CRA Insights

Securities Flash

CRA Charles River Associates

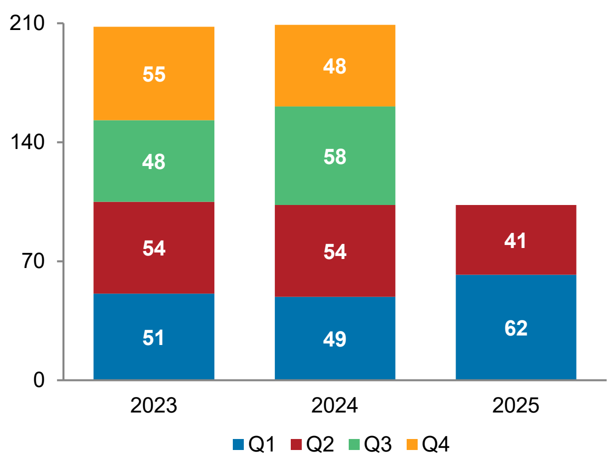
July 2025

Section 10(b) and Section 11 Filings and Settlements
Q2 2025 Update

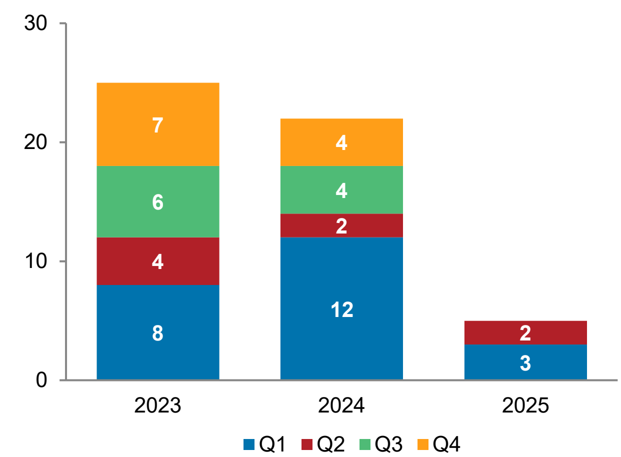
Filing trends

- Section 10(b) and Section 11 filings totaled 41 during the second quarter of 2025, 24% less than in the same period in 2024 and 24% less than in the same period in 2023.[1]
- Of those, only 2 filings had Section 11 claims in the second quarter of 2025, in line with the same period of 2024 (2 filings) and less than in the same period of 2023 (4 filings).

Section 10(b) and Section 11 filings



Section 11 filings



- 47% of the year-to-date filings occurred in California (21) and New York (27).[2]
- A majority of the year-to-date filings, 75%, are concentrated in the Manufacturing and Services industry sectors.[3] The Technology industry accounted for 21% of the year-to-date filings, and Pharmaceuticals & Biotechnology industry accounted for 22% of the year-to-date filings.[4]

---

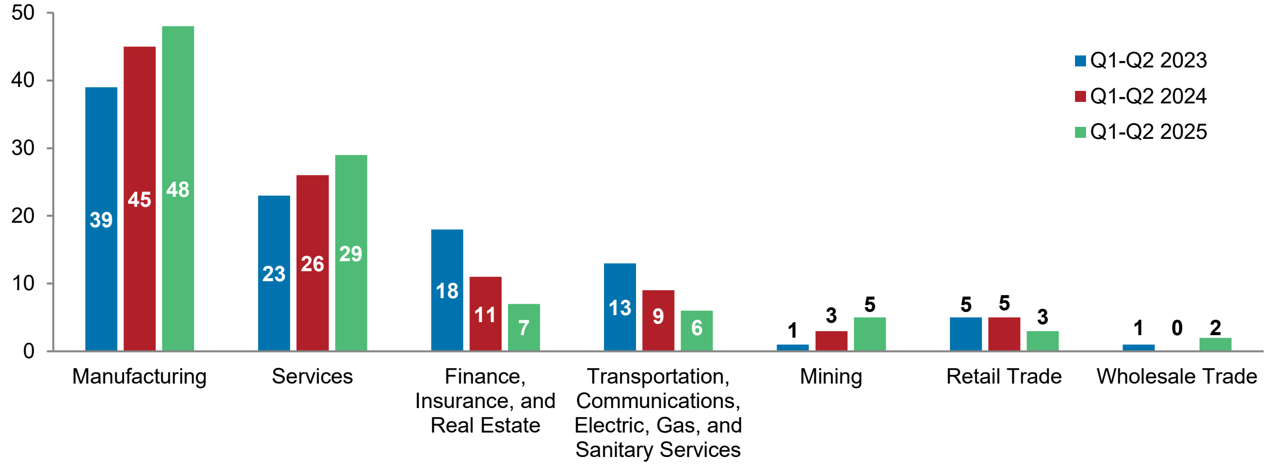
[1] The analysis is based on the data provided by ISS SCAS RecoverMax platform as of July 15, 2025, which includes Section 10(b) and Section 11 filings in U.S. District Courts. Because ISS SCAC updates its data, the filing counts may change from our previous publications.

[2] Year-to-date refers to the first and second quarters of 2025.

[3] Industry sectors reflect SIC Divisions. See https://www.osha.gov/data/sic-manual.

[4] Industries reflect SIC Industry Groups defined by a three-digit SIC code. Technology refers to the SIC Industry Group Computer Programming, Data Processing, And Other Computer Related Services. Pharmaceuticals & Biotechnology refers to the SIC Industry Group Drugs. See https://www.osha.gov/data/sic-manual.

Q1-Q2 2025 filings by industry sector as compared to 2023 and 2024

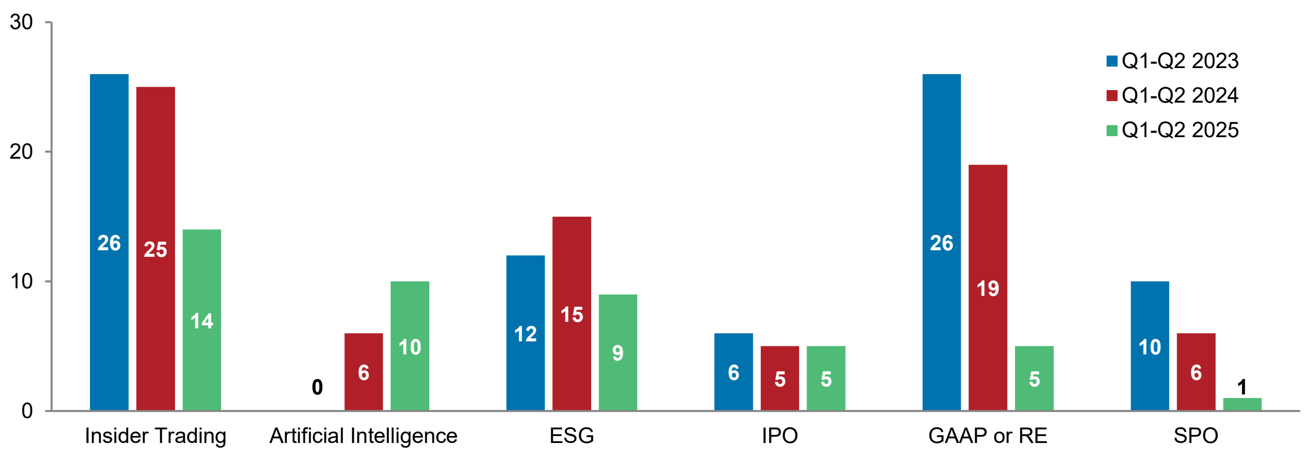


Note: Excludes the following industries, each with only one filing in 2025: Construction and Agriculture, Forestry, and Fishing. Also excludes cases missing an industry sector.

Complaint allegations

- In the first half of 2025, 14 filings had insider trading allegations; 10 filings related to Artificial Intelligence; 9 filings included ESG-related issues; 5 filings involved an initial public offering ("IPO"); 5 filings related to GAAP issues or restated earnings; and 1 filing involved a secondary public offering ("SPO").

Complaint allegations



Dismissals and settlements

- Among the cases filed in the past 10 years,[5] 47% of the cases have been dismissed so far.[6] 79 of these cases were dismissed in the first two quarters of 2025.
- 28% of the cases filed in the past 10 years have settled. 34 of these cases settled during the first two quarters of 2025.[7]

---

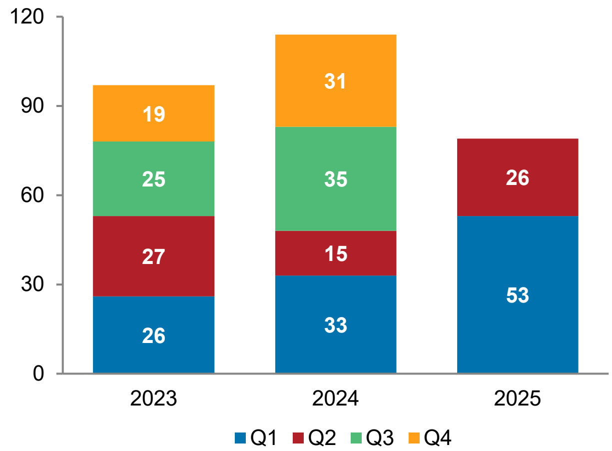
[5] The past 10 years refers to cases filed from July 1, 2015 to June 30, 2025.

[6] Excludes tentative or/and partial dismissals.

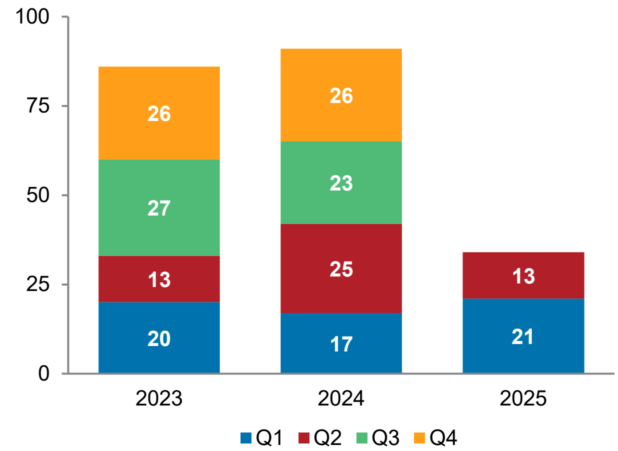
[7] Based on final settlement date.

- Out of the 34 cases that settled during the first two quarters of 2025, 16 cases reached the stage of class certification filing.

Dismissed cases

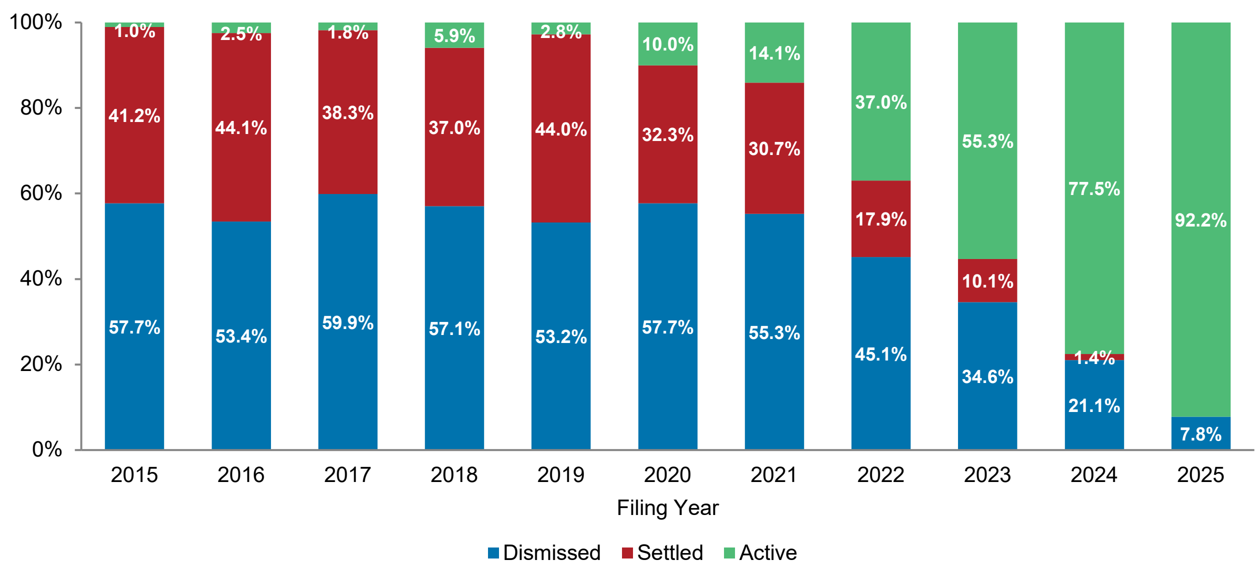


Settled cases



- Among the cases filed in the past 10 years, 25% of the cases remain active.[8] Class has been certified in 31 of these cases.

Status of the cases filed in the past 10 years



Note: Filings from Q3 2015 to Q2 2025.

Settlement amounts

- Among the cases filed in the past 10 years,[9] the median settlement amount for the cases that settled in Q1-Q2 2025 was $15.0 million, up from $13.7 million for the cases that settled in 2024 and a little higher than the $14.6 million for the cases that settled in 2023.
- In Q1-Q2 2025, the middle 50% of settlement amounts were between $4.6 million and $49.4 million, a larger range than in full-year 2024 ($3.8 - $36.0 million) and full-year 2023 ($4.9 - $36.0 million).

[8] Active cases include cases that reached the stage of class certification and cases with tentative or/and partial dismissals/settlements. Active cases also include cases flagged by ISS as ‘Settled’ that do not have a populated final settlement date.

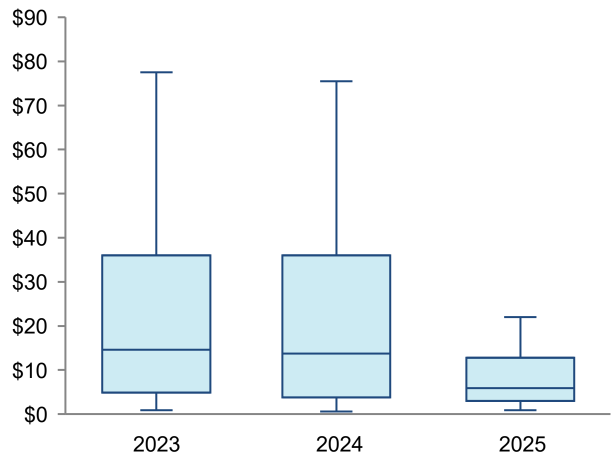
[9] The past 10 years refers to cases filed from July 1, 2015 to June 30, 2025.

- The highest settlement amount during Q1-Q2 2025 was $433.5 million. The highest settlement amount was $490 million in 2024 and $1 billion in 2023.[10]
- In approximately 90% of the cases that settled from 2023 to Q2 2025, the settlement amount was below $85 million.

Time to settlement

- Among the cases filed in the past 10 years, the median time to settlement for the cases settled in Q1-Q2 2025 was 3.8 years, longer than for the cases that settled in 2024 (3.2 years) and 2023 (3.6 years).
- The longest time to settlement for the cases settled in Q1-Q2 2025 was 8.7 years, similar to 2024 (8.3 years) and 2023 (8.1 years).

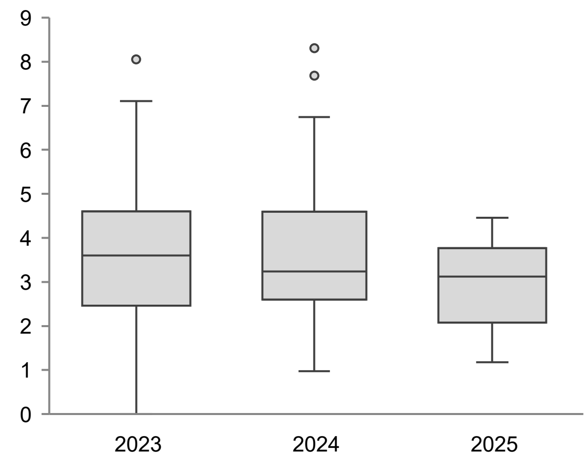
Settlement amounts ($ millions)
Distribution excluding outliers:



Range of values:

	2023	2024	Q1-Q2 2025
Min	0.9	0.6	0.9
Max	1,000.0	490.0	433.5

Time to settlement (years)



Range of values:

	2023	2024	Q1-Q2 2025
Min	0.0	1.0	1.2
Max	8.1	8.3	8.7

Note: Filings from Q3 2015 to Q2 2025 with positive settlement amounts. An observation 1.5 interquartile ranges away from the middle 50% of the observation is considered an outlier.

About CRA's Finance Practice

CRA's Finance Practice provides advanced consulting services to corporate clients and attorneys. We specialize in applying the tools, principles, and findings of finance, economics, and accounting to complex litigation and business problems. Companies, law firms, and government agencies rely on CRA for high-quality research and analysis, expert testimony, and comprehensive support in litigation and regulatory proceedings. Our reputation is built on exceptional client service and our ability to present innovative and pragmatic solutions to complicated challenges. For additional information about how CRA's experts can help you with your litigation and regulatory needs, please visit: **www.crai.com**.

[10] Alibaba Group Holding Limited settled for $433.5 million in March 2025. Apple Inc. settled for $490 million in 2024 and Wells Fargo & Company settled for $1 billion in 2023.

Contacts

Mukarram Attari
Co-Practice Leader of Finance
Oakland
+1-510-595-2711
mattari@crai.com

Stephen O'Neil
Co-Practice Leader of Finance
Boston
+1-617-425-3052
soneil@crai.com

Aaron Dolgoff
Vice President
Boston
+1-617-425-3623
adolgoff@crai.com

Tiago Duarte-Silva
Vice President
Boston
+1-617-425-3128
tduarte@crai.com

Sam Lynch
Vice President
Boston
+1-617-425-3089
slynch@crai.com