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FOCUS AREAS
Corporate Governance & M+A

EDUCATION
Haverford College
B.A. in English, 2017

Temple University Beasley School of Law
J.D., 2022, Beasley Scholar

ADMISSIONS
Pennsylvania

USDC, Eastern District of Pennsylvania

Lauren Lummus, an associate of the Firm, concentrates her practice in the areas of corporate governance and merger and acquisition litigation.

Lauren received her law degree from the Temple University Beasley School of Law in 2022 and her undergraduate degree from Haverford College in 2017. While in law school, Lauren interned as a law clerk for the Honorable Carolyn H. Nichols of the Pennsylvania Superior Court and U.S. Magistrate Judge Timothy R. Rice of the U.S. District Court for the Eastern District of Pennsylvania. Lauren also served as Co-President of the Women's Law Caucus, Research Editor for the Temple International & Comparative Law Journal, and Teaching Assistant for two legal research and writing courses.

Current Cases

- Activision Blizzard, Inc.

CHANCERY COURT ALLOWS PENSION FUND TO PURSUE CLAIMS THAT MICROSOFT-ACTIVISION MERGER IS INVALID UNDER DELAWARE LAW

On behalf of plaintiff Sjunde AP-Fonden ("AP-7"), Kessler Topaz recently secured a ruling largely denying defendants' motions to dismiss AP-7's claims challenging the $68.7 billion merger between Microsoft Corporation and Activision Blizzard, Inc., the company behind popular video games *Call of Duty* and *World of Warcraft*.

AP-7 originally instituted this litigation in response to allegations of sexual harassment against Activision's CEO Robert Kotick. AP-7 sought to hold Activision's board of directors ("Board") and management accountable for a widespread toxic corporate culture that negatively impacted the company and its stockholders.

As the scandal deepened, Activision's competitors perceived that Activision was wounded and its shares were trading for less than their fair value. Kotick also knew that a sale of the company would potentially insulate him from further scrutiny and legal claims. Activision's stock, which had traded over $100 per share in February 2021, dropped to the low $60s by the second half of November and stood at $65.39 on January 14, 2022, the last trading day before the Board approved the Merger Agreement. On January 22, 2022, Kotick and Microsoft agreed that Microsoft would buy Activision for $95 per share.

AP-7 alleges that the Merger undervalued Activision's shares and was engineered to protect Kotick and management rather than to maximize stockholder value. AP-7 also alleges that the Merger failed to comply with multiple provisions of the Delaware General Corporation Law ("DGCL").

Among other claims, Plaintiff alleged that the Activision Board did not properly approve the Merger under Section 251 of the DGCL because material terms of the deal had not been finalized at the time the Board approved it. Plaintiff also alleged that the Board improperly delegated to a committee the decision of whether Activision stockholders would receive dividends while the Merger was pending. That committee had then agreed with Microsoft that it would only pay one $0.47/share dividend during the Merger's pendency. Plaintiff also alleged that as a result of these statutory violations, Microsoft unlawfully "converted" Activision stockholders' shares when it completed the Merger.

As expected, the Merger drew regulatory and antitrust scrutiny, and thus took a long time to complete. After AP-7 filed its complaint challenging the Board's handling of stockholders' right to dividends, on July 18, 2023, Activision and Microsoft agreed to let Activision pay a dividend of $0.99/share, a total of more than $700 million.

On June 5, 2023, the defendants moved to dismiss the Complaint's statutory and conversion claims. On October 13, 2023, the defendants consummated the Merger. On February 29, 2024, Chancellor Kathaleen St. J. McCormick issued two opinions that largely denied defendants' motions to dismiss AP-7's claims.

Chancellor McCormick ruled that AP-7 had adequately pled that (1) the Merger was invalid under Section 251 of the DGCL; (2) the Board improperly delegated to a committee the negotiation and approval of the dividend provision of the merger agreement; and (3) Microsoft had unlawfully converted Activision stockholders' shares when it closed the Merger. Chancellor McCormick determined that boards of directors "must strictly comply with statutory requirements governing mergers," and that "requiring a board to approve an essentially complete version of a merger agreement" merely reflects "the basic exercise of fiduciary duties, not to mention good corporate hygiene."

Chancellor McCormick has not yet ruled on the viability of AP-7's claims that the Board breached its fiduciary duties by agreeing to the Merger for an inadequate price. AP-7 is gratified by the Court's ruling and looks forward to pressing its claims forward.

KTMC's case team includes Lee Rudy, Eric Zagar, and Lauren Lummus.

Read February 29, 2024 Memorandum Opinion Here

Read February 29, 2024 Letter Decision Here

Read February 1, 2023 Verified Amended Class Action Complaint [Public Version] Here

- AmerisourceBergen Corporation
  On December 30, 2021, plaintiffs filed a shareholder derivative action against AmerisourceBergen Corporation (now known as Cencora, Inc.) (the "Company") and the Company's directors and officers for their role in the United States' opioid epidemic. The plaintiff shareholders' action alleged that the Company's directors and officers caused or permitted the Company to abandon its opioid anti-diversion obligations and violate laws regulating distribution of controlled substances. Plaintiffs' complaint was supported by thousands of pages of internal corporate documents that plaintiffs were awarded in 2020 after litigating an *8 Del. C.* § 220 books and records demand through trial and appeal (the "Section 220 Action").
  On December 22, 2022, the Delaware Court of Chancery granted defendants' motion to dismiss plaintiffs' complaint, despite finding that plaintiffs had pled viable claims against the Company's directors for breaching their corporate oversight duties, and observing that the Company's directors "did not just see red flags; they were wrapped in them." Notwithstanding these findings, the Chancery Court dismissed plaintiffs' claims based on a federal court decision that found that certain of the Company's actions did not rise to the level of a public nuisance in West Virginia. Plaintiffs subsequently appealed, arguing, *inter alia*, that the Chancery Court took improper judicial notice of the West Virginia decision to dismiss plaintiffs' otherwise well-pled derivative claims.

On December 18, 2023, the Delaware Supreme Court agreed with plaintiffs and reversed the Chancery Court's dismissal of this action. In reversing, the Delaware Supreme Court found that the Chancery Court's dismissal represented a "departure from the principles" of judicial notice. The Supreme Court also recognized that "the inference drawn by the Court of Chancery that the defendants were aware for years of the deficiencies in the Company's controls but consciously chose not to address them, was, if not the only inference, at least a reasonable one."

After being remanded, this litigation was stayed on March 4, 2024 to allow a special litigation committee ("SLC") of Company directors to investigate the plaintiff stockholders' claims. During the stay, the SLC produced to plaintiffs more than 100,000 documents and deposition transcripts—totaling more than 14 million pages—that had been provided or produced by the Company in connection with other actions and government investigations concerning the Company's opioid distribution. Plaintiffs also reviewed certain additional Company books and records that were made available for in-person inspection at the offices of the SLC's counsel. This information, on top of the more than 26,000 pages of books and records produced in the preceding Section 220 Action, enabled plaintiff stockholders to make an informed assessment of the value of their claims against the risks of continued litigation.

On August 15, 2025, plaintiff stockholders and defendants jointly filed a stipulation to settle this long-running litigation. Pursuant to the terms of the stipulation, plaintiffs agreed to settle their derivative claims in exchange for a $111,250,000.00 cash payment for the benefit of the Company (the "Proposed Settlement"). The Delaware Court of Chancery will hold a hearing to determine whether to approve the Proposed Settlement on November 13, 2025 at 3:15 p.m. at the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801.

KTMC's case team includes Eric Zagar and Lauren Lummus.

Read August 19, 2025 Scheduling Order [Granted with Modifications] Here

Read August 15, 2025 Stipulation and Agreement of Settlement [with Exhibits] Here

Read January 5, 2022 Verified Stockholder Derivative Complaint [Public Version] Here

Read December 18, 2023 Supreme Court of the State of Delaware Opinion Here

Read December 22, 2022 Court of Chancery of the State of Delaware Memorandum Opinion Here

- Covetrus, Inc.

KTMC brought claims on behalf of the minority stockholders of Covetrus, Inc. (“Covetrus” or the “Company”) to challenge the take-private acquisition of the Company by Clayton, Dubilier & Rice, LLC (“CD&R”) and TPG Global, LLC (“TPG”) for $21.00 per share in cash (the “Merger”). Prior to the Merger, CD&R owned approximately 24% of Covetrus, and through that investment, CD&R was represented on the Company’s board of directors (the “Board”) by two of its partners, Ravi Sachdev (“Sachdev”) and Sandi Peterson (“Peterson”). Furthermore, CD&R’s investment agreement included a broad standstill provision that prevented CD&R from even expressing an interest in a transaction with the Company without prior Board authorization. However, after certain third parties expressed an interest in a transaction with Covetrus in mid-2021, the Company’s CEO tipped off Sachdev and Peterson, and soon thereafter, CD&R was provided with diligence materials. By December 2021, CD&R expressed—in violation of the standstill provision—that it valued the Company at $24.00 per share. But in March 2022, TPG offered to acquire the Company for a price between $21.00 and $22.00 per share, and immediately thereafter, Covetrus teamed up with TPG and submitted a joint bid at $21.00 per share—$4.00 per share less than what CD&R had indicated the Company was worth only months earlier. Only after the deal was nearly final, in May 2022, the Board formally granted a waiver of CD&R’s standstill provision. The Company’s proxy statement filed in connection with the Merger contained numerous misleading statements and omissions, including with respect to CD&R’s violations of the standstill provision. Plaintiffs filed a complaint in November 2023, and in October 2024, the Delaware Court of Chancery denied Defendants motion to dismiss against CD&R, Sachdev, and Peterson. The case is now proceeding into discovery and the parties are preparing for trial.

- SiriusXM Holdings, Inc.

KTMC brought claims by former minority stockholders of Sirius XM Holdings Inc. (“Sirius XM”) to challenge Sirius XM’s transaction with its controlling stockholder, Liberty Media Corporation (“Liberty Media”). In this transaction, Liberty Media separated Liberty SiriusXM Group, comprising Liberty Media’s ownership of Sirius XM, into a new company holding Liberty SiriusXM Group’s assets and liabilities, which then merged with Sirius XM to form “New Sirius” (the “Transaction”). Plaintiffs allege that the Transaction was unfair to Sirius XM’s minority stockholders for a variety of reasons, including that, (i) it permits Liberty Media to offload potentially massive, unrelated tax liabilities onto New Sirius, and (ii) causes New Sirius to assume almost two billion dollars of Liberty SiriusXM Group debt. Moreover, the apparent purpose of the Transaction was to close the value gap between the trading price of Liberty SiriusXM Group’s tracking stock and Sirius XM’s net asset value which would not benefit former Sirius XM shareholders. Plaintiffs filed their complaint on October 15, 2024, and are currently awaiting Defendants' responses.

Settled

- AmerisourceBergen Corporation

Case Caption: *In re Lebanon County Employees' Retirement Fund, et al. v. Collis, et al.*

Case Number: C.A. No. 2021-1118-JTL

Court: Court of Chancery of the State of Delaware

Judge: Vice Chancellor Travis Laster

Plaintiff: Lebanon County Employees' Retirement Fund, et al.

Defendants: Steven H. Collis, Richard W. Gochnauer, Lon R. Greenberg, Jane E. Henney, Kathleen W. Hyle, Michael J. Long, Henry W. McGee, Ornella Barra, D. Mark Durcan, Chris Zimmerman, and Nominal Defendant AmerisourceBergen Corporation

Overview: On December 30, 2021, plaintiffs filed a shareholder derivative action against AmerisourceBergen Corporation (now known as Cencora, Inc.) (the "Company") and the Company's directors and officers for their role in the United States' opioid epidemic. The plaintiff shareholders' action alleged that the Company's directors and officers caused or permitted the Company to abandon its opioid anti-diversion obligations and violate laws regulating distribution of controlled substances. Plaintiffs' complaint was supported by thousands of pages of internal corporate documents that plaintiffs were awarded in 2020 after litigating an *8 Del. C.* § 220 books and records demand through trial and appeal (the "Section 220 Action").

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KTMC's case team includes Eric Zagar and Lauren Lummus.

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Read December 18, 2023 Supreme Court of the State of Delaware Opinion Here

Read December 22, 2022 Court of Chancery of the State of Delaware Memorandum Opinion Here

- Fannie Mae / Freddie Mac
  Case Caption: *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations*
  Case Number: 1:13-mc-1288 (RCL)
  Court: U.S. District Court for the District of Columbia
  Judge: Honorable Royce C. Lamberth

Plaintiffs: Joseph Cacciapalle, Michelle M. Miller, Timothy J. Cassell, Barry P. Borodkin
Defendants: Federal Housing Finance Agency, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation

Overview: On August 14, 2023, after a three-week trial in the U.S. District Court for the District of Columbia, a federal jury unanimously found in favor of plaintiff shareholders of the Federal National Mortgage Association ("Fannie Mae"), and the Federal Home Loan Mortgage Corporation ("Freddie Mac"). The jury found that in August 2012 the Federal Housing Finance Agency ("FHFA") breached the implied covenant of good faith and fair dealing inherent in the Fannie Mae and Freddie Mac shareholder contracts and awarded shareholders damages of $612.4 million. Kessler Topaz served as Co-Lead Plaintiffs' counsel for this momentous trial verdict, which was reached after a decade of litigating stockholders' claims through multiple rounds of pleadings, appeals, and after a previous jury was unable to reach a verdict after a twelve-day trial in November 2022.

On September 6, 2008, at the height of the financial crisis, FHFA placed Fannie Mae and Freddie Mac into conservatorship, giving FHFA full authority to run the companies. The law authorizing conservatorship directed FHFA as conservator to "preserve and conserve assets," and FHFA told stockholders at that time that the conservatorship would be temporary, and was designed to return Fannie Mae and Freddie Mac to safe and solvent condition, and to return the entities to their stockholders.

Also in 2008, the U.S. Treasury bought senior preferred stock in Fannie Mae and Freddie Mac, and provided a funding commitment of up to $100 billion for each of Fannie Mae and Freddie Mac in exchange for a 10% annual dividend on any amount Fannie Mae or Freddie Mac drew on the commitment. Treasury's funding commitment was later raised to $200 billion, and was later amended to be unlimited through the end of 2012. Treasury, Fannie Mae, and Freddie Mac memorialized this agreement in the Senior Preferred Stock Purchase Agreements ("PSPAs"). Treasury ultimately invested a total of $189 billion in Fannie Mae and Freddie Mac to help support each companies' critical mission of backstopping the nation's housing finance system through the financial crisis.

Four years later, Fannie Mae and Freddie Mac had just posted their first two quarters of profitability in four years. The housing market was recovering, and Fannie Mae and Freddie Mac management projected that the companies were on their way to sustained profitability. Stockholders reasonably believed that Fannie Mae and Freddie Mac were on a path to begin building capital and ultimately exit conservatorship. Instead, with no notice to stockholders, on August 17, 2012, Treasury and FHFA agreed to amend the PSPAs, changing the 10% dividend into a "Net Worth Sweep." The Net Worth Sweep required Fannie Mae and Freddie Mac to pay the full amount of their net worth to Treasury every quarter. As a result, Plaintiffs alleged that Fannie Mae and Freddie Mac were unable to build capital, or ever pay dividends to private shareholders, regardless of how profitable either company was. The Net Worth Sweep has continued to sweep all of Fannie Mae's and Freddie Mac's profits to the U.S. Treasury every quarter since 2012, resulting in Treasury receiving over $150 billion in dividends in excess of what it would have received under the original PSPAs, and all at stockholders' expense. Moreover, Fannie Mae and Freddie Mac still remain in conservatorship after fifteen years.

Plaintiffs proved at trial that FHFA's agreeing to the Net Worth Sweep was an "arbitrary and unreasonable" violation of stockholders' reasonable expectations under their shareholder contracts. Plaintiffs sought $1.61 billion in damages, which was the amount that Fannie Mae's and Freddie Mac's common and preferred stock prices collectively fell on August 17, 2012 when the Net Worth Sweep was announced. At trial, Plaintiffs called twelve witnesses, including stockholder class representatives, former Fannie Mae and Freddie Mac management, and three expert witnesses. Plaintiffs also cross-examined representatives of FHFA and Defendants' expert, who opined that the Net Worth Sweep was reasonable.

After ten hours of deliberations, the jury awarded damages of $612.4 million to Fannie Mae and Freddie Mac stockholders. Thereafter, on March 20, 2024, Judge Royce C. Lamberth of the U.S. District Court for the District of Columbia entered a final judgment in the amount of $812 million, which included $199.65 million in pre-judgment interest for the Fannie Mae preferred stockholders. Defendants responded by filing a motion for judgment as a matter of law, seeking to overturn the jury verdict and final judgment. On March 14, 2025, Judge Lamberth denied Defendants' motion for judgment as a matter of law, ruling that "Plaintiffs provided ample evidence for the jury to conclude that the Net Worth Sweep is causing harm to shareholders today" and that "a reasonable jury could come to the verdict that was rendered here.

KTMC's trial team consisted of attorneys Lee Rudy, Eric Zagar, Grant Goodhart, Lauren Lummus, plus numerous additional staff.
The case is titled *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations, No. 13-mc-1288 (RCL) (D.D.C).*

News

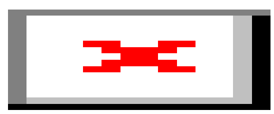
- January 16, 2024 - Delaware Supreme Court Revives Derivative Claims Against the Directors and Officers of AmerisourceBergen Corporation n/k/a Cencora, Inc.
- August 15, 2023 - KTMC Wins Historic $612 Million Jury Verdict For Fannie Mae and Freddie Mac Stockholders

Publications

- Clear Error in *Monasky v. Taglieri:* The Need to Include Coercion and Domestic Violence in Habitual Residence Determinations, 36 TEMP. INT'L & COMP. L.J. 1 (Fall 2021) Read Here

Awards/Rankings

- Best Lawyers: Ones to Watch® in America 2026 edition
- Named Finalist for "Most Promising Newcomer" by *The American Lawyer*, 2025
- Henry J. Richardson III Award, Temple Law School, 2022
- Fellow, Rubin Public Interest Law Honor Society, 2022



Memberships

- American Bar Association
- Hispanic National Bar Association
- National Association of Women Lawyers
- Public Justice Foundation