

BLB&G Hosts "Using Shareholder Litigation to Recover Losses and Improve Governance" Seminar in Rotterdam

February 2, 2017



On February 2, 2017, BLB&G hosted a one-day seminar in Rotterdam, The Netherlands for institutional investors at Robeco's headquarters, providing an overview of shareholder litigation and its value as a tool for investors and their fiduciaries to recover losses due to fraud or other misconduct, and to improve corporate governance at companies they invest in. The seminar assisted institutional investors in implementing systems to effectively monitor their securities portfolios for losses due to fraud, and to select the preferred option to recover losses and protect their investments.

Among the topics discussed were:

Shareholder Litigation: The Basics and Recent Developments

This session explained the basics of shareholder litigation, including class actions, derivative actions, and fiduciary duty litigation. Topics included loss calculation methodologies and the several stages of a class action including the selection of lead plaintiff, discovery and settlement negotiations.

Class Action Case Study: Volkswagen ADR

Following the EPA announcement of September 2015 regarding Volkswagen's use of cheat devices to allow excess diesel emissions to go undetected, investors in Volkswagen securities lost billions. Jim Harrod, who is litigating the Volkswagen ADR Class Action, provided an overview of the current state of affairs and used this case to discuss how a securities class action works in practice. Amongst other things he explained in detail the *Morrison v. NAB decision* and its effect on investors, defendants' forum non conveniens arguments and discovery.

Shareholder Litigation in Europe: Increasing Importance of Prospectus Liability Including Volkswagen

In the post-*Morrison* world, investors increasingly pursue claims in Europe. Many of the claims are based on "prospectus liability" pursuant to the European Prospectus Directive and Prospectus Regulation, examples of which include the *World Online*, *OW Bunker* and *RBS* cases. This discussion provided the background on the nature of these claims and cover the varying applications of the European Directive in different jurisdictions. The discussion

also provided further information about investors' claims pending in Germany against Volkswagen. Moreover, an update was given on the strategy and the current state of affairs with the Dutch Volkswagen Investor Settlement Foundation.

Opt-Out Case Study: American Realty Capital

This session covered the circumstances and reasons institutional investors may opt out of securities class actions and file direct actions to pursue claims. Using American Realty Capital as an example, the timing for making such decisions and the benefits and considerations of direct actions compared to class actions were also discussed.

Corporate Governance Litigation: Fiduciary Duty, Appraisals and the Shareholder Franchise

This session discussed how investors can hold boards accountable for compliance with fiduciary duties and maximize shareholder value by improving the corporate governance of their portfolio companies. Recent case studies were also covered.

Institutional Investor-Only Session

This session provided institutional investors an opportunity to discuss amongst themselves the different approaches they have taken with respect to pursuing claims, claims filing, and non-class action claims around the world (including internal policies and procedures and handling of publicity and media issues).

Keynote speaker **Jonathan Taylor**, former Head of Legal at SBM Offshore, also attended the event and discussed his efforts to expose the company's corrupt business practices pertaining to Brazilian oil giant Petrobras. Mr. Taylor discovered a cover-up of extensive internal corruption by the company's management, which has since paid USD 240 million to the Dutch authorities alone. His efforts caused a massive stock drop and a ban on Brazilian tenders. Moreover, his actions contributed to a deep corporate and political crisis in Brazil because of the involvement of high-ranking officials at Petrobras and in the Brazilian government. In addition to sharing his personal story, Mr. Taylor will discuss why and how whistleblowers who come forward are often penalized instead of praised and promoted, and what investors can do to change the status quo.

Where:

Robeco Auditorium
Weena
Rotterdam
Netherlands

3014

850
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Robeco is located next to Rotterdam's Central Train station, which is 30 minutes by train from Amsterdam Airport, Schiphol. Rotterdam Airport, with direct flights from London City, is also a short distance from Robeco.

How to Register

To register, please click [HERE](#).

There is no charge to attend this event.

Hotel Accommodations

We have a block of rooms reserved for our guests at the Rotterdam Marriott Hotel that are offered at the discounted rate of **€169 per night**, including breakfast and WiFi.

In order to take advantage of this special rate, please book your room before January 11, 2017 by clicking [HERE](#).

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