



Quarterly D&O Claim Trends: Quarter 2

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- Copy of these **slides**
- **Recording** of today's webinar
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THE D&O DIARY



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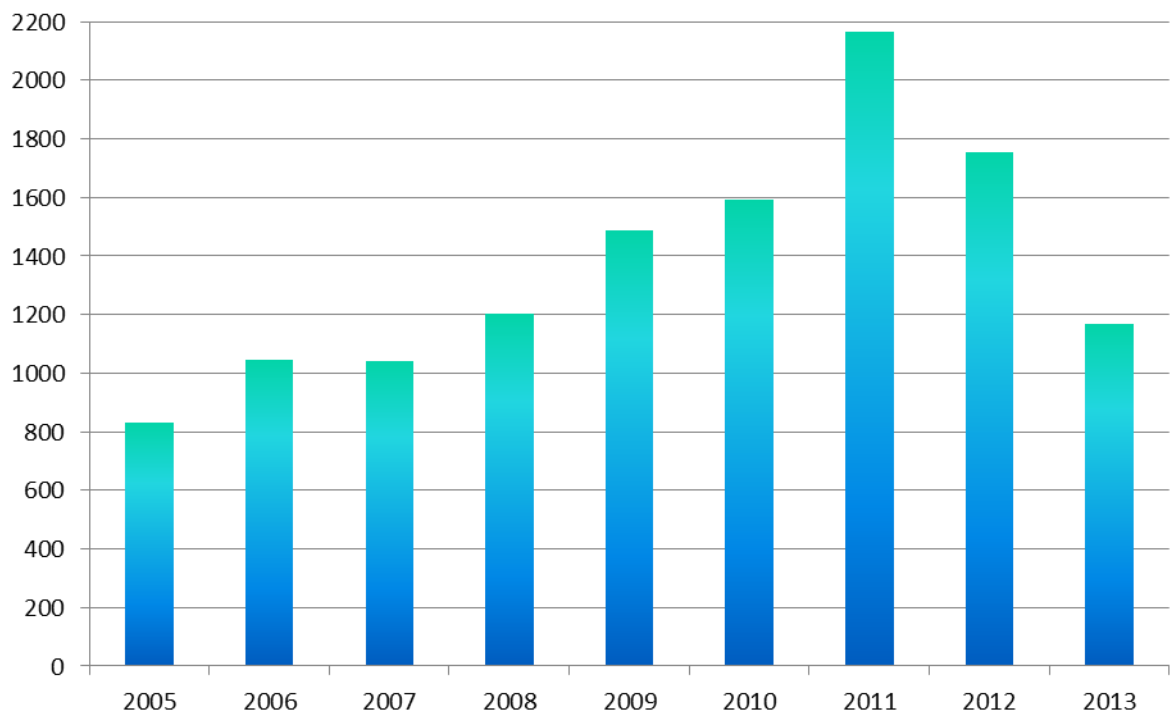
KEY FINDINGS: D&O

- Total filings and enforcement actions down 41 percent from previous quarter – largest decline since before financial meltdown
- On pace for lowest annual total since 2006
- The number of securities fraud cases fell 59 percent from the previous quarter
- Breach of fiduciary duties was the leading type of new securities filing in Q2
- Continued decline in new merger objection suit filings
- SCA suits filings ticked higher - both number and percentage of total
- Financial services sector remained leading source of new filings
- Number of SCA settlements up, but average value down

KEY FINDINGS: CYBER AND D&O

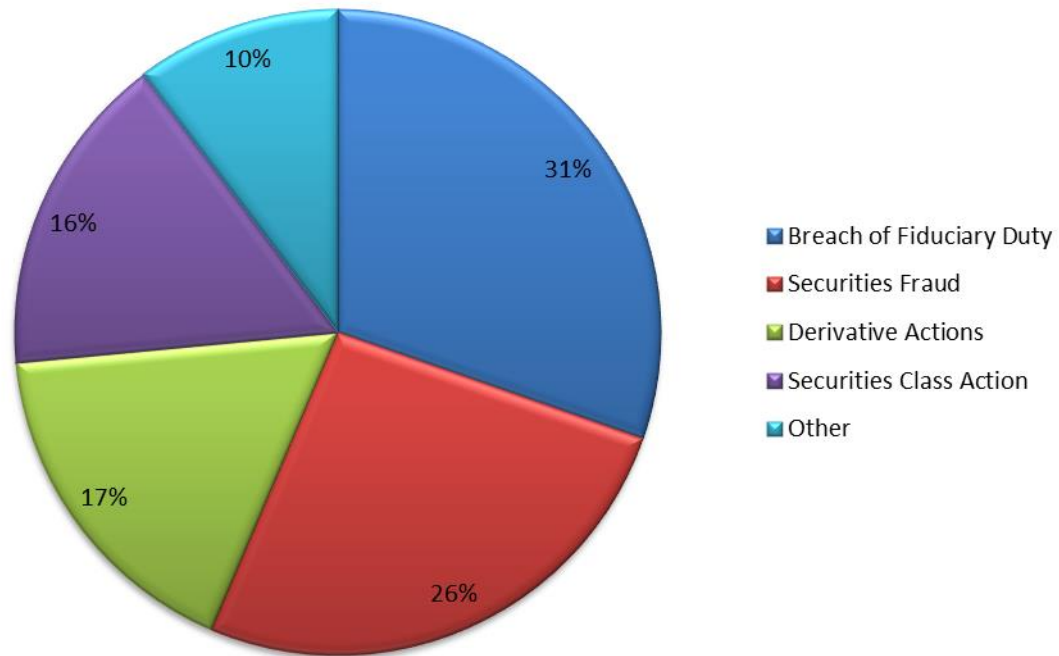
- Federal and state governments are taking increasingly active role in addressing private sector cyber issues
- Corporate leaders will be increasingly held accountable by both shareholders and regulators
- Emerging cyber related D&O exposures include:
 - Expanded cybersecurity disclosure obligations
 - FTC “Red Flag Rule”
 - Increased network security compliance obligations
 - Heightened involvement by government agencies and law enforcement authorities

FILINGS AND ENFORCEMENT ACTIONS



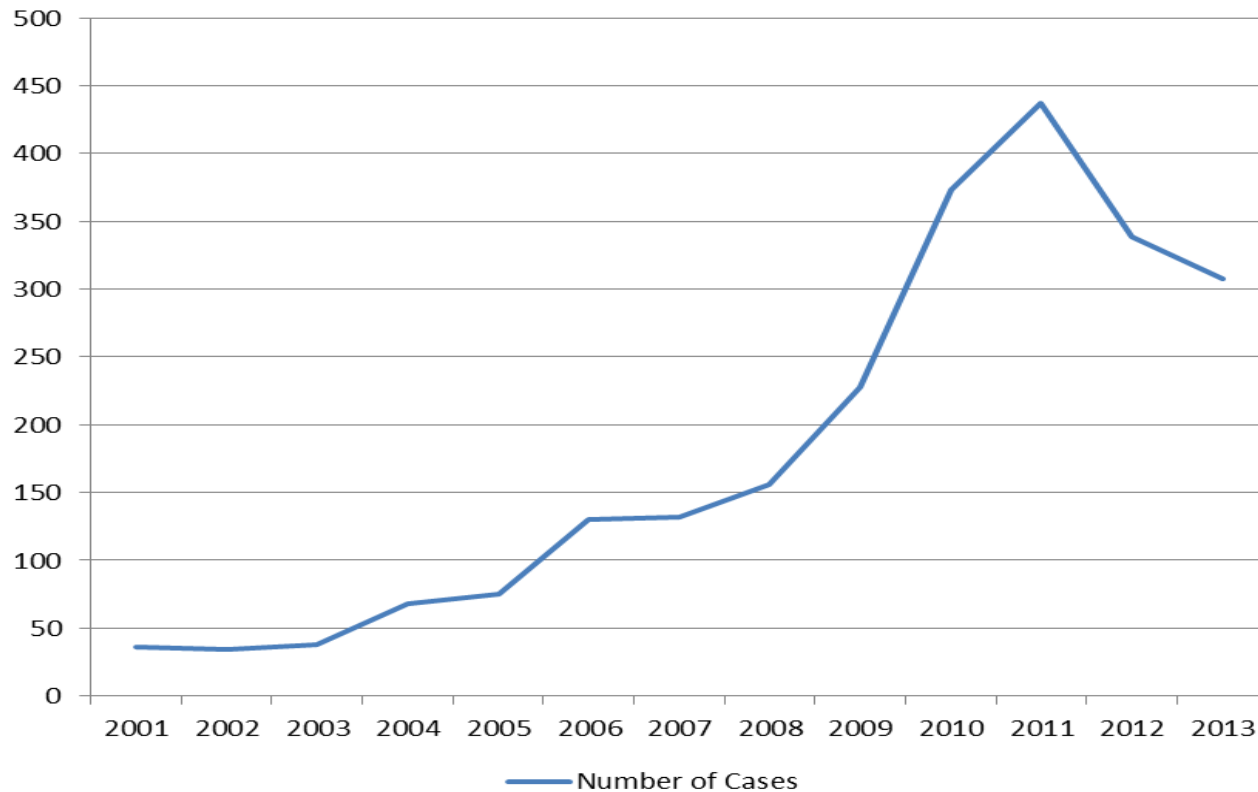
Source: Advisen MSCAd™

SUITS BY TYPE



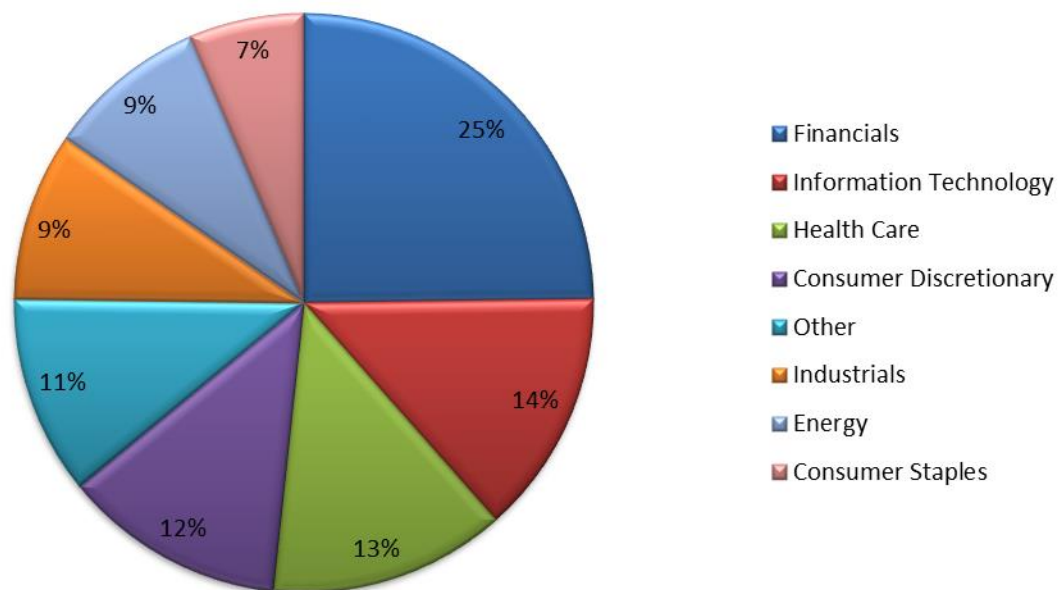
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MERGER OBJECTION CASES ANNUALIZED



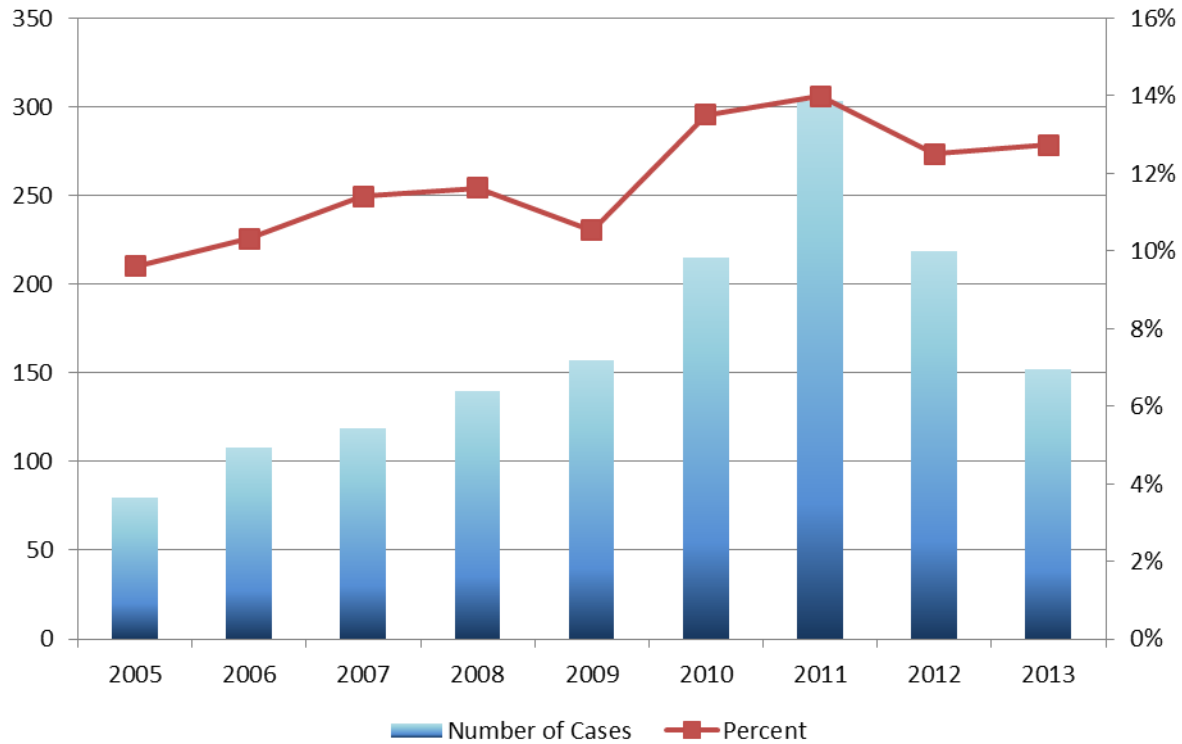
Source: Advisen MSCAd™

SUITS BY INDUSTRY



Source: Advisen MSCAd™

NON-US COMPANIES



Source: Advisen MSCAd™

Cyber-Related D&O Cases

Company	Type	Status	Settlement
The TJX Companies, Inc.	Derivative Shareholder Action	Proposed Settlement	\$ 595,000
Heartland Payment Systems	SCAS & Derivative Shareholder Action	Dismissed	\$ 0
The Dun & Bradstreet Corp.	FCPA – SEC & DoJ	Investigation	N/A

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Wednesday, September 25 in New York City

<http://events.Signup4.com/AdvisenMgmtLiability2013>



Thursday, October 24, 8:00 AM EDT

<http://events.Signup4.com/AdvisenCyberInsights2013>

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