

SECURITIES CLASS ACTION (SCA) RULE 10b-5 EXPOSURE REPORT – 3Q 2020



October 9, 2020

U.S. SCA Rule 10b-5 Exposure of Public Corporations that Issue Common Stock on U.S. Exchanges Increased to \$101.8 in 3Q'20 from \$44.9B in 2Q'20ⁱ

40 Public Corporations that Issue Common Stock on U.S. Exchanges (“U.S. issuers”) were sued for alleged violations of the federal securities laws under Section 10(b) and 20(a) of the Securities Exchange Act of 1934 during 3Q'20.ⁱⁱ U.S. SCA Rule 10b-5 Exposure of directors and officers of U.S. issuers to claims that allege violations of Rule 10b-5 under the Exchange Act amounts to \$101.8 billion.ⁱⁱⁱ

Approximately \$19.3 billion, or 16% of aggregate alleged shareholder losses (claimed market capitalization losses), do not surpass statistical thresholds of back-end stock price impact. Without discounting the effects of back-end price impact, aggregate alleged shareholder losses in 3Q'20 amount to \$121.2 billion.

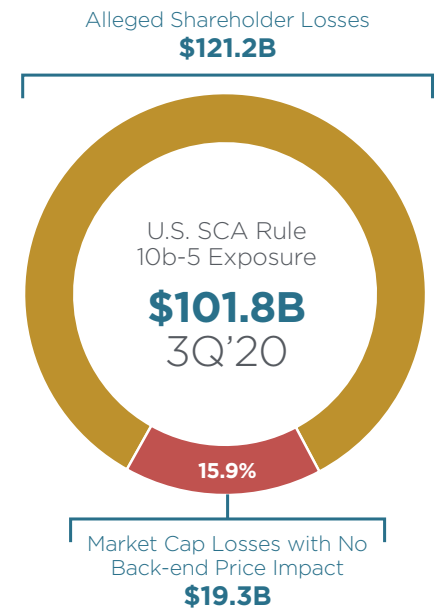


Table 1: U.S. SCA Rule 10b-5 Exposure of U.S. Issuers

Quarter	Rule 10b-5 Exchange Act Filings [1]	U.S. SCA Rule 10b-5 Exposure (000s) [2]	Aggregate Market Cap. of U.S. Issuers (000s) [3]	U.S. SCA Rule 10b-5 Exposure Rate [4]	U.S. SCA Rule 10b-5 Litigation Rate [5]
4Q'19	43	\$58,316,964	\$32,403,589,488	0.18%	1.24%
1Q'20	41	\$63,510,381	\$30,060,799,635	0.21%	1.19%
2Q'20	36	\$44,927,989	\$29,632,030,048	0.15%	1.04%
3Q'20	40	\$101,836,858	\$34,852,007,527	0.29%	1.16%

[1] Identified first-filed SCA complaints that allege violations of Rule 10b-5. Excludes non-U.S. issuers that trade on U.S. exchanges through ADRs.

[2] U.S. SCA Rule 10b-5 Exposure is equal to the claimed market cap. losses that may surpass statistical thresholds of back-end price impact.

[3] The average aggregate market cap. of U.S. issuers for the corresponding quarter.

[4] The ratio of U.S. SCA Rule 10b-5 Exposure to the aggregate market cap of U.S. issuers ([4] = [2] / [3]).

[5] = Number of defendant U.S. issuers divided by the aggregate number of U.S. issuers.

In 3Q'20, U.S. SCA Rule 10b-5 Exposure increased by \$56.9 billion relative to 2Q'20, more than double the U.S. SCA Rule 10b-5 Exposure of 2Q'20. This is the highest quarterly exposure amount recorded since 2Q'19. As a result, the U.S. SCA Rule 10b-5 Exposure Rate also increased from 0.15% in 2Q'20 to 0.29% in 3Q'20. There was an increase of 12 basis points in the U.S. SCA Rule 10b-5 Litigation Rate in 3Q'20, which amounts to 1.16%.

COVID-19 U.S. SCA Rule 10b-5 Litigation Exposure: The SCA Rule 10b-5 Exposure of private securities class actions directly related to COVID-19 amounts to \$3.1 billion in 3Q'20 across 4 SCAs filed against U.S. issuers.^{iv} COVID-19 related allegations account for 3.0% of the \$101.8 billion in aggregate U.S. SCA Rule 10b-5 Exposure. The year-to-date total SCA Rule 10b-5 Exposure directly related to COVID-19 amounts to \$15.2 billion, of which 20.1% was alleged by shareholders during 3Q'20.

Table 2: Back-end Price Impact Summary of Alleged Corrective Disclosures of U.S. Issuers

Quarter	Rule 10b-5 Exchange Act Filings [1]	Alleged Corrective Disclosures [2]	Alleged Corrective Disclosures with No Price Impact [3]	% of Corrective Disclosures with No Price Impact [4]
4Q'19	43	96	21	22%
1Q'20	41	72	16	22%
2Q'20	36	71	28	39%
3Q'20	40	82	26	32%

[1] Identified first-filed SCA complaints that allege violations of Rule 10b-5. Excludes non-U.S. issuers that trade through ADRs.

[2] The number of alleged corrective disclosures identified in the sample of SCA complaints.

[3] The number of alleged corrective disclosures that do not exhibit a statistically significant one-day residual stock price return at the 95% confidence standard.

[4] The ratio of the number of alleged corrective disclosures that do not exhibit back-end price impact to the total number of alleged corrective disclosures. ((4) = (3) / (2))

During 3Q'20, SAR accounted for 63 “stock-drop” SCAs filed against U.S. issuers that allege violations of Rule 10b-5 via 121 claimed corrective disclosures.^v After consolidating cases with seemingly related allegations against individual U.S. issuers, SAR accounted for 40 filed SCAs. A total of 82 corrective disclosures have been alleged in the 40 first-filed SCAs.^{vi} Of the 82 corrective disclosures alleged during 3Q'20, 26 (32%) may not surpass statistical thresholds of back-end price impact (*Halliburton II*) in accordance with the heightened

pleading standards of loss causation (*Dura*).^{vii} Although the number of alleged disclosures increased from 71 in 2Q'20 to 82 in 3Q'20, the number of alleged disclosures in 3Q'20 that did not exhibit back-end price impact decreased by 2 relative to 2Q'20. However, **the alleged corrective disclosures that may surpass back-end price impact statistical thresholds amounts to \$19.3 billion in 3Q'20, which is nearly a 5-fold increase from the \$4.2 billion exhibited in 2Q'20.**^{viii}

SCA RULE 10b-5 EXPOSURE BY INDUSTRY SECTOR

In 3Q'20, 41% of Alleged Shareholder Losses Stem From a Single Claim Against Intel

Out of the 40 SCAs filed in 3Q'20, 9 (or 22.5%) were filed against Pharma/Biotech companies, 5 (or 12.5%) against Software companies, and 5 (or 12.5%) against Industrial companies. The sector with the greatest *SCA Rule 10b-5 Exposure* was the Hardware and Semiconductor sector which accounted for 41.33% of the *U.S. SCA Rule 10b-5 Exposure*, which amounts to \$42.1 billion.

The *SCA Rule 10b-5 Exposure* attributed to the SCA filed against Intel accounts for the majority of 3Q'20 exposure in the Hardware/Semiconductor sector and is the driver of the increase in the overall *U.S. SCA Rule 10b-5 Exposure* relative to 2Q'20. Without the Intel SCA case, industry-wide *SCA Rule 10b-5 Exposure* amounts to \$60.3 billion, which still represents a notable 34% increase relative to 2Q'20.

Data and analysis indicate that the industry sectors that exhibit alleged corrective disclosures that may not surpass statistical thresholds of back-end price impact are Financial, Industrial, Auto, Healthcare, Pharma/Biotech, and Materials. 96% (\$1 billion) of shareholder losses alleged in the 2 SCAs against Financial companies do not meet established statistical thresholds of back-end price impact. 71% (\$1.8 billion) of shareholder losses alleged in the 3 SCAs against Auto companies do not meet established statistical thresholds of back-end price impact. 62% (\$15.9 billion) of shareholder losses alleged in the 5 SCAs against Industrial companies do not meet established statistical thresholds of back-end price impact.

Table 3: U.S. SCA Rule 10b-5 Exposure by Industry Sector in 3Q'20

Industry Sector [1]	Rule 10b-5 Exchange Act Filings [2]	Alleged Market Cap. Losses (000s) [3]	Market Cap. Losses that Do Not Exhibit Price Impact (000s) [4]	U.S. SCA Rule 10b-5 Exposure (000s) [5]	% of Market Cap. Losses that Do Not Exhibit Price Impact [6]
Auto	3	\$2,583,410	\$1,837,597	\$745,813	71%
Energy	2	\$1,579,967	\$0	\$1,579,967	0%
Financial	2	\$1,004,251	\$959,616	\$44,635	96%
Hardware/Semiconductor	3	\$42,116,004	\$23,615	\$42,092,389	0.1%
Health Care	2	\$342,345	\$141,477	\$200,868	41%
Industrial	5	\$25,751,634	\$15,912,625	\$9,839,009	62%
Materials	1	\$2,082,569	\$38,332	\$2,044,237	2%
Media	2	\$1,796,634	\$0	\$1,796,634	0%
Pharma/Biotech	9	\$9,273,055	\$408,492	\$8,864,562	4%
Real Estate	1	\$122,743	\$0	\$122,743	0%
Retail, Consumer & Leisure	2	\$6,958,339	\$0	\$6,958,339	0%
Software	5	\$17,182,994	\$0	\$17,182,994	0%
Utilities	3	\$10,364,668	\$0	\$10,364,668	0%
3Q 2020 Total:	40	\$121,158,612	\$19,321,754	\$101,836,858	15.9%

[1] Industry sector is based on the defendant corporation's SIC code.

[2] Identified first-filed SCA complaints that allege violations of Rule 10b-5. Excludes non-U.S. issuers that trade on U.S. exchanges through ADRs.

[3] Market cap. losses of U.S. issuers listed as defendants unadjusted for alleged corrective disclosures that do not meet statistical thresholds of back-end price impact.

[4] Market cap. losses of U.S. issuers listed as defendants that do not meet statistical thresholds of back-end price impact.

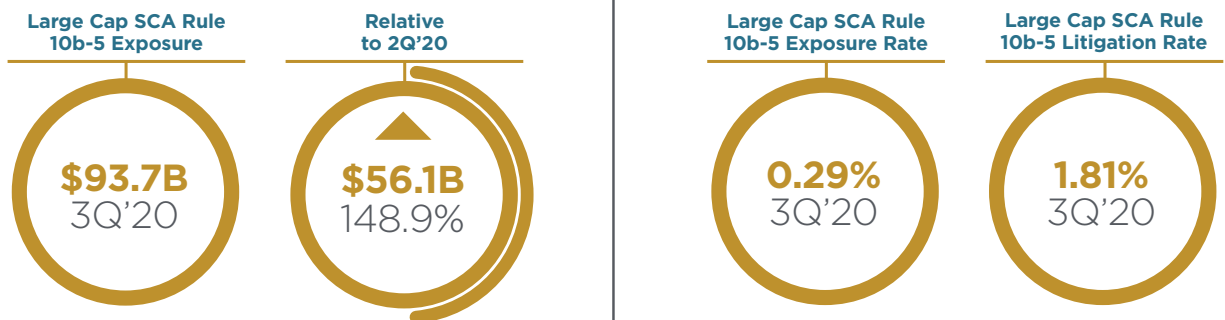
[5] *U.S. SCA Rule 10b-5 Exposure* is equal to the claimed market cap. losses that may surpass statistical thresholds of back-end stock price impact ([5]=[3]-[4]).

[6] = [4] / [3]

SCA RULE 10b-5 EXPOSURE OF U.S. LARGE CAP CORPORATIONS^{ix}

Large Cap SCA Rule 10b-5 Exposure Exhibited a Material Increase of nearly 150%, or \$56.1 billion Relative to 2Q'20.

Large Cap SCA Rule 10b-5 Exposure amounts to approximately \$93.7 billion in 3Q'20. 15 large cap corporations were sued for alleged violations of Rule 10b-5 during 3Q'20 – an increase of 5 – relative to 2Q'20. The average aggregate market capitalization of U.S. large cap corporations, based on the market capitalization range of the S&P500 Index during 3Q'20, was \$32.83 trillion.^x This is an increase in aggregate market cap of \$5.12 billion, or 18.5%, relative to 2Q'20. The Large Cap SCA Rule 10b-5 Exposure Rate increased by 15 basis points to 0.29 in 3Q'20. The Large Cap SCA Rule 10b-5 Litigation Rate increased from 1.45% in 2Q'20 to 1.81% in 3Q'20.



3Q'20 U.S. Large Cap Analysis: The Large Cap SCA Rule 10b-5 Exposure of \$93.7 billion during 3Q'20 is 2.5 times greater than Large Cap SCA Rule 10b-5 Exposure of \$37.6 billion in 2Q'20, and significantly greater than the previous three quarters when exposure averaged \$47 billion. 50% more large cap corporations faced Rule 10b-5 allegations in 3Q'20 relative to 2Q'20, resulting in a Large Cap SCA Rule 10b-5 Litigation Rate of 1.81%, which is below the litigation rate exhibited in 1Q and 2Q'20.

Table 4: Large Cap SCA Rule 10b-5 Exposure of U.S. Issuers

Quarter	Rule 10b-5 SCAs filed against Large Cap Defendants	Large Cap SCA Rule 10b-5 Exposure (000s)	Aggregate Market Cap. of Large Caps (000s)	Large Cap SCA Rule 10b-5 Exposure Rate	Large Cap SCA Rule 10b-5 Litigation Rate
4Q'19	20	\$48,267,127	\$30,371,942,197	0.16%	2.34%
1Q'20	18	\$54,966,106	\$28,098,908,799	0.20%	2.01%
2Q'20	10*	\$37,641,718	\$27,704,032,389	0.14%	1.45%
3Q'20	15	\$93,702,669	\$32,827,622,957	0.29%	1.81%

* 9 large cap defendants were sued in 2Q'20, but SAR is using the 10 Rule 10b-5 Exchange Act Filings to calculate the Large Cap SCA Rule 10b-5 Litigation Rate because the 2 SCAs filed against Wells Fargo & Co. in that quarter present non-overlapping allegations.

SCA RULE 10b-5 EXPOSURE OF U.S. MID CAP CORPORATIONS^{xi}

Mid Cap SCA Rule 10b-5 Exposure Increased in 3Q'20, Amounting to \$2.7 Billion.^{xi}

7 mid cap corporations were sued for alleged violations of Rule 10b-5 during 3Q'20, which is the same number of mid cap corporations that were sued in 1Q'20 and in 2Q'20. The average aggregate market capitalization of U.S. mid cap corporations, based on the market capitalization range of the S&P MidCap 400 Market Index during 3Q'20, was \$1.35 trillion.^{xii} In 3Q'20, the *Mid Cap SCA Rule 10b-5 Exposure Rate* increased to 0.20%. This is an increase of 4 basis points relative to 2Q'20. The *Mid Cap Rule 10b-5 Litigation Rate* decreased slightly quarter-over-quarter at 1.17% which indicates that there are more publicly traded mid-cap corporations in 3Q'20 given that the number of SCAs remained the same.



3Q'20 U.S. Mid Cap Analysis: The *Mid Cap SCA Rule 10b-5 Exposure* of mid cap corporations fell significantly during 2Q'20 and increased by 37% in 3Q'20. The aggregate market cap of mid cap corporations also recovered to the amounts seen prior to the COVID-19 pandemic.

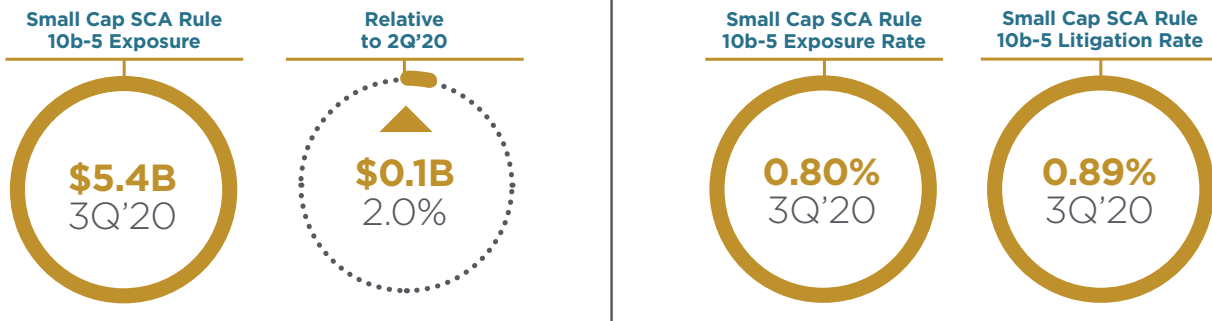
Table 5: Mid Cap SCA Rule 10b-5 Exposure of U.S. Issuers

Quarter	Rule 10b-5 SCAs filed against Mid Cap Defendants	Mid Cap SCA Rule 10b-5 Exposure (000s)	Aggregate Market Cap. of Mid Caps (000s)	Mid Cap SCA Rule 10b-5 Exposure Rate	Mid Cap SCA Rule 10b-5 Litigation Rate
4Q'19	8	\$8,154,487	\$1,354,346,904	0.50%	1.34%
1Q'20	7	\$5,280,307	\$1,291,795,762	0.59%	1.12%
2Q'20	7	\$2,004,804	\$1,257,405,797	0.16%	1.29%
3Q'20	7	\$2,746,684	\$1,354,948,295	0.20%	1.17%

SCA RULE 10b-5 EXPOSURE OF U.S. SMALL CAP CORPORATIONS^{xiii}

Small Cap SCA Rule 10b-5 Exposure Remained Steady in 3Q'20, Amounting to \$5.4 Billion.

18 small cap corporations were sued for alleged violations of Rule 10b-5 during 3Q'20, which is one fewer than in 2Q'20. The *Small Cap SCA Rule 10b-5 Exposure* in 3Q'20 increased by \$0.1 billion in 3Q'20 relative to 2Q'20. The average aggregate market capitalization of U.S. small cap corporations, based on the market capitalization range of the S&P SmallCap 600 Market Index during 3Q'20, was \$669.4 billion.^{xiv} In 3Q'20, the *Small Cap SCA Rule 10b-5 Exposure Rate* was 0.80%, which is only one basis point higher relative to 2Q'20. The *Small Cap Rule 10b-5 Litigation Rate* also increased slightly by 4 basis points to 0.89%.



3Q'20 U.S. Small Cap Analysis: *Small Cap SCA Rule 10b-5 Exposure* remained stable quarter-over-quarter. The aggregate market cap of small cap corporations also remained relatively stable compared to the previous quarter. Combined, this resulted in slight increases in the *Small Cap SCA Rule 10b-5 Exposure Rate* and *Small Cap Rule 10b-5 Litigation Rate*.

Table 6: Small Cap SCA Rule 10b-5 Exposure of U.S. Issuers

Quarter	No. of Small Cap Defendants	SCA Rule 10b-5 Exposure (000s)	Aggregate Market Cap. of Small Caps (000s)	Small Cap Rule 10b-5 Exposure Rate	Small Cap Rule 10b-5 Litigation Rate
4Q'19	15	\$1,895,349	\$677,300,387	0.28%	0.74%
1Q'20	16	\$3,263,967	\$670,095,073	0.49%	0.83%
2Q'20	19	\$5,281,467	\$670,591,862	0.79%	0.85%
3Q'20	18	\$5,387,505	\$669,436,275	0.80%	0.89%

The ADR SCA Rule 10b-5 Exposure of non-U.S. issuers in 3Q'20 amounts to \$31.3 billion.^{xv}

9 non-U.S. issuers that trade on U.S. exchanges through ADRs ("non-U.S. issuers") were sued for alleged violations of the federal securities laws under Section 10(b) and 20(a) of the Securities Exchange Act of 1934 during 3Q'20.^{xvi} ADR SCA Rule 10b-5 Exposure for directors and officers of non-U.S. issuers to claims that allege violations of Rule 10b-5 under the Exchange Act amounts to \$31.2 billion.^{xvii} Approximately 53.8% million of market capitalization declines that have been claimed as investor losses by a proposed class of common stock shareholders may not surpass statistical thresholds of back-end price impact. Without discounting the effects of back-end stock price impact, claimed shareholder losses against directors and officers of non-U.S. issuers amounts to \$67.9 billion in 3Q'20.

In 3Q'20, the ADR SCA Rule 10b-5 Exposure Rate increased by 9 basis points to 0.12% relative to 0.03% in 2Q'20. The ADR SCA Rule 10b-5 Litigation Rate is 0.45% based on the number of non-U.S. issuers that trade in the NYSE, NASDAQ, and over-the-counter in the U.S, which is an increase of 20 basis points relative to 2Q'20.

3Q'20 ADR Analysis: Of the 23 alleged corrective disclosures included in the 9 SCAs against non-U.S. issuers, 16 alleged corrective disclosures do not surpass statistical thresholds of back-end price impact. That amounts to \$36.6 billion of market capitalization declines that warrant additional econometric scrutiny.

Alleged ADR Shareholder Losses

\$67.9B

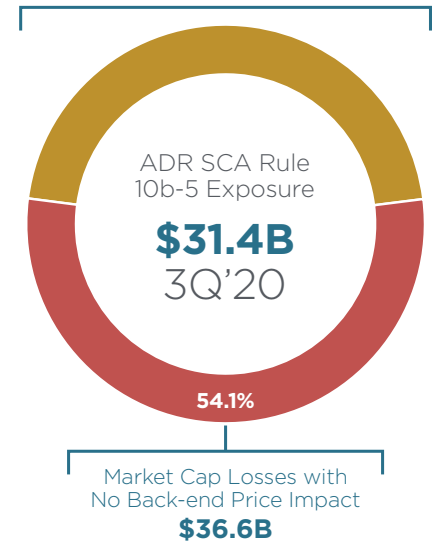


Table 7: ADR SCA Rule 10b-5 Exposure of Non-U.S. Issuers

Quarter	No. of Defendant Non-U.S. Issuers [1]	ADR SCA Rule 10b-5 Exposure (000s)	Aggregate Market Cap. Of Non-US Issuers (000s)	ADR SCA Rule 10b-5 Exposure Rate	ADR SCA Rule 10b-5 Litigation Rate
1Q'20	6	\$11,684,707	\$25,043,412,187	0.05%	0.30%
2Q'20	5	\$8,142,559	\$23,282,514,608	0.03%	0.25%
3Q'20	9	\$31,346,247	\$25,857,369,640	0.12%	0.45%

[1] First-filed SCA complaints that allege violations of Rule 10b-5 against non-U.S. issuers. Excludes U.S. issuers that trade on U.S. exchanges.

[2] ADR SCA Rule 10b-5 Exposure is equal to the claimed market cap. losses that may surpass statistical thresholds of back-end price impact.

[3] The aggregate market cap. of non-U.S. issuers.

[4] The ratio of ADR SCA Rule 10b-5 Exposure to the aggregate market cap of non-U.S. issuers. ([4] = [2] / [3]).

[5] = Number of defendant non-U.S. issuers divided by the aggregate number of non-U.S. issuers.

Table 8: Back-end Price Impact Summary of Alleged Corrective Disclosures of Non-U.S. Issuers

Quarter	ADR Rule 10b-5 Exchange Act Filings [1]	Alleged Corrective Disclosures [2]	Alleged Corrective Disclosures with No Price Impact [3]	% of Corrective Disclosures with No Price Impact [4]
1Q'20	6	14	3	21.4%
2Q'20	5	11	5	45.5%
3Q'20	9	23	16	69.6%

[1] First filed SCA complaints that allege violations of Rule 10b-5 against non-U.S. issuers that trade on U.S. exchanges through ADRs. Excludes U.S. issuers.

[2] The total number of alleged corrective disclosures identified in the sample of SCA complaints.

[3] The total number of alleged corrective disclosures that do not exhibit a statistically significant one-day residual stock price return at the 95% confidence standard.

[4] The ratio of the number of alleged corrective disclosures that do not meet statistical thresholds of back-end price impact to the total number of alleged corrective disclosures. ([4] = [3] / [2]).

Sources: S&P Global Market Intelligence, S&P Dow Jones Indices, Thomson Reuters, SAR SCA Platform as of September 30th, 2020.

Any reprint of the information or figures presented in this quarterly report should reference SAR. Please direct any inquiries to Stephen Sigrist at 202.891.3652 or stephen@sarlit.com. SAR is a software and data analytics company that actively tracks, monitors, and analyzes private securities fraud actions that allege violations of the Exchange Act of 1934.

ⁱFigures of Securities Class Action (SCA) Rule 10b-5 litigation exposure are based on identified first-filed complaints for each claim filed during the corresponding quarter. All federal securities class action complaints are read and screened for allegations that specifically include alleged violations of Rule 10b-5 and define a specific Class Period. Only the claimed stock price declines presented in the first filed complaint against each defendant company are accounted for to estimate *U.S. SCA Rule 10b-5 Exposure*. Measures of SCA exposure for each claim may increase or decrease as the case progresses through the class action life cycle.

ⁱⁱThis tally accounts for U.S. issuers of common stock that are listed as defendants in first filed SCA complaints that allege shareholder damages for alleged artificial inflation of stock price during the third quarter of 2020. A U.S. issuer of common stock that was sued a second or third time during the current quarter is not accounted for in the current quarter's tally. The tally excludes SCA complaints against U.S. issuers of common stock that were sued for alleged violations of the federal securities laws in previous quarters. The tally also excludes Exchange Act claims that allege an artificially depressed price of common stock, a novel damages theory (see, *White Pine Investments v. CVR Refining, LP et al*); and Exchange Act claims against Electronic Traded Funds (ETFs). The tally also excludes cases that have been filed against international corporations that are listed on U.S. exchanges through American Depositary Receipts (ADRs). SCAs that allege Class Periods and corrective disclosures for which insufficient historical pricing data exists to estimate stock price impact with a multivariate regression are also excluded from the tally.

ⁱⁱⁱA public corporation's exposure to alleged violations of Rule 10b-5 is estimated by tracking the cumulative decline in market capitalization during open market trading sessions that correspond with the timing of the claimed alleged corrective disclosures that statistical thresholds of indirect price impact and are presented in a first filed SCA complaint. This figure excludes market capitalization declines of non-U.S. issuers that have been sued for violations of the U.S. federal securities laws and trade on U.S. exchanges through American Depositary Receipts (ADRs).

^{iv}First identified COVID-19 related SCA filings in 3Q'20 include:

1. *Hartel v. The GEO Group, Inc. et al*, Case No. 20-cv-81063.
2. *Tang v. Eastman Kodak Company et al*, Case No. 20-CV-10462
3. *Greg Smith v. Alteryx, Inc. et al*, Case No. 20-CV-01540
4. *Himmelberg v. Vaxart, Inc. et al*, Case No. 20-CV-05949

SCA *Rule 10b-5 Exposure* related to COVID-19 does not account for Defendants that have been sued multiple times for seemingly related alleged violations of the Exchange Act.

^vSAR relies on Docket Alert and Court Wire notifications attained from Thomson Reuters Westlaw. SAR professionals actively monitor and track case dockets to attain newly filed and amended claims.

^{vi}This tally of alleged corrective disclosures includes only those from first filed SCA complaints identified during 3Q 2020 against U.S. issuers of common stock. The tally excludes securities class action complaints against companies for which there are first filed complaints in prior quarters.

^{vii}See *Dura Pharmaceuticals, Inc. v. Broudo*, No. 03-932, 2005 WL 885109 (2005), and *Halliburton Co. v. Erica P. John Fund, Inc.*, 134 S. Ct. 2398 (2014).

^{viii}A single-firm multivariate regression analysis with a minimum of 100 observations (if a full 252 observations is unattainable) for a Control Period is applied to evaluate the statistical significance of the logarithmic residual stock price decline on the trading day(s) affected by an alleged corrective disclosure(s) (or the alleged adverse event). Statistical significance is measured by computing the t-statistic of the residual stock price decline during the trading session that is affected by the alleged corrective information. (If the t-statistic is greater than plus or minus 1.96, the likelihood that the daily residual return of the defendant company's common stock could have been caused by random volatility is less than 5%.) The Control Period ends one trading day prior to the start of the Class Period presented in the corresponding securities class action complaint.

^{ix}Large cap corporations are the sub-set of defendant corporations that have market capitalizations within the range of the greatest and least market capitalization value of the constituent members of the S&P 500 Market Index at the time of the start of the Class Period alleged in the first filed complaint.

^xThis is the average total market capitalization of U.S. issuers of common stock that are listed on the NYSE or Nasdaq exchanges with market capitalizations greater than \$3.7 billion between July 1st, 2020 and September 30th, 2020.

^{xi}Mid cap corporations are the sub-set of defendant corporations that have market capitalizations within the range of the greatest and least market capitalization value of the constituent members of the S&P MidCap 400 Market Index at the time of the start of the Class Period alleged in the first filed complaint.

^{xii}This is the average total market capitalization of U.S. issuers of common stock that are listed on the NYSE or Nasdaq exchanges with market capitalizations between \$1.26 and \$3.7 billion between July 1st, 2020 and September 30th, 2020.

^{xiii}Small cap corporations are the sub-set of defendant corporations that have market capitalizations within the range of the greatest and least market capitalization value of the constituent members of the S&P SmallCap 600 Market Index at the time of the start of the Class Period alleged in the first filed complaint.

^{xiv}This is the average total market capitalization of U.S. issuers of common stock in that are listed on the NYSE or Nasdaq exchanges with market capitalizations less than \$1.26 billion between July 1st, 2020 and September 30th, 2020.

^{xv}Figures of *ADR Securities Class Action (SCA) Rule 10b-5 Exposure* are based on the first filed complaint for each claim filed during the corresponding quarter. All federal securities class action complaints are read and screened for allegations that specifically include alleged violations of Rule 10b-5 and define a specific Class Period. Only the claimed stock price declines presented in the first filed complaint against each defendant company are accounted for to estimate *ADR SCA Rule 10b-5 Exposure*. Measures of SCA exposure for each claim may increase or decrease as the case progresses through the class action life cycle.

^{xvi}This tally only includes securities class action complaints against non-U.S. issuers that trade on U.S. exchanges through ADRs that were sued for alleged violations of the federal securities laws for the first time in the current quarter. A non-U.S. issuer of ADRs that was sued a second or third time during the current quarter is not accounted for in the current quarter's tally.

^{xvii}A non-U.S. issuer's exposure to alleged violations of Rule 10b-5 is estimated by tracking the cumulative decline in market capitalization during open market trading sessions that correspond with the timing of the claimed alleged corrective disclosures that statistical thresholds of indirect price impact and are presented in a first filed SCA complaint.