



STEVEN D. MCLAIN

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FOCUS AREAS

Corporate Governance & M+A

EDUCATION

University of Virginia

B.A. 1995

George Mason University School of Law
J.D. 2001, Research Editor George Mason
Law Review

ADMISSIONS

Virginia

USCA, Fourth Circuit

USDC, Eastern District of Virginia

USDC, Western District of Virginia

Steven D. McLain, a staff attorney of the Firm, concentrates his practice in stockholder derivative litigation. Prior to joining the Firm, Steven practiced with an insurance defense firm in Virginia.

Settled

- Apple REIT Ten, Inc.
This shareholder derivative action challenged a conflicted "roll up" REIT transaction orchestrated by Glade M. Knight and his son Justin Knight. The proposed transaction paid the Knights millions of dollars while paying public stockholders less than they had invested in the company. The case was brought under Virginia law, and settled just ten days before trial, with stockholders receiving an additional \$32 million in merger consideration.
- Erickson Incorporated
Kessler Topaz represented an individual stockholder who asserted in the Delaware Court of Chancery class action and derivative claims challenging merger and recapitalization transactions that benefitted the company's controlling stockholders at the expense of the company and its minority stockholders.
Plaintiff alleged that the controlling stockholders of Erickson orchestrated a series of transactions with the intent and effect of using Erickson's money to bail themselves out of a failing investment. Defendants filed a motion to dismiss the complaint, which Kessler Topaz defeated, and the case proceeded through more than a year of fact discovery.

Following an initially unsuccessful mediation and further litigation, Kessler Topaz ultimately achieved an \$18.5 million cash settlement, 80% of which was distributed to members of the stockholder class to resolve their direct claims and 20% of which was paid to the company to resolve the derivative claims. The settlement also instituted changes to the company's governing documents to prevent future self-dealing transactions like those that gave rise to the case.

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