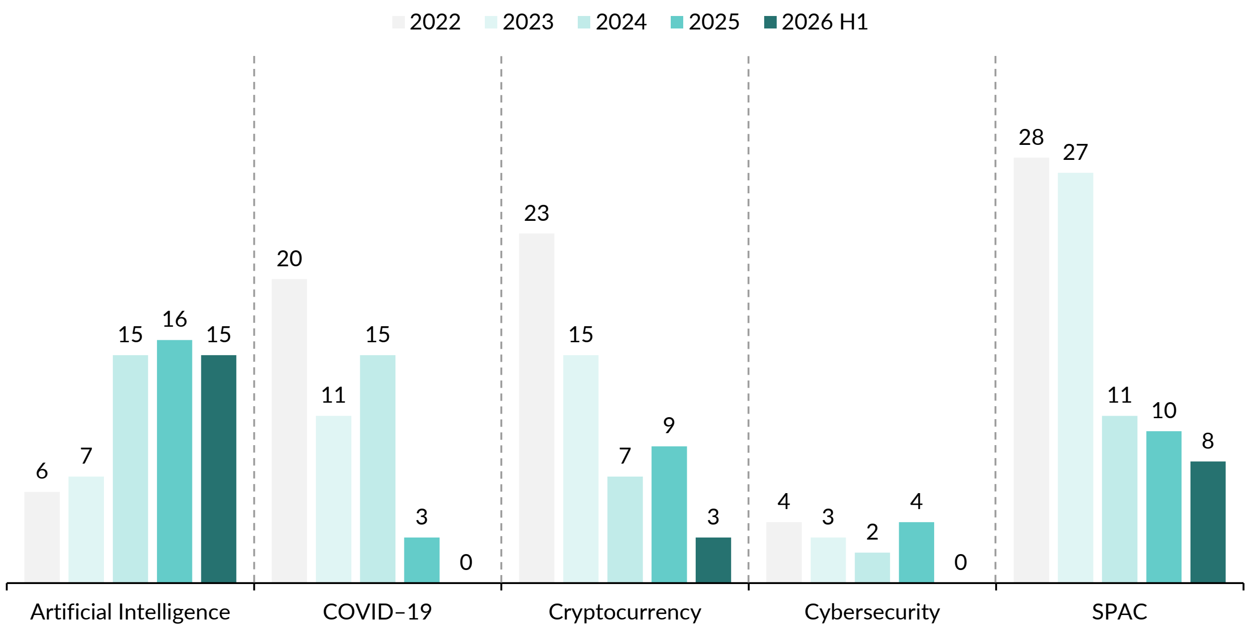
Four of the AI-related lawsuits were filed by Glancy Prongay Wolke & Rotter LLP, four were filed by Pomerantz LLP, two were filed by The Rosen Law Firm, P.A., two were filed by Levi & Korsinsky LLP, and the remaining three were filed by other law firms.

So far in 2026, there have been no COVID-19 or Cybersecurity-related filings for the first time since 2019 and 2016, respectively.

There were 15 AI-related filings in 2026 H1, which is on pace to nearly double the 2025 total.

The annualized number of Cryptocurrency-related filings (6) is on pace to be the lowest since 2019. Two of the three Cryptocurrency lawsuits were filed by Pomerantz LLP and alleged both Section 10(b) and Section 11 violations against companies that owned and operated digital exchange platforms. The other filing concerned the creation and issuance of a cryptocurrency token and included allegations under Sections 5 and 12(a)(1) of the 1933 Act for the unregistered offering of securities, and allegations under Section 10(b) for securities fraud.

Figure 5: Summary of Trend Filings—Core Federal Filings
2022–2026 H1



Note: All trend categories only count core federal filings. As such, M&A class action SPAC filings are excluded from this figure. There was one such filing in 2022, none in 2023–2025, and two in 2026 H1. Some filings may be included in more than one trend category. See Additional Notes to Figures and Appendices for trend category definitions, more detailed trend information, and Counts and Totals Methodology.

Market Capitalization Losses for Federal and State Filings

Disclosure Dollar Loss Index® (DDL Index®)

This index measures the aggregate annual DDL for all federal and state filings. DDL is the dollar-value change in the defendant firm's market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period. Reported numbers are inflation-adjusted to 2026 dollars. See Glossary for additional discussion.

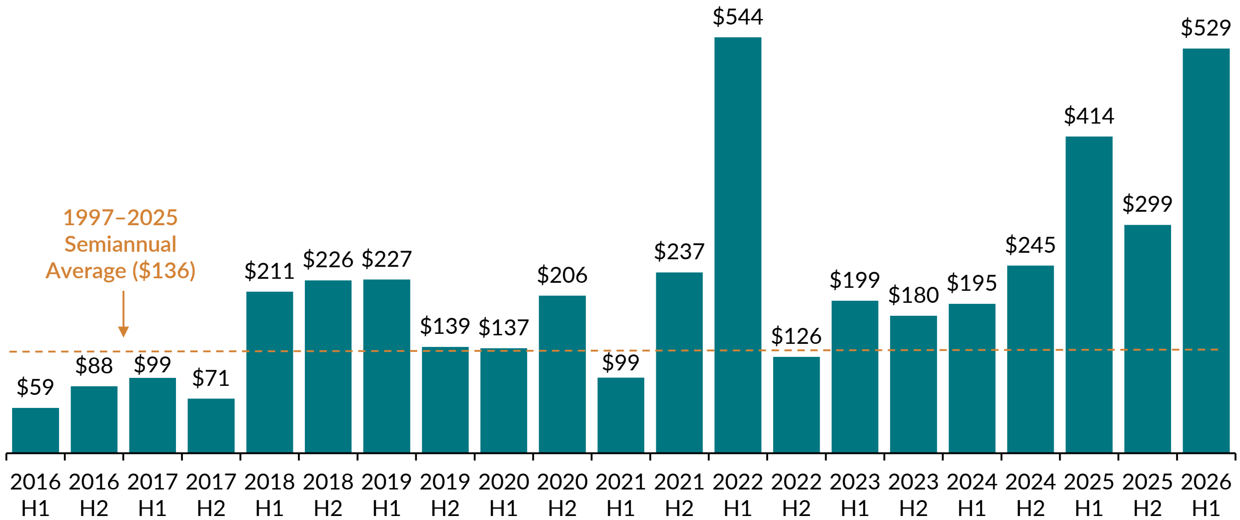
In 2026 H1, the DDL Index ($529 billion) increased by 77% relative to 2025 H2 ($299 billion). This represents the second-highest semiannual DDL Index, behind only 2022 H1. See Appendix 1 for DDL Index totals and averages from 1997 H1 to 2026 H1.

AI-related filings comprised only 13% of total core filings, but DDL from these filings made up 73% of total DDL.

AI-related filings comprised only 13% of total core filings, but DDL from these filings ($385 billion) made up 73% of the DDL Index in 2026 H1.

Filings in the Technology sector comprised 78% of the DDL Index in 2026 H1 ($413 billion), while filings from this sector comprised only 21% of core filings. See Appendix 3 for DDL Index totals by industry.

Figure 6: Disclosure Dollar Loss Index® (DDL Index®)
2016 H1–2026 H1
(Dollars in 2026 billions)



Note: This figure begins including DDL associated with state 1933 Act filings in 2010. As a result, this figure's DDL Index values will not match the values in Appendix 4, which summarizes federal filings. DDL associated with parallel class actions is only counted once. There are core filings for which data are not available to estimate DDL accurately; these filings are excluded from DDL analysis. The numbers shown in this figure have been inflation-adjusted to 2026 dollars and will not match prior reports. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

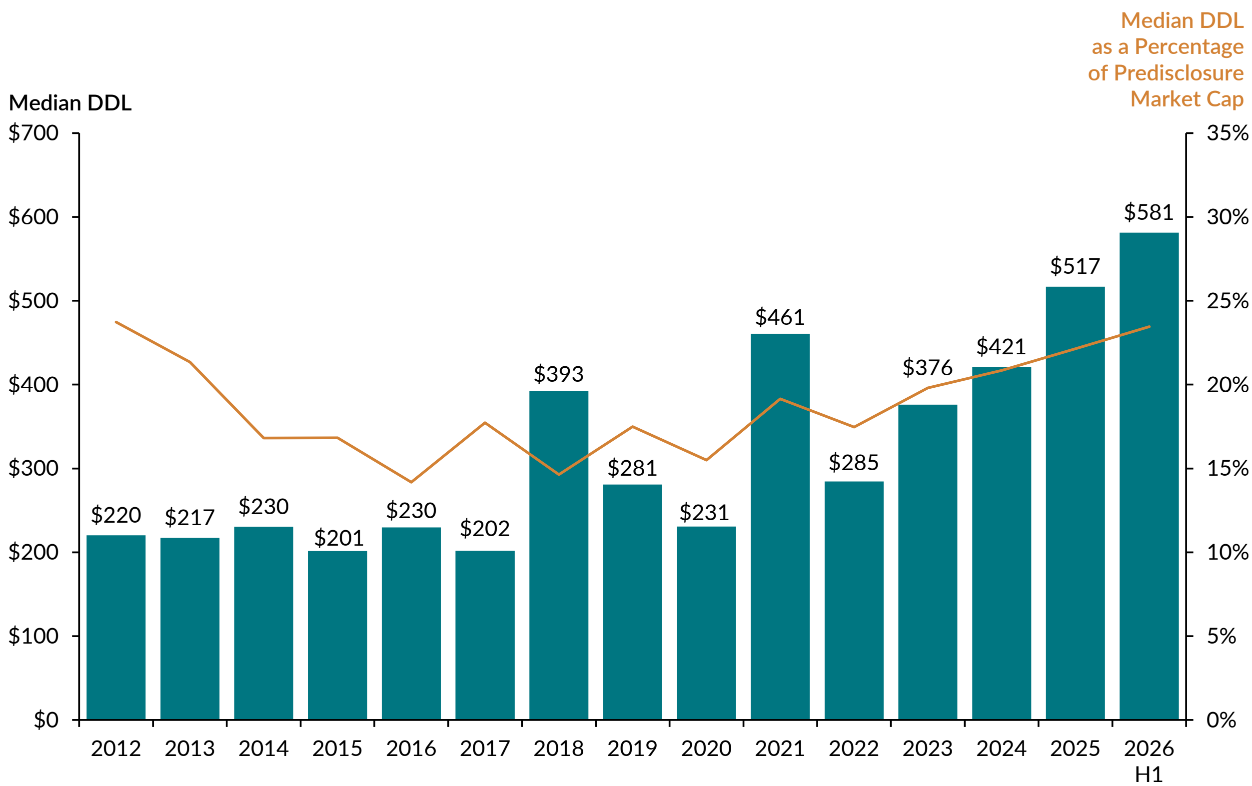
As shown by the gold line in the figure below, the typical (i.e., median) percentage stock price drop at the end of the class period has risen consistently since 2022 and continued to increase in the first half of 2026, reaching a 14-year high of 23%.

In 2026 H1, while the median DDL of core filings increased by only 12% (up from $517 million in 2025 to $581 million in 2026 H1), the DDL Index increased by 77% relative to 2025 H2. The comparatively large increase in the DDL Index is driven by higher total Mega DDL in 2026 H1. See Figures 6 and 9.

The typical percentage stock price drop at the end of the class period has risen consistently since 2022, reaching a 14-year high of 23%.

The median DDL has increased each year since 2022, reaching $581 million in 2026 H1, the highest median DDL on record.

Figure 7: Median Dollar Disclosure Loss
2012–2026 H1
(Dollars in 2026 millions)



Note: This figure begins including DDL associated with state 1933 Act filings in 2010. DDL associated with parallel class actions is only counted once in this figure. There are core filings for which data are not available to estimate DDL accurately; these filings are excluded from the DDL analysis. The numbers shown in this figure have been inflation-adjusted to 2026 dollars and will not match prior reports. See Additional Notes to Figures for Counts and Totals Methodology.

Maximum Dollar Loss Index® (MDL Index®)

This index measures the aggregate annual MDL for all federal and state filings. MDL is the dollar-value change in the defendant firm's market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period. Reported numbers are inflation-adjusted to 2026 dollars. See Glossary for additional discussion.

In 2026 H1, the MDL Index ($1,858 billion) was far above 2025 H2 ($1,000 billion) and in line with 2025 H1 ($1,902 billion). The MDL Index remained much higher than the historical semiannual average ($667 billion).

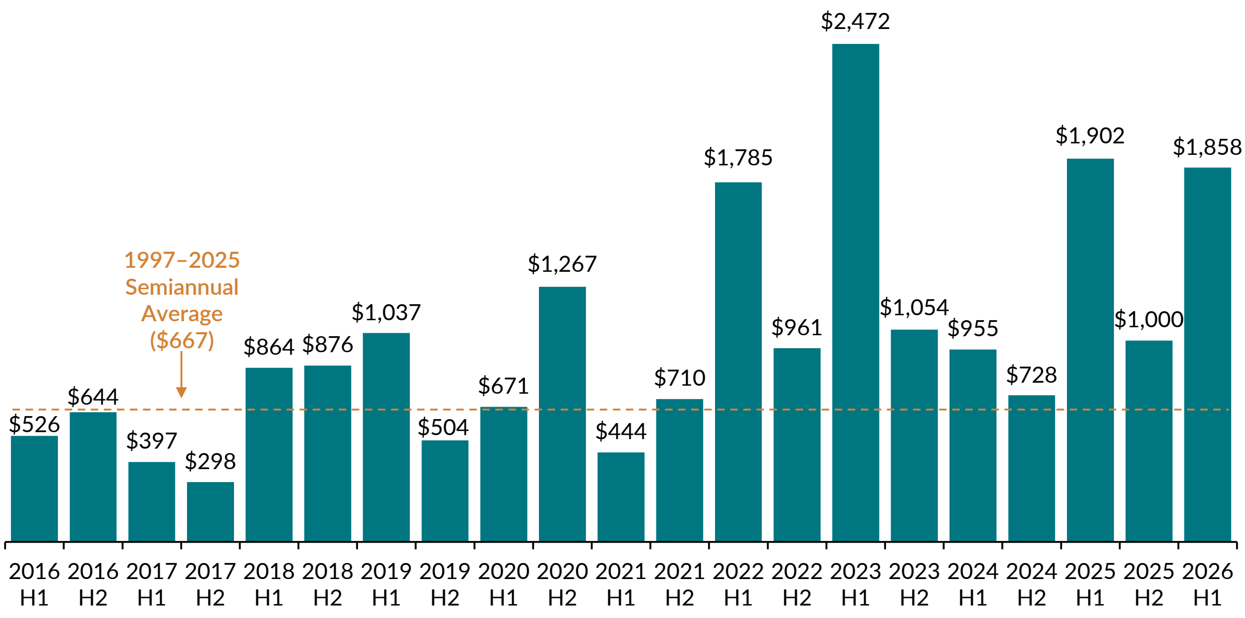
AI-related filings comprised 73% of the MDL Index in 2026 H1.

AI-related filings comprised only 13% of total core filings, but MDL from these filings ($1,349 billion) made up 73% of the MDL Index in 2026 H1. Two of the 15 AI-related filings accounted for $1,235 billion (66%) of the MDL Index in 2026 H1.

In 2026 H1, filings in the Biotechnology, Pharmaceuticals, and Healthcare-related subsectors made up 25% of total core filings but only 10% of the MDL Index.

See Appendix 1 for MDL Index totals and averages from 1997 H1 to 2026 H1. See Appendix 3 for MDL Index totals by industry.

Figure 8: Maximum Dollar Loss Index® (MDL Index®)
2016 H1–2026 H1
(Dollars in 2026 billions)



Note: This figure begins including MDL associated with state 1933 Act filings in 2010. As a result, this figure's MDL Index values will not match the values in Appendix 4, which summarizes federal filings. MDL associated with parallel class actions is only counted once. There are core filings for which data are not available to estimate MDL accurately; these filings are excluded from MDL analysis. The numbers shown in this figure have been inflation-adjusted to 2026 dollars and will not match prior reports. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Mega Filings

Mega DDL filings have a DDL of at least $5 billion. Mega MDL filings have an MDL of at least $10 billion. MDL and DDL are inflation-adjusted to 2026 dollars.

Total DDL for mega filings in 2026 H1 ($450 billion) increased 92% relative to 2025 H2 ($234 billion) and was significantly higher than the 1997–2025 semiannual average ($92 billion).

In 2026 H1, the percentage of total DDL represented by mega filings (85%) was the third-highest of all time, behind only 2022 H1 (89%) and 2000 H1 (88%).

In 2026 H1, the percentage of total MDL represented by mega filings (90%) was above the 1997–2025 semiannual average (81%) and in line with 2025 H1 and H2.

In 2026 H1, AI-related mega filings comprised at least 80% of both Mega DDL and Mega MDL.

Three of the nine Mega DDL and five of the 17 Mega MDL filings in 2026 H1 were AI-related filings. However, 83% and 80% of total Mega DDL and Mega MDL were from AI-related filings, respectively.

Total MDL from mega filings in 2026 H1 ($1,674 billion) was in line with 2025 H1 ($1,731 billion) and was over three times the 1997–2025 semiannual average ($540 billion).

Figure 9: Mega Filings

	Semiannual Average 1997–2025	2025 H1	2025 H2	2026 H1
Mega Disclosure Dollar Loss (DDL) Filings				
Mega DDL Filings	6	16	10	9
Mega DDL ($ Billions)	$92	$351	$234	$450
Percentage of Total DDL	68%	85%	78%	85%
Mega Maximum Dollar Loss (MDL) Filings				
Mega MDL Filings	12	21	15	17
Mega MDL ($ Billions)	$540	$1,731	$852	$1,674
Percentage of Total MDL	81%	91%	85%	90%

Note: This figure begins including DDL and MDL associated with state 1933 Act filings in 2010. As a result, this figure's DDL and MDL Index values will not match those in Appendix 4, which summarizes federal filings. DDL and MDL associated with parallel class actions are only counted once—at the time of the earliest filing. There are core filings for which data are not available to estimate MDL and DDL accurately; these filings are excluded from MDL and DDL analysis and counts. Mega DDL filings have a disclosure dollar loss of at least $5 billion. Mega MDL filings have a maximum dollar loss of at least $10 billion. The numbers shown in this figure have been inflation-adjusted to 2026 dollars and will not match prior reports. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

U.S. Exchange–Listed Companies

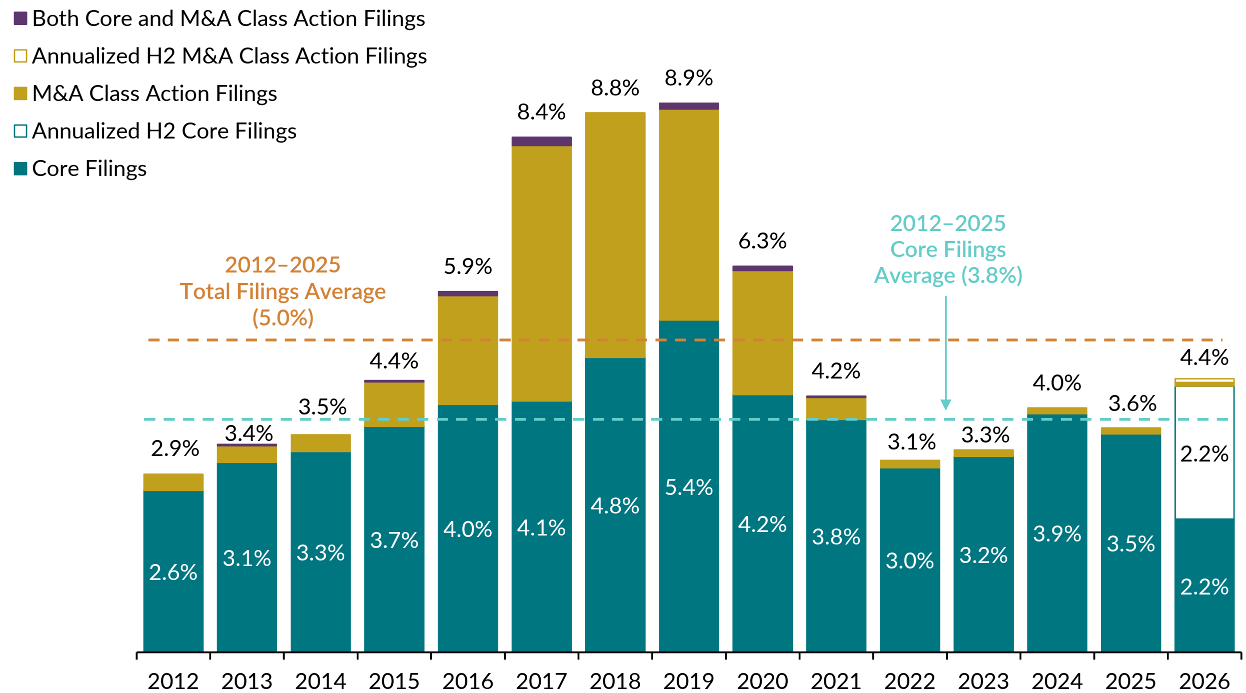
The percentage of companies subject to core and M&A class action filings is calculated as the unique number of companies listed on the New York Stock Exchange (NYSE) or Nasdaq subject to federal or state securities fraud class actions in a given year, divided by the unique number of companies listed on the NYSE or Nasdaq in the same year.

At the current pace, 4.4% of companies listed on major U.S. exchanges are or will become subject to a core or M&A class action filing in 2026. This annualized percentage is the highest since 2020.

The likelihood of a core filing against a U.S. exchange–listed company in 2026 is on pace to be the highest since 2019.

The percentage of U.S. exchange-listed companies subject to a core filing in 2026 H1 was 2.2% (4.4% when annualized), on pace to be the highest since 2019 (5.4%) and to exceed the 2012–2025 average (3.8%).

Figure 10: Percentage of U.S. Exchange–Listed Companies Subject to Federal or State Filings
2012–2026 H1



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Number of Firms	4,529	4,411	4,416	4,578	4,593	4,411	4,406	4,318	4,514	4,759	5,741	5,688	5,316	5,129	5,134
Percent Change	(2.8%)	(2.6%)	0.1%	3.7%	0.3%	(4.0%)	(0.1%)	(2.0%)	4.5%	5.4%	20.6%	(0.9%)	(6.5%)	(3.5%)	0.1%

Source: Cornerstone Research, Stanford Law School Securities Class Action Clearinghouse, and Stanford Securities Litigation Analytics; Bloomberg Law; Center for Research in Security Prices (CRSP)

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. All federal filings are counted only once—at the time of the earliest filing. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. Percentages lower than 0.05% are not shown in the figure. The figure considers state 1933 Act filings against exchange-listed companies beginning in 2012. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

1933 Act Filings in State Courts

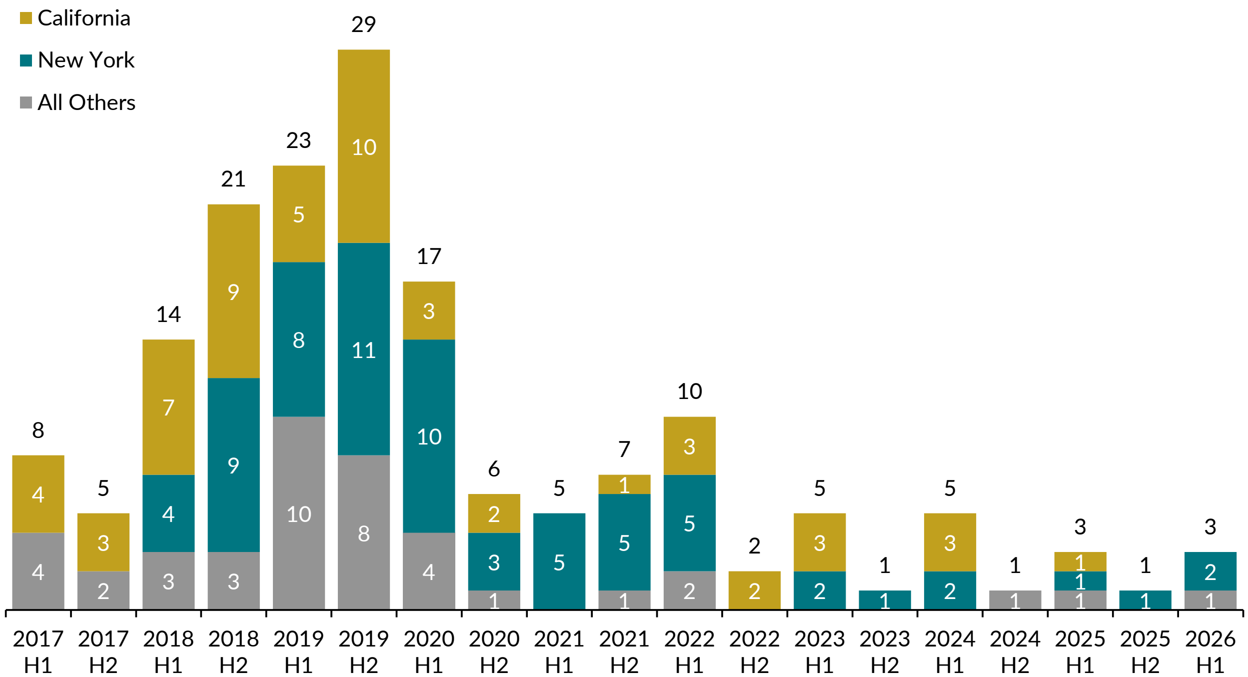
The following data include 1933 Act filings in California, New York, and other state courts. Filings from prior years are added retrospectively when identified. These filings may include Section 11, Section 12, and Section 15 claims but do not include Rule 10b-5 claims. These lawsuits may ultimately be dismissed and refiled in other jurisdictions due to the enforcement of federal forum-selection provisions.

There were three state 1933 Act filings in 2026 H1: two in New York and one in Illinois.

State 1933 Act filing counts have remained low since 2020 H1, with 19 state 1933 Act filings from 2023 to 2026 H1.

See Appendix 2 for counts of 1933 Act filings by state court from 2010 to 2026 H1.

Figure 11: State 1933 Act Filings by State
2017 H1–2026 H1



Source: Cornerstone Research, Stanford Law School Securities Class Action Clearinghouse, and Stanford Securities Litigation Analytics; Bloomberg Law; ISS's SCAS

Note: This analysis counts all filings in state courts. It does not present data on a combined federal and state basis, nor does it identify or account for cases that have parallel filings in both state and federal courts. As a result, counts in this figure may not match Figures 3 and 12. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

Comparison of Federal Section 11 Filings and State 1933 Act Filings

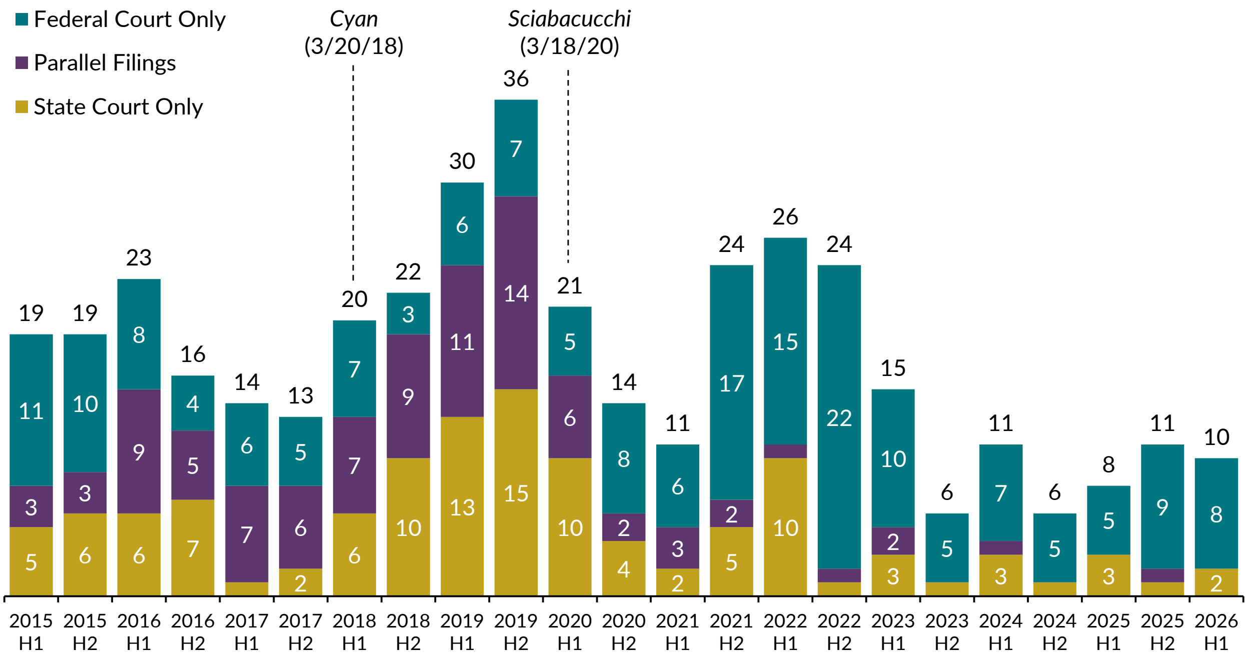
The figure below is a combined measure of Section 11 filing activity in federal courts and 1933 Act filings in state courts. It highlights parallel (or related) class actions in federal and state courts.

The number of federal Section 11 filings in 2026 H1 (8) was in line with recent semiannual counts.

There were three state 1933 Act filings in 2026 H1, one of which was parallel to a 2025 H2 filing—the first parallel filing since 2024 H1.

Combined federal Section 11 and state 1933 Act filing activity was in line with recent semiannual counts.

Figure 12: Semiannual Federal Section 11 and State 1933 Act Filings
2015 H1–2026 H1



Source: Cornerstone Research, Stanford Law School Securities Class Action Clearinghouse, and Stanford Securities Litigation Analytics; Bloomberg Law; ISS's SCAS

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different semiannual periods, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts may not match those in Figures 2, 5, 11, 13, and 15 or Appendices 2, 4, 5, and 6. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

Non-U.S. Core Federal Filings

This index tracks the number of core federal filings against foreign issuers (i.e., companies headquartered outside the United States) relative to total core federal filings.

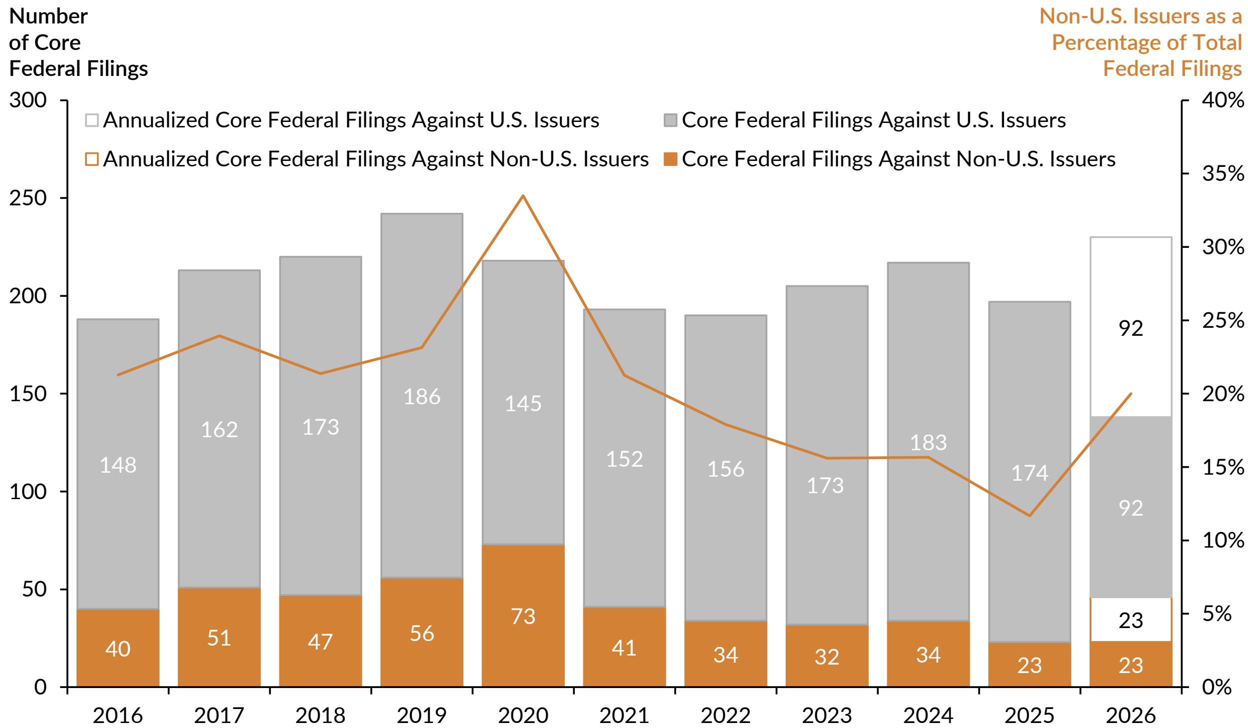
There were 23 core federal filings against non-U.S. issuers in 2026 H1. If annualized, the number of core federal filings against non-U.S. issuers in 2026 (46) would be the highest since 2020 (73).

Seven of the 23 filings against non-U.S. issuers in 2026 H1 included “pump-and-dump” allegations. See Other Potential Trends in Allegations for more detail on filings with “pump-and-dump” allegations.

The number of core federal filings against non-U.S. issuers is on pace to increase significantly in 2026 H1 and reach the highest total since 2020.

The annualized number of core federal filings against non-U.S. issuers in 2026 (46) is twice the 2025 total (23).

Figure 13: Annual Number of Class Action Filings by Location of Headquarters—Core Federal Filings
2016–2026



Note: This analysis only considers core federal filings. It does not present M&A lawsuits or combined federal and state data, and filings are not identified as parallel. This is different from other figures in this report that account for filings in federal courts that also have parallel lawsuits identified in state courts. In those analyses, when parallel lawsuits are filed in different years, only the earlier filing date is reflected in the analysis. As a result, this figure’s filing counts may not match those in Figures 1, 3, 4, 12, and 14, or Appendices 1 and 3. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Industry Comparison of Core Filings

This analysis of core federal and state filings encompasses both smaller companies and large-capitalization companies, such as those included in the S&P 500.

The number of filings in the Technology sector increased by 15, from nine in 2025 H2 to 24 in 2026 H1, largely driven by a surge in AI-related filings in the Technology sector (7).

Of the 24 filings in the Technology sector, 11 were filed in the Second Circuit (10 in New York, one in Connecticut), and seven were filed in the Ninth Circuit (five in California, two in Washington).

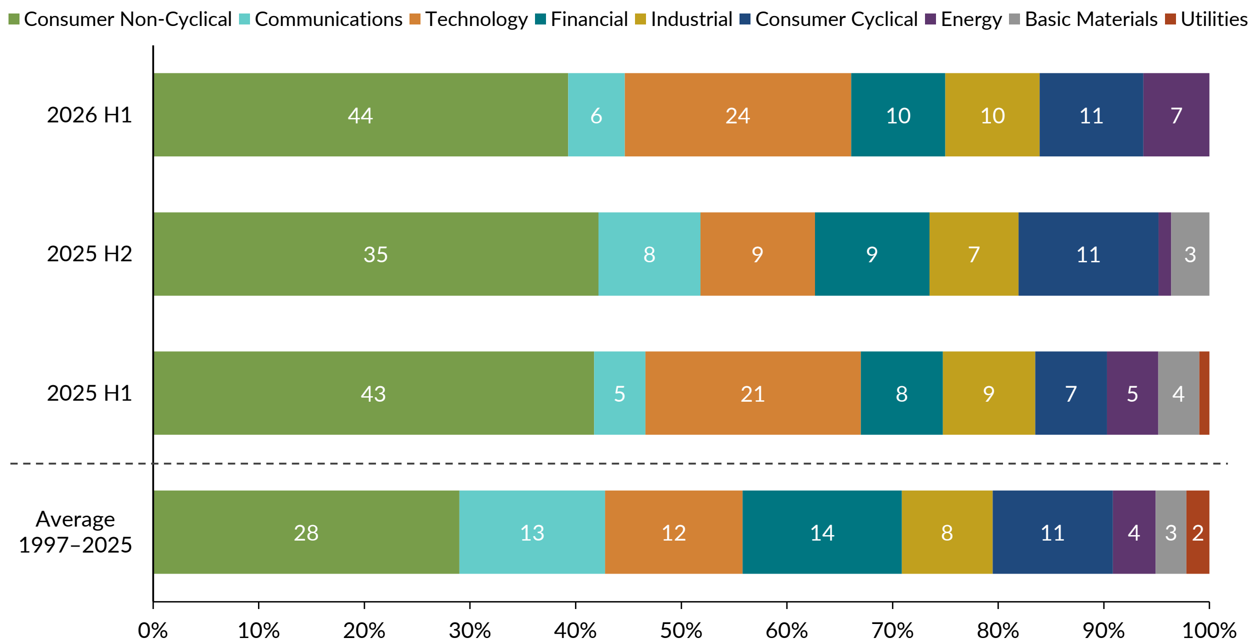
The numbers of filings in the Consumer Non-Cyclical and Technology sectors remain higher than the average for both sectors from 1997–2025.

The number of filings in the Technology sector was twice the 1997–2025 average, largely driven by a surge in AI-related filings.

In 2026 H1, 29 of the 44 (66%) Consumer Non-Cyclical filings were in the Biotechnology, Pharmaceuticals, and Healthcare-related subsectors.

Technology ($1,445 billion), Consumer Non-Cyclical ($235 billion), and Financial ($65 billion) were the three largest sectors by MDL Index. See Appendix 3 for DDL and MDL totals by industry.

Figure 14: Filings by Industry—Core Filings



Note: Filings with missing sector information or infrequently used sectors may be excluded. As a result, numbers in this figure may not match other total counts listed in the report. This figure presents combined core federal and state data. It does not present M&A lawsuits. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts may not match those in Figures 2, 5, 11, 13, and 15 or Appendices 2, 4, 5, and 6. Sectors are based on the Bloomberg Industry Classification Standard. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Core Federal Filings by Circuit

Filings in the Second and Ninth Circuits made up 70% of total core federal filings in 2026 H1 (80 out of 115), up from 64% in 2025 H2 (57 out of 89).

In 2026 H1, the number of core filings in the Second Circuit (46) increased relative to 2025 H2 (34) and 2025 H1 (30). This increase was primarily driven by filings in the Technology sector, which climbed to 11 in 2026 H1, up from one in 2025 H2 and five in 2025 H1.

Core filings in the Ninth Circuit increased from 23 in 2025 H2 to 34 in 2026 H1. Of these 34 filings, 15 were in the Consumer Non-Cyclical sector and seven were in the Technology sector, both up three from 2025 H2.

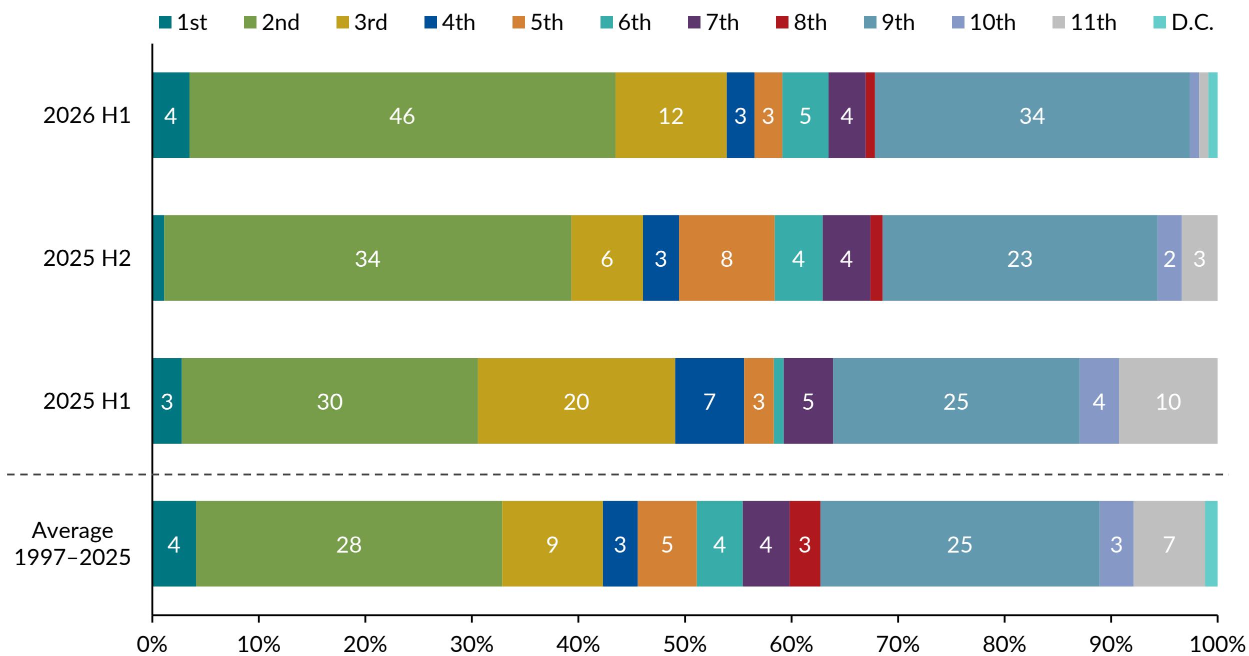
The number of filings in the Eleventh Circuit (1) was significantly below the 1997–2025 semiannual average (7).

The number of core filings in the Second Circuit in 2026 H1 increased relative to 2025 H2 and 2025 H1, primarily driven by a surge of Second Circuit filings in the Technology sector.

Of the 15 AI-related filings in 2026 H1, six were brought in the Ninth Circuit (three in California, two in Washington, and one in Nevada). Of the remaining nine, three were filed in the Second Circuit, three in the Third Circuit, and one in each of the First, Fifth, and Sixth Circuits.

The number of core filings in the Fifth Circuit declined, from eight in 2025 H2 to three in 2026 H1, dropping below the 1997–2025 semiannual average of five filings.

Figure 15: Filings by Circuit—Core Federal Filings



Note: This analysis only considers core federal filings. It does not present M&A lawsuits or combined federal and state data, and lawsuits are not identified as parallel. This is different from other figures in this report that account for filings in federal courts that also have parallel lawsuits identified in state courts. In those analyses, when parallel lawsuits are filed in different years, only the earlier filing date is reflected in the analysis. As a result, this figure's filing counts may not match those in Figures 1, 3, 4, 12, and 14, or Appendices 1 and 3. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Other Potential Trends in Allegations

PUMP & DUMP ALLEGATIONS

Beginning in November 2025, plaintiffs have filed 10 securities class action complaints alleging "pump-and-dump" schemes ("pump & dump filings") in which share prices for typically low-float companies are inflated through a variety of methods and then sold. There were two pump & dump filings in the last two months of 2025 and eight in 2026 H1.

A vast majority of pump & dump filings (9 out of 10) have been brought against non-U.S. issuers and were filed in the Second Circuit. The one filing brought against a U.S. issuer was filed in the Ninth Circuit.

Nine of the pump & dump filings included allegations that insiders participated in a "pump-and-dump" scheme and/or facilitated the coordinated dumping of shares. The only filing not alleging participation of insiders instead included allegations that insiders allowed the alleged scheme to unfold without intervention.

DDL from pump & dump filings in 2026 H1 tended to be low, having a median DDL ($386 million) below the overall median DDL observed in 2026 H1 ($581 million). However, the typical (i.e., median) percentage stock price drop at the end of the class period for these filings was 85%, significantly higher than the typical 2026 H1 filing (23%).

Five of the pump & dump filings were brought by Scott+Scott (two filings in 2025 and three filings in 2026 H1), three were brought by Wolf Haldenstein Adler Freeman & Herz LLP, and two were brought by Morris Kandinov LLP.

TARIFF-RELATED ALLEGATIONS

Beginning in August 2025, there have been six filings with tariff-related allegations ("tariff-related filings")—two in late 2025 and four in 2026 H1.

Tariff-related filings typically allege that a defendant overstated its ability to manage the impact of U.S. tariff policy or understated the extent to which its response to U.S. tariff policy would negatively impact its performance.

All six tariff-related filings alleged claims under Section 10(b). Three filings were brought in the Second Circuit and one was brought in each of the Fourth, Sixth, and Ninth Circuits.

Four of the tariff-related filings were brought by Pomerantz LLP (one filing in 2025 and three in 2026 H1), one was brought by Levi & Korsinsky LLP in 2026 H1, and one was brought by The Rosen Law Firm, P.A. in 2025.

PRIVATE CREDIT-RELATED ALLEGATIONS

There have been four recent filings with private credit-related allegations involving business development companies (BDCs)—one in December 2025 and three in 2026 H1.

The three filings in 2026 H1 were brought directly against BDCs and included allegations that the companies overstated the valuation of portfolio investments, overstated net asset value (NAV), or overstated the effectiveness of portfolio restructuring. The December 2025 filing was against a private equity firm that manages multiple BDCs and included claims that the company was facing undisclosed liquidity issues related to its BDC business.

All four lawsuits were filed by Glancy Prongay Wolke & Rotter LLP.

New Developments

FOURTH CIRCUIT REVERSES CLASS CERTIFICATION IN BOEING

On July 20, 2026, the Fourth Circuit reversed the district court's order certifying a class in *State of Rhode Island Office of the General Treasurer v. The Boeing Company, et al.*, holding that the plaintiffs did not provide a damages methodology consistent with their burden under the Supreme Court's decision in *Comcast v. Behrend*.[1]

The court explained that plaintiffs must satisfy five requirements to meet the *Comcast* standard:

- *A methodology, not a legal description*. Plaintiffs must offer a damages methodology explaining how damages will be measured in the specific case—not a generic legal description or list of possibilities.[2]
- *Class-wide measurability*. The methodology must show damages can be measured class-wide, so the court can assess whether common issues predominate.[3]
- *Consistency with liability*. The damages methodology must align with plaintiffs' liability theory.[4]
- *Just and reasonable calculations*. The methodology must support a fair inference of damages—calculations need not be exact, but cannot be arbitrary.[5]
- *Evidentiary proof*. Plaintiffs must prove the methodology satisfies these requirements, even where the analysis overlaps with the merits.[6]

The court found that "the plaintiffs did not provide a damages methodology consistent with *Comcast*'s commands."[7] This was due to several issues with the plaintiffs' showing:

- A specific theory of liability is necessary. Plaintiffs "had to," but did not, "identify their theory of liability by the class certification stage."[8]
- The "out-of-pocket" label was not sufficient. Plaintiffs' reference to "the 'out-of-pocket' methodology" did not provide enough information to explain "how to determine the artificial inflation embedded in Boeing's stock price on any day of the class period. Comcast demands that missing step."[9]
- Cataloging possible approaches was not sufficient. "[The plaintiffs' expert] never identified the actual approach that he would use or how he specifically planned to calculate damages based on that approach. A list of possible methodologies, described in general terms, isn't a methodology…"[10]
- Merits report also not sufficient. The court found that "even [the plaintiffs' expert's] merits report isn't enough for the plaintiffs to achieve class certification" because the methodology employed in that report was "inconsistent with the plaintiffs' theory of liability."[11]

For these reasons, the court ordered that "the district court's class-certification order is reversed, and the case is remanded for further proceedings consistent with this opinion."[12]

THREE SECURITIES CLASS ACTION TRIALS

In 2026 H1 there were three securities class action matters that were tried to a jury and reached a verdict.

First, on March 20, 2026, a jury in *Giuseppe Pampena v. Elon Musk* found Mr. Musk liable under Section 10(b) for making false or misleading statements regarding the number of bots and the number of fake or spam accounts on Twitter.[13] Second, on April 28, 2026, a jury in *In re: Vaxart Inc. Securities Litigation* found that Armistice Capital and two executives had not violated the federal securities laws regarding claims that they had engaged in a pump-and-dump scheme by issuing false press releases about Vaxart's vaccine research.[14] Third, on May 14, 2026, a jury in *Ramirez v. Exxon Mobil Corp.* cleared Exxon of claims that it misled investors with representations about the profitability of some of its operations.[15]

Securities class actions rarely proceed to trial. Prior to 2026, there had not been any trials of securities class actions since 2024, and there had not been multiple securities class action trials in a year since 2009.

DECISIONS BY THE SECOND CIRCUIT IN BARCLAYS AND GAP

In 2026 H1, the Second Circuit decided two cases with potentially important ramifications for securities class action litigation.

First, on March 24, 2026, the Second Circuit in *Knapp v. Barclays PLC* upheld the dismissal of a Section 11 claim relating to securities issued by Barclays Bank PLC.[16]

The court held that plaintiffs could not trace the securities they purchased, acquired through a reverse share split, to a registration statement containing the allegedly misleading information as required by the Supreme Court's 2023 decision in *Slack Technologies v. Pirani*.[17]

According to the court, "[b]ecause section 11 focuses on securities issued under a 'particular registration statement,' plaintiffs must first plead that they acquired securities '*traceable* to [that] allegedly defective ... statement.'"[18] However, "the [registration statement's] own terms show that it does *not* cover those [securities] but rather governs the 'initial sale of the [post-split] [securities]' that Barclays still held in its inventory, and which it had thus not distributed via the split."[19] Therefore, the court held, "[i]nvestors have thus failed to plead any facts tracing *their* [securities]—which they acquired via the reverse split"—to the allegedly misleading registration statement. [20]

Second, on May 28, 2026, the Second Circuit in *Smith v. The Gap, Inc.* affirmed the dismissal of a securities fraud complaint accusing the Gap of misleading investors about demand for its plus-size clothing line. [21]

According to the court, "[w]hether a warning about a future risk is misleading when it fails to disclose that the risk already materialized depends on how a reasonable investor would understand the statements 'taken together and in context.' ... A risk disclosure may be misleading if it leads a reasonable investor to believe that the risk has not yet materialized."[22]

Here, however, the court "reject[ed] Plaintiffs' proposed rule that a risk disclosure is actionable whenever a company fails to disclose that the risk already materialized in some way."[23] In deciding that the disclosures would not have misled a reasonable investor, the court explained that the disclosures "concerned ubiquitous risks in the industry, as opposed to more discrete, context-dependent, or event-driven risks."[24] The court elaborated that "[c]lothing retailers regularly 'misjudge the market' for merchandise and must discount prices 'to move the resulting excess inventory.' ... No reasonable investor would have understood Gap's acknowledgment of this risk to mean that it had not misjudged the market for certain clothes or was not discounting excess inventory at the time."[25]

SHORT SELLER CONVICTED OF SECURITIES FRAUD

On June 1, 2026, a jury convicted Andrew Left, prominent short seller and founder of Citron Research, with one count of securities fraud scheme and 12 counts of securities fraud "for using his public platform to illicitly profit by manipulating stock market activity and trading opposite to the position he presented to the public."[26]

According to the U.S. Department of Justice, "Left commented on publicly traded companies, asserting that the market incorrectly valued a company's stock and advocating that the current price was too high or too low. Left's recommendations often included an explicit or implicit representation about Citron's trading position—which created the false pretense that Left's economic incentives aligned with his public recommendation—and a 'target price,' which Left represented as his valuation of the company's stock."[27]

Further, Mr. Left "included sensationalized headlines and inflammatory language in the Citron reports, such as 'fraud' and 'smoking gun' [to] maximize the impact on the price of the Targeted Security as quickly as possible and create the opportunity for defendant Left to profitably exit his position as quickly as possible."[28]

Endnotes

1 State of Rhode Island Office of the General Treasurer v. The Boeing Company, et al., No. 25-1492 (4th Cir. July 20, 2026), at 4.

2 *Ibid*. at 26.

3 *Ibid*. at 27.

4 *Ibid*. at 28.

5 *Ibid*. at 28–29.

6 *Ibid*. at 29.

7 *Ibid*. at 4.

8 *Ibid*. at 31.

9 *Ibid*. at 30.

10 *Ibid*. at 34.

11 *Ibid*. at 40–41.

12 *Ibid*. at 42.

13 Pampena v. Musk, No. 3:22-cv-05937-CRB (N.D. Cal. Mar. 20, 2026).

14 In re Vaxart: Inc. Securities Litigation, No. 3:20-cv-05949-VC (N.D. Cal. Apr. 28, 2026).

15 Ramirez v. Exxon Mobil Corp., No. 3:16-cv-03111-K (N.D. Tex. May 14, 2026).

16 Knapp et al. v. Barclays PLC et al., No. 25-1631 (2nd Cir. Mar. 24, 2026), at 8.

17 *Ibid*. at 14.

18 *Ibid*. at 8 (emphasis in original).

19 *Ibid*. at 14 (emphasis in original).

20 *Ibid*. at 17.

21 Smith v. The Gap, Inc., No. 25-1130 (2nd Cir. May 28, 2026), at 2.

22 *Ibid*. at 9.

23 *Ibid*. at 8.

24 *Ibid*. at 9.

25 *Ibid*.

26 Press release, “Founder of Citron Research Found Guilty of Scheming to Manipulate Stock Market via Media Campaigns,” U.S. Department of Justice, June 1, 2026.

27 Pending Criminal Division Cases, United States v. Andrew Left, U.S. Department of Justice, June 1, 2026.

28 Indictment, United States v. Andrew Left, No. 2:24-cr-00456 (C.D. Cal. July 25, 2024).

Glossary

Annual Number of Class Action Filings by Location of Headquarters (formerly known as the Class Action Filings Non-U.S. Index) tracks the number of core federal filings against non-U.S. issuers (companies headquartered outside the United States) relative to total core federal filings.

Class Action Filings Index® (CAF Index®) tracks the number of federal securities class action filings.

Core filings are all state 1933 Act class actions and all federal securities class actions excluding those defined as M&A class action filings.

Cyan refers to *Cyan Inc. v. Beaver County Employees Retirement Fund*. In its March 2018 opinion, the U.S. Supreme Court ruled that 1933 Act claims may be brought to state venues and are not removable to federal court.

Disclosure Dollar Loss Index® (DDL Index®) measures the aggregate DDL for all federal and state filings over a period of time. DDL is the dollar-value change in the defendant firm's market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period. DDL should not be considered an indicator of liability or measure of potential damages. Instead, it estimates the impact of all information revealed at the end of the class period, including information unrelated to the litigation. Reported DDL is inflation-adjusted to 2026 dollars (from the year of the end of the alleged class period for Rule 10b-5 filings and the filing year for all other filings) using the Consumer Price Index for All Urban Consumers (CPI-U).

Dollar Loss on Offered Shares Index™ (DLOS Index™) measures the aggregate DLOS for federal filings with only Section 11 claims and for state 1933 Act filings. DLOS is the change in the dollar value of shares acquired by members of the putative class. It is the difference in the price of offered shares (i.e., from the date the registration statement becomes effective through the filing date of the first identified complaint multiplied by the shares offered). DLOS should not be considered an indicator of liability or measure of potential damages. Instead, it estimates the impact of all information revealed between the date of the registration statement and the complaint filing date, including information unrelated to the litigation. Reported DLOS is inflation-adjusted to 2026 dollars from the filing year using the Consumer Price Index for All Urban Consumers (CPI-U).

First identified complaint is the first complaint filed of one or more securities class action complaints with the same underlying allegations filed against the same defendant or set of defendants. When there is no federal complaint and multiple state complaints are filed, they are treated as separate filings.

Market capitalization losses measure changes to market values of the companies subject to class action filings. This report tracks market capitalization losses for defendant firms during and at the end of class periods. They are calculated for publicly traded common equity securities, closed-ended mutual funds, and exchange-traded funds where data are available. Declines in market capitalization may be driven by market, industry, and/or firm-specific factors. To the extent that the observed losses reflect factors unrelated to the allegations in class action complaints, indices based on class period losses would not be representative of potential defendant exposure in class actions. This is especially relevant in the post-*Dura* securities litigation environment. In April 2005, the U.S. Supreme Court ruled that plaintiffs in a securities class action are required to establish a causal connection between alleged wrongdoing and subsequent shareholder losses. This report tracks market capitalization losses at the end of each class period using DDL and market capitalization losses during each class period using MDL.

Maximum Dollar Loss Index® (MDL Index®) measures the aggregate MDL for all federal and state filings over a period of time. MDL is the dollar-value change in the defendant firm's market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period. MDL should not be considered an indicator of liability or measure of potential damages. Instead, it estimates the impact of all information revealed during or at the end of the class period, including information unrelated to the litigation. Reported MDL is inflation-adjusted to 2026 dollars (from the year of the end of the alleged class period for Rule 10b-5 filings and the filing year for all other filings) using the Consumer Price Index for All Urban Consumers (CPI-U).

Merger and acquisition (M&A) class action filings are securities class actions filed in federal courts that have Section 14 claims, but no Rule 10b-5, Section 11, or Section 12(a) claims, and involve merger and acquisition transactions.

Sciabacucchi refers to *Salzberg v. Sciabacucchi*. On March 18, 2020, the Delaware Supreme Court held that forum-selection provisions in corporate charters requiring that some class action securities claims under the 1933 Act be adjudicated in federal courts are enforceable.

Securities Class Action Clearinghouse (SCAC) and Stanford Securities Litigation Analytics (SSLA) are authoritative sources of data and analysis on the financial and economic characteristics of federal and state securities fraud class action litigation. SCAC is cosponsored by Cornerstone Research and Stanford Law School.

SPAC refers to "Special Purpose Acquisition Company."

State 1933 Act filing is a class action filed in a state court that asserts claims under Section 11 and/or Section 12 of the Securities Act of 1933. These filings may also have Section 15 claims, but do not have Rule 10b-5 claims.

Trend categories are categories of related securities class actions filed in federal courts. Current trend categories include AI, COVID-19, Cryptocurrency, Cybersecurity, and SPAC.

Additional Notes to Figures and Appendices

Counts and Totals Methodology

1. A parallel filing is a filing in federal court that has a related filing in state court.

2. For a state court filing to be considered parallel, it must be filed against the same defendant, concern the same security, and contain similar allegations to the federal filing.

3. Any additional filing against the same defendant brought in a different state without an additional federal court filing is counted as a unique state filing.

4. When parallel lawsuits are filed in different years or semiannual periods, only the earliest filing is reflected in filing counts and totals.

5. Parallel filings are only used in figures that show combined counts or totals across federal and state courts.

6. Figures that separately present state and federal counts or totals do not identify parallel filings. Therefore, counts and totals in each period are based on the date of each filing, rather than the earliest of the parallel state and federal filing dates. As a result, these figures differ in counts and totals from other figures that rely on parallel filing identification.

7. Figures that only present state counts or totals similarly do not identify parallel filings. Therefore, counts and totals in each period are only based on the dates of state filings. As a result, these figures differ in counts and totals from other figures that rely on parallel filing identification.

8. Figures that only present federal counts or totals similarly do not identify parallel filings. Therefore, counts and totals in each period are only based on the dates of federal filings. As a result, these figures differ in counts and totals from other figures that rely on parallel filing identification.

Figure 2: Artificial Intelligence-Related Filings by Defendant Type—Core Federal Filings

<u>Definitions of Artificial Intelligence Filing Classifications:</u>

AI Development filings include allegations related to the development of AI models, machine learning algorithms, or automation tools for customer use.

AI Usage filings include allegations related to the use of AI to enhance or improve existing products, rather than the development of AI models, machine learning algorithms, or automation tools for customer use.

AI Infrastructure/Hardware filings include allegations related to infrastructure or hardware necessary for AI use or development and include allegations related to cloud computing platforms or graphics processing units (GPUs).

Data Centers filings include allegations related to physical data centers, such as real estate purchases or the supply of energy for operation.

Autonomous Vehicles filings include allegations related to the creation of self-driving vehicles as well as the software they rely on. If a filing fits this category, it is excluded from other categories.

Other AI-Related Filings capture any filings that do not fit into one of the other categories, but still are considered AI-related.

Figure 3: Federal Filings and State 1933 Act Filings by Venue

1. Categorizations of allegations are based on the first identified complaint.

2. The federal Section 11 data displayed may contain Rule 10b-5 claims, but state 1933 Act filings do not.

3. Federal Section 10(b)–only filings may have non-Section 11 or non-Section 12 allegations.

4. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six filings contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.

Figure 5: Summary of Trend Filings—Core Federal Filings

<u>Definitions of Trend Categories:</u>

Artificial Intelligence–related filings are those in which the company at issue (1) develops AI models, (2) manufactures products used in AI infrastructure, or (3) uses AI models for business purposes; and, in addition, the allegations are related to AI, or misrepresentations or failures to disclose risks associated with the use of AI. AI-related filings include those with allegations related to machine learning and autonomous driving, among others.

COVID-19-related filings include allegations related to companies negatively impacted by the pandemic or looking to address demand for products as a result of the pandemic.

Cryptocurrency-related filings include allegations against defendants that owned, operated, or controlled entities that engaged in the sale or exchange of tokens (commonly initial coin offerings) or non-fungible tokens (NFTs), cryptocurrency mining, cryptocurrency derivatives, or that designed blockchain-focused software.

Cybersecurity-related filings are those in which allegations relate to data breaches or security vulnerabilities.

SPAC filings concern companies that went public for the express purpose of acquiring an existing company in the future. These include current and former SPACs.

In 2024, one filing against a SPAC also had COVID-19-related allegations, and two filings against SPACs also had AI-related allegations. In 2023, one filing against a SPAC also had cryptocurrency-related allegations, one filing against a SPAC also had AI-related allegations, and one filing against a SPAC had allegations related to cybersecurity. In 2022, two filings against SPACs also had cryptocurrency-related allegations, and two filings against SPACs also had AI-related allegations. One filing against a SPAC also had COVID-19-related allegations. In 2021, one filing against a SPAC also had AI-related allegations, one filing had both cryptocurrency-related allegations and cybersecurity allegations, and one filing had both cybersecurity allegations and AI-related allegations.

Figure 10: Percentage of U.S. Exchange–Listed Companies Subject to Federal or State Filings

1. Percentages are calculated by dividing the unique number of issuers listed on the NYSE or Nasdaq subject to filings by the unique number of companies listed on the NYSE or Nasdaq as of the beginning of the year. Percentages may not sum due to rounding.

2. Core filings and M&A class action filings do not include instances in which a company has been subject to both a core and M&A class action filing in the same year. These are reported separately in the category labeled "Both Core and M&A class action filings." Since 2009, there have been 22 instances in which a company has been subject to both core and M&A class action filings in the same year. In 2017, 0.14% of U.S. exchange–listed companies were subject to both a core and M&A class action filing in the same year. In 2009, 2010, 2013, 2015, 2016, 2019, 2020, and 2021, less than 0.1% of U.S. exchange–listed companies were subject to both a core and M&A class action filing in the same year. In all other years since 2009, there were no companies subject to both core and M&A class action filings in the same year.

3. Listed companies were identified by taking the count of listed securities at the beginning of each year and accounting for cross-listed companies or companies with more than one security traded on a given exchange. Securities were counted if they were classified as common stock or American depositary receipts (ADRs) and listed on the NYSE or Nasdaq.

4.This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in Figure 10. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. The figure begins including issuers facing suits in state 1933 Act filings in 2010.

Figure 11: State 1933 Act Filings by State

1. All Others contains filings in Alabama, Arizona, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Massachusetts, Michigan, Nevada, New Hampshire, New Jersey, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Washington, West Virginia, and Wisconsin.

2. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six filings contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.

Figure 12: Semiannual Federal Section 11 and State 1933 Act Filings

1. The federal Section 11 filings displayed may include Rule 10b-5 claims, but state 1933 Act filings do not.

2. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.

Appendices

Appendix 1: Filings Basic Metrics

	Class Action Filings	Core Filings	Disclosure Dollar Loss: DDL Total ($ Billions)	Disclosure Dollar Loss: Average ($ Millions)	Disclosure Dollar Loss: Median ($ Millions)	Maximum Dollar Loss: MDL Total ($ Billions)	Maximum Dollar Loss: Average ($ Millions)	Maximum Dollar Loss: Median ($ Millions)
1997 H1	79	79	$24	$350	$91	$111	$1,630	$825
1997 H2	95	95	$63	$731	$152	$191	$2,223	$846
1998 H1	115	115	$73	$706	$85	$178	$1,732	$555
1998 H2	127	127	$91	$774	$145	$277	$2,364	$684
1999 H1	126	126	$124	$1,131	$197	$290	$2,637	$674
1999 H2	83	83	$154	$2,082	$257	$433	$5,858	$899
2000 H1	111	111	$315	$3,285	$180	$638	$6,645	$852
2000 H2	105	105	$146	$1,525	$274	$824	$8,588	$1,873
2001 H1	103	103	$257	$2,768	$184	$1,860	$19,999	$1,848
2001 H2	77	77	$116	$1,657	$128	$942	$13,450	$1,228
2002 H1	109	109	$149	$1,431	$215	$1,710	$16,443	$2,597
2002 H2	115	115	$221	$2,230	$338	$2,064	$20,853	$2,845
2003 H1	105	105	$87	$896	$170	$609	$6,275	$963
2003 H2	87	87	$53	$716	$183	$435	$5,876	$661
2004 H1	111	111	$101	$1,133	$177	$557	$6,255	$788
2004 H2	117	117	$153	$1,440	$205	$733	$6,918	$1,090
2005 H1	109	109	$98	$1,055	$235	$423	$4,544	$784
2005 H2	73	73	$60	$954	$282	$200	$3,182	$870
2006 H1	65	65	$35	$652	$194	$211	$3,911	$677
2006 H2	55	55	$50	$1,003	$159	$278	$5,557	$720
2007 H1	69	69	$60	$1,053	$244	$277	$4,853	$1,235
2007 H2	108	108	$194	$1,958	$253	$850	$8,588	$1,053
2008 H1	111	111	$143	$2,073	$354	$729	$10,567	$2,170
2008 H2	113	113	$198	$2,573	$250	$531	$6,898	$1,596
2009 H1	82	79	$76	$1,995	$262	$542	$14,262	$1,813
2009 H2	82	78	$54	$852	$208	$306	$4,863	$1,436
2010 H1	71	58	$82	$1,789	$247	$529	$11,495	$1,107
2010 H2	103	77	$29	$484	$214	$197	$3,341	$594
2011 H1	94	73	$73	$1,099	$136	$385	$5,836	$565
2011 H2	95	73	$97	$1,409	$134	$394	$5,705	$1,007
2012 H1	88	81	$89	$1,216	$220	$367	$5,024	$968
2012 H2	66	61	$52	$954	$221	$223	$3,984	$781
2013 H1	75	68	$35	$581	$235	$165	$2,697	$754
2013 H2	90	84	$112	$1,453	$210	$231	$3,003	$764
2014 H1	80	73	$42	$606	$250	$141	$2,010	$762
2014 H2	90	85	$36	$461	$188	$168	$2,157	$722
2015 H1	102	85	$67	$806	$126	$176	$2,125	$570
2015 H2	115	98	$100	$1,052	$237	$403	$4,240	$899
2016 H1	128	101	$59	$624	$210	$526	$5,538	$1,438
2016 H2	160	103	$88	$903	$238	$644	$6,642	$1,459
2017 H1	222	126	$99	$829	$200	$397	$3,340	$703
2017 H2	190	88	$71	$925	$263	$298	$3,868	$1,206
2018 H1	211	120	$211	$2,031	$307	$864	$8,310	$1,354
2018 H2	209	118	$226	$2,153	$530	$876	$8,344	$1,494
2019 H1	207	134	$227	$1,958	$236	$1,037	$8,940	$1,071
2019 H2	220	133	$139	$1,150	$324	$504	$4,165	$1,542
2020 H1	184	120	$137	$1,358	$204	$671	$6,643	$1,286
2020 H2	147	112	$206	$2,042	$248	$1,267	$12,544	$1,287

Appendix 1: Filings Basic Metrics, *continued*

			Disclosure Dollar Loss			Maximum Dollar Loss		
	Class Action Filings	Core Filings	DDL Total ($ Billions)	Average ($ Millions)	Median ($ Millions)	MDL Total ($ Billions)	Average ($ Millions)	Median ($ Millions)
2021 H1	111	99	$99	$1,121	$461	$444	$5,051	$1,727
2021 H2	107	101	$237	$2,688	$513	$710	$8,067	$1,834
2022 H1	115	110	$544	$6,047	$398	$1,785	$19,838	$2,579
2022 H2	93	91	$126	$1,657	$199	$961	$12,651	$1,953
2023 H1	112	108	$199	$2,191	$327	$2,472	$27,163	$2,841
2023 H2	103	101	$180	$1,953	$392	$1,054	$11,457	$2,246
2024 H1	111	109	$195	$2,034	$234	$955	$9,952	$1,922
2024 H2	115	112	$245	$2,610	$514	$728	$7,746	$1,888
2025 H1	114	111	$414	$4,316	$476	$1,902	$19,812	$2,312
2025 H2	93	90	$299	$3,984	$613	$1,000	$13,332	$2,592
2026 H1	121	117	$529	$5,191	$581	$1,858	$18,212	$2,004
Semiannual Average 1997–2025	113	97	$136	$1,578	$254	$667	$7,758	$1,307

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. State 1933 Act filings are included in the data beginning in 2010. As a result, filing counts and index totals in this appendix may not match those in Figures 4, 9, 11, and 13 or Appendices 2, 4, 5, and 6. There are core filings for which data are not available to estimate MDL and DDL accurately; these filings are excluded from MDL and DDL analysis. The numbers shown in this figure have been inflation-adjusted to 2026 dollars and will not match prior reports.

Appendix 2: 1933 Act Filings in State Courts

Year	California	New York	Texas	Massachusetts	Pennsylvania	Others	Total
2010	1	0	0	0	0	0	1
2011	3	0	0	0	0	0	3
2012	5	0	0	0	1	2	8
2013	1	0	0	0	0	0	1
2014	5	0	0	0	0	0	5
2015	15	0	0	2	0	0	17
2016	19	0	1	1	0	6	27
2017	7	0	1	0	1	4	13
2018	16	13	0	0	0	6	35
2019	15	19	2	1	3	12	52
2020	5	13	0	1	0	4	23
2021	1	10	0	0	0	1	12
2022	5	5	0	0	1	1	12
2023	3	3	0	0	0	0	6
2024	3	2	0	0	1	0	6
2025	1	2	0	0	0	1	4
2026 H1	0	2	0	0	0	1	3
Average 2010–2025	7	4	0	0	0	2	14

Note: This analysis counts all filings in state courts. It does not present data on a combined federal and state basis, nor does it identify or account for cases that have parallel filings in both state and federal courts. As a result, totals in this analysis may not match Figures 1–3 and 10 or Appendix 1. The "Others" category includes filings in Alabama, Arizona, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Michigan, Nevada, New Hampshire, New Jersey, Ohio, Oregon, Rhode Island, Tennessee, Utah, Washington, West Virginia, and Wisconsin. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.

Appendix 3: Filings by Industry—Core Filings
(Dollars in 2026 billions)

	Class Action Filings				Disclosure Dollar Loss				Maximum Dollar Loss			
Industry	Semiannual Average 1997–2025	2025 H1	2025 H2	2026 H1	Semiannual Average 1997–2025	2025 H1	2025 H2	2026 H1	Semiannual Average 1997–2025	2025 H1	2025 H2	2026 H1
Basic Materials	3	4	3	0	$2	$14	$18	$0	$12	$16	$40	$0
Communications	13	5	8	6	$28	$25	$21	$3	$157	$50	$48	$27
Consumer Cyclical	11	7	11	11	$12	$22	$73	$13	$79	$81	$514	$41
Consumer Non-Cyclical	28	43	35	44	$40	$243	$52	$79	$146	$590	$168	$235
Energy	4	5	1	7	$3	$3	$1	$7	$22	$16	$1	$20
Financial	14	8	9	10	$16	$2	$6	$8	$95	$6	$22	$65
Industrial	8	9	7	10	$10	$10	$20	$6	$39	$27	$62	$25
Technology	12	21	9	24	$24	$94	$107	$413	$107	$1,101	$146	$1,445
Utilities	2	1	0	0	$2	$0	$0	$0	$14	$15	$0	$0
Unknown/Unclassified	6	8	7	5	$1	$0	$0	$0	$1	$0	$0	$0
Total	101	111	90	117	$137	$414	$299	$529	$672	$1,902	$1,000	$1,858

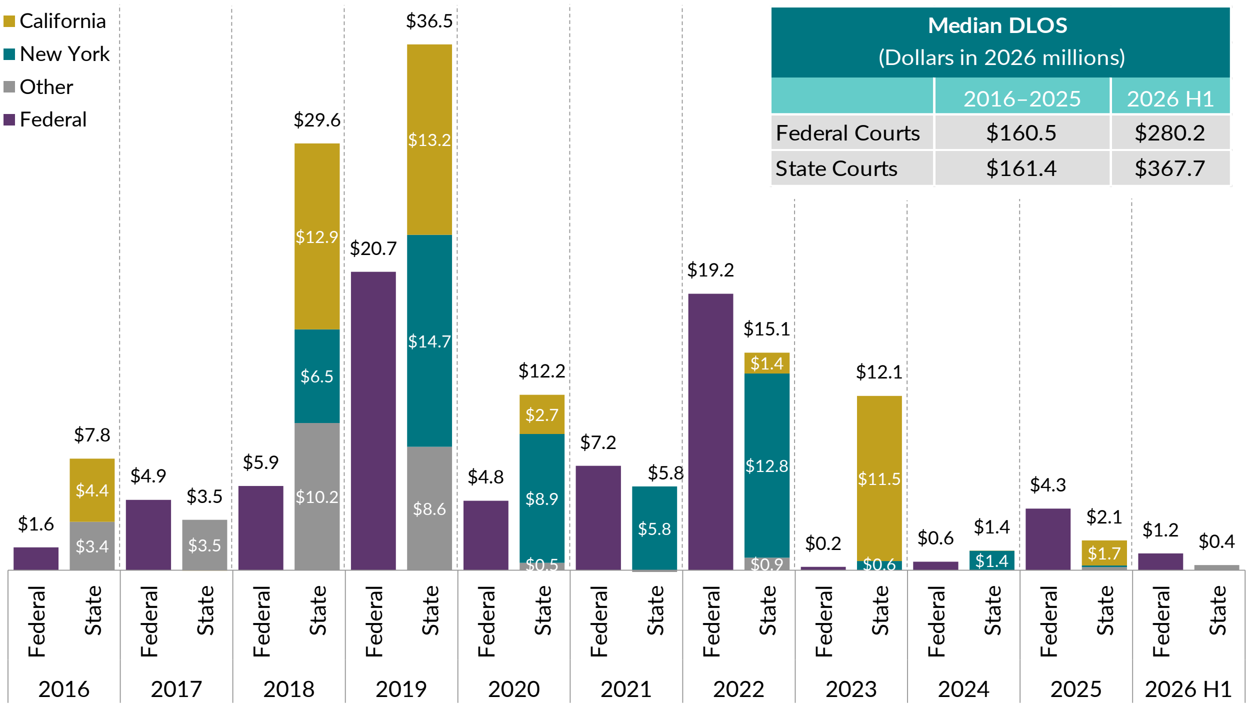
Note: Filings with missing sector information or infrequently used sectors may be excluded. As a result, numbers in this figure may not match other total counts listed in the report. This figure presents combined core federal and state data. It does not present M&A lawsuits. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts and index totals may not match those in Figures 4, 9, 11, and 13 or Appendices 2, 4, 5, and 6. Sectors are based on the Bloomberg Industry Classification Standard. The MDL/DDL numbers shown in this figure have been inflation-adjusted to 2026 dollars and will not match prior reports. Figures may not sum due to rounding.

Appendix 4: Filings by Circuit—Core Federal Filings
(Dollars in 2026 billions)

	Class Action Filings				Disclosure Dollar Loss				Maximum Dollar Loss			
Circuit	Semiannual Average 1997–2025	2025 H1	2025 H2	2026 H1	Semiannual Average 1997–2025	2025 H1	2025 H2	2026 H1	Semiannual Average 1997–2025	2025 H1	2025 H2	2026 H1
1st	4	3	1	4	$5	$1	$1	$25	$16	$6	$1	$49
2nd	28	30	34	46	$40	$193	$68	$54	$199	$303	$168	$218
3rd	9	20	6	12	$16	$51	$11	$28	$67	$183	$24	$485
4th	3	7	3	3	$2	$2	$6	$3	$12	$10	$9	$44
5th	5	3	8	3	$7	$1	$74	$0	$40	$4	$506	$4
6th	4	1	4	5	$6	$0	$4	$6	$24	$0	$20	$22
7th	4	5	4	4	$7	$13	$42	$1	$28	$79	$83	$7
8th	3	0	1	1	$4	$0	$1	$0	$13	$0	$4	$2
9th	25	25	23	34	$42	$93	$91	$412	$229	$1,167	$178	$1,026
10th	3	4	2	1	$2	$12	$1	$0	$11	$15	$6	$1
11th	7	10	3	1	$5	$47	$0	$0	$22	$120	$0	$0
D.C.	1	0	0	1	$2	$0	$0	$0	$9	$0	$0	$0
Total	97	108	89	115	$138	$414	$299	$529	$670	$1,888	$1,000	$1,858

Note: This analysis only considers federal filings. It does not present combined federal and state data, and filings are not identified as parallel. This is different from other figures in this report that account for filings in federal courts that also have parallel lawsuits identified in state courts. In those analyses, when parallel lawsuits are filed in different years, only the earlier filing date is reflected in the analysis. As a result, counts and index totals in this analysis may not match Figures 1–3, 5–10, and 12 or Appendices 1–3 and 6. The MDL/DDL numbers shown in this figure have been inflation-adjusted to 2026 dollars and will not match prior reports. Figures may not sum due to rounding.

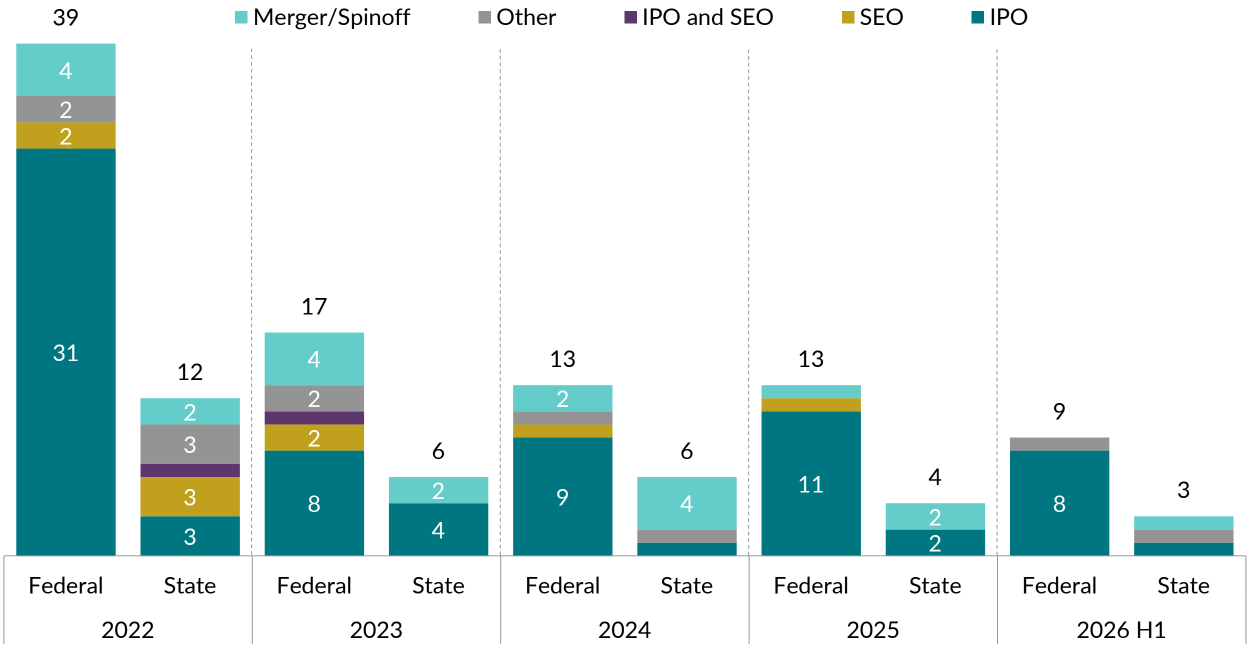
Appendix 5: Dollar Loss on Offered Shares™ (DLOS Index™) in Federal Section 11–Only and State 1933 Act Filings



Median DLOS (Dollars in 2026 millions)		
	2016–2025	2026 H1
Federal Courts	$160.5	$280.2
State Courts	$161.4	$367.7

Note: The numbers shown in this figure have been inflation-adjusted to 2026 dollars and will not match prior reports. Federal filings in this analysis must contain a Section 11 claim, but do not contain Section 10(b) claims. DLOS is calculated using the difference between the offering price of the shares and their closing price on the filing date of the first identified complaint. This figure does not identify or account for parallel filings. Counts and totals in each period are based on the date of each filing, rather than the earliest of the parallel state and federal filing dates. As a result, this figure differs in counts and totals from other figures that rely on parallel filing identification. See Additional Notes to Figures for Counts and Totals Methodology.

Appendix 6: Type of Security Issuance Underlying Federal Section 11 and State 1933 Act Filings



Note: This figure does not identify or account for parallel filings. IPO refers to initial public offering; SEO refers to seasoned equity offering. Counts and totals in each period are based on the date of each filing, rather than the earliest of the parallel state and federal filing dates. As a result, this figure differs in counts and totals from other figures that rely on parallel filing identification. See Additional Notes to Figures for Counts and Totals Methodology.

Research Sample

Data from the Securities Class Action Clearinghouse, which is cosponsored by Cornerstone Research and Stanford Law School, have been supplemented with data from Stanford Securities Litigation Analytics to identify 7,073 federal securities class action filings between January 1, 1996, and June 30, 2026 (securities.stanford.edu and sla.law.stanford.edu). The analysis in this report is based on data identified as of July 11, 2026.

The sample used in this report includes federal filings that typically allege violations of Sections 11 or 12 of the Securities Act of 1933, or Sections 10(b) or 14(a) of the Securities Exchange Act of 1934.

The sample is referred to as the "classic filings" sample and excludes initial public offering (IPO) allocation, analyst, and mutual fund filings (313, 68, and 25 filings, respectively).

Multiple filings related to the same allegations against the same defendant(s) are consolidated in the database through a unique record indexed to the first identified complaint.

In addition to federal filings, class actions filed in state courts since January 1, 2010, alleging violations of the Securities Act of 1933 are also separately tracked.

This research has identified 234 class action filings in state courts from January 1, 2010, to June 30, 2026.

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