

Introduction to the 2026-2027 Edition

Among the most noteworthy legal developments covered in the 2026 – 2027 edition of *Law of Corporate Rights, Duties, and Liabilities* are the following:

- In *Cupat v. Palantir Technologies, Inc.*, 2025 WL 1141534 (D. Colo. 2025), the District of Colorado followed the First and Ninth Circuit in rejecting the propriety of general allegations of traceability in pleading a Section 11 Securities Act claim.
- A new section (Section 18:30) was added to cover the advent of “retail voting programs” and the SEC’s acquiescence to them as nonviolative of the proxy rules. The relevant material formerly set forth in Section 18:30 was moved into Section 18:29.
- In 2025 the SEC announced it would no longer issue no-action letters or other guidance on corporate intentions to exclude shareholder proposals (except for proposals excluded as improper under state law). Although this announcement was specifically tied to the 2025 - 2026 proxy season, as of this writing there is no indication the SEC will return to its traditional practice here.
- In *Ezrasons, Inc. v. Rudd*, 44 N.Y.3d 532, 249 N.Y.S.3d 826, 275 N.E.3d 141 (2025), the New York Court of Appeals affirmed its commitment to the internal affairs doctrine, refusing to permit plaintiffs, who would possess standing under New York law but not under English law, to bring a derivative lawsuit.
- In *Jaeger v. Zillow Group, Inc.*, 2025 WL 2741642 (9th Cir. 2025), the Ninth Circuit weighed in on an inflation-maintenance case of securities fraud (albeit in a limited way) by affirming the district court’s class certification as not an abuse of discretion.
- The Sixth Circuit carefully elucidated the differences between an omission and a misstatement for purposes of securities fraud in *In re FirstEnergy Corporation Securities Litigation*, 149 F.4th 587, Fed. Sec. L. Rep. (CCH) P 102129 (6th Cir. 2025).
- In *HRSA-ILA Funds v. adidas AG*, 2025 WL 3471703 (9th Cir. 2025), the Ninth Circuit carefully distinguished its earlier precedent in *In re Alphabet, Inc. Securities Litigation*, 1 F.4th 687, 702-05, Fed. Sec. L. Rep. (CCH) P 101119 (9th Cir. 2021) and *In re Facebook, Inc. Securities Litigation*, 87 F.4th 934, 948-49 (9th Cir. 2023), certiorari granted in part, 144 S. Ct. 2629, 219 L. Ed. 2d 1267 (2024) and cert.

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dismissed as improvidently granted, 604 U.S. 4, 145 S. Ct. 10, 220 L. Ed. 2d 182 (2024), to uphold the dismissal of a plaintiff's securities fraud case predicated upon misleading risk disclosure.

As in previous editions, this volume has continued the practice of deleting or paring back material that with the passage of time is less relevant than when it was originally included, and of reorganizing material as appropriate. On a related note, what had been Chapter 23 in previous editions ("Not-For-Profit Corporations") has been deleted from this volume. Anyone researching the law of nonprofit corporations is likely to look elsewhere – to treatises devoted entirely to that subject.

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June 2026