

CORPORATE GOVERNANCE & M+A

# MAXIMIZE VALUE FOR SHAREHOLDERS

### A Sound Board in a Strong Company

The term "corporate governance" refers to the policies, procedures and systems a corporation's board of directors uses to oversee business activities. Boards that are independent, diligent and transparent can increase shareholder value and stop fraud in its tracks.

Kessler Topaz gives shareholders a voice in corporate governance. As one of the leading U.S. firms representing shareholders in securities class actions and shareholder derivative actions, we have deep experience using the courts to achieve governance reform. We also employ direct action such as bylaw amendments, director nominations, and other means to influence board composition and functioning. We work closely with corporate governance experts, organized labor, and other shareholder advocates to promote public policies that compel or encourage corporations to adopt shareholder-friendly corporate governance measures.

We have helped our clients implement creative, effective governance changes in diverse areas, including:

- Director nominations and elections
- Proxy disclosures
- Executive compensation policies
- Audit and other risk policies

Kessler Topaz lawyers can demand corporate governance reforms as a component of resolving a major fraud case. Or in certain circumstances, we will bring litigation with corporate governance reform as a specific goal. Our lawyers will listen carefully to your concerns, tailor a strategy to your unique circumstances and adhere to the highest standards of client service.

Our attorneys have also been involved in some of the largest and most cutting-edge cases challenging breaches of fiduciary duty by corporate

boards. These cases often arise as "derivative" cases or when we challenge unfair corporate transactions.

When corporate fiduciaries abuse their power, shareholder derivative actions can balance the scales. Derivative actions allow a stockholder to "step into the shoes" of the corporation, and thereby bring claims against wayward officers, directors, or third parties that the corporation might not otherwise bring. Kessler Topaz helps investors use derivative actions to recover losses and achieve meaningful change in corporate governance policies.

## **Record-Breaking Awards**

We have recovered billions of dollars from wayward fiduciaries in both high profile matters and smaller disputes. Our success stories involve a wide array of corporate misconduct, ranging from executive compensation abuses, to related-party transactions, to the "backdating" of stock options.

# **Changes that Strengthen Companies**

The remedies we achieve in these cases sometimes include money, but often they do not. Instead, a derivative action may seek corporate reform that will prevent future misconduct, strengthen companies and make boards of directors more responsive to shareholder interests. Our lawyers work creatively and collaboratively with the parties and experts to develop reforms with lasting impact. By developing strong litigation positions, we have compelled groundbreaking corporate governance changes in accounting and internal controls, shareholder voting, and the composition, structure and operation of boards of directors.

Mergers and acquisitions can offer great opportunities for shareholders to increase value. But they also present temptation for self-dealing and dishonesty by directors and officers, often at shareholder expense. We give shareholders the next best thing to a seat at the negotiating table— strong, effective representation in cases alleging unfairness in a transaction's price or process.

## The Benefit of the Bargain

We focus on finding the best way to make our clients whole, whether through cash awards or non-monetary deal terms that increase shareholder value. While some remedies are immediate—such as an injunction against a pending merger or a change in its terms—others may take years to achieve. Our lawyers are committed to doing whatever is necessary to achieve the right resolution in every case, whether the deal is ongoing or long since closed.

#### **Trial Experience Brings Results**

Unlike many of our competitors, Kessler Topaz has proven experience bringing massive transactional cases to trial — and winning, as we did in In re

Southern Peru Copper (\$2 billion trial verdict) and in In re Dole Food Co. (\$148 million trial verdict). In matters both large and small, our aggressive approach and trial-readiness have helped our clients recover billions of dollars of increased merger consideration through pre-trial settlements.