

Global Legal Intelligence April 2026

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UNITED STATES

White House Releases National AI Policy Framework. On March 21, 2026, the White House released its “National Policy Framework for Artificial Intelligence (the Framework). The Framework follows President Trump’s December 2025 Executive Order tasking the White House Office of Legislative Affairs with preparing recommendations for Congress to craft federal legislation regulating the use of AI. While non-binding, the Framework sets key considerations for Congress in drafting federal AI legislation.

The Framework sets forth seven primary policy goals for national AI legislation: (i) protecting children and empowering parents; (ii) safeguarding and strengthening American communities; (iii) respecting intellectual property rights and supporting creators; (iv) preventing censorship and protecting free speech; (v) enabling innovation and ensuring American AI dominance; (vi) educating Americans and developing an AI-ready workforce; and (vii) establishing a federal policy framework, preempting state AI laws. The Framework’s priorities focus heavily on national uniformity, limiting regulatory and compliance burdens, and building on preexisting legal and regulatory structures to respond to issues raised by AI. The Framework urges Congress to allow the Judiciary resolve key issues related to the use of copyrighted materials when training AI models.

Shortly after the Framework was published, Senator Marsha Blackburn introduced a discussion draft of the Trump American AI Act to implement the policy goals in the Framework. Different proposals focused on discrete aspects of the Framework should be expected shortly.

Businesses that employ AI should continue to monitor these developments, focusing on new proposals as they are introduced in Congress and whether IP-related issues are decided by the Courts. As of now, companies should seek to comply with current state-level regulation and remain flexible in their compliance efforts.

Internet Giants Found Liable in Bellwether Personal Injury Trial. On March 25, 2026, a Los Angeles jury found Meta and Google’s YouTube liable for harming the mental health of a young woman who claimed she became addicted to social media as a child. The verdict held that both Meta and YouTube were negligent in designing their platforms, failed to warn users of the dangers of using their platforms, and were a substantial factor in causing harm to the plaintiff. The jury awarded the plaintiff \$3 million in compensatory damages and an additional \$3 million in punitive damages. Both Meta and YouTube intend to challenge the verdict. TikTok and Snapchat were originally named as defendants in the lawsuit but settled shortly before trial.

The trial focused on the risk of social media addiction to children and its long-term impact on their mental health. Historically, businesses have been shielded from liability on similar claims because the content was protected under Section 230 of the Communications Decency Act. However, the Los Angeles court ruled that, while content remains protected, Meta and YouTube could face liability for claims focusing on the design of their platforms. The plaintiff argued that platform features—including algorithms, notifications, autoplay, and “infinite” scroll—were all designed to be addictive.

This is the first of many social media related personal injury cases pending in California courts and is expected to impact the arguments and claims in those cases. It is also part of a growing trend of litigation against online platforms nationwide. On March 24, 2026, a New Mexico Jury found that Meta must pay \$375 million in another bellwether lawsuit brought by the state attorney general that also relates to the mental health harm Meta's platforms cause to young users.

Online platforms and services should track pending cases and appeals, focusing on how platform design choices may expose them to liability.

SEC and CFTC Issue Framework for Evaluating When Crypto Assets Should be Treated as Securities. On March 17, 2026, the SEC clarified how federal securities laws apply to certain crypto assets and transactions involving crypto assets. The Commodity Futures Trading Commission (CFTC) joined the interpretation and confirmed that it will administer the Commodity Exchange Act consistent with the SEC's guidance. The SEC and CFTC framed the joint action as a step towards providing market participants with clear and rational rules of the road for the crypto industry.

The SEC and CFTC's interpretation establishes, for the first time, a coordinated framework for evaluating digital assets and whether a token will be treated as a security. The interpretation creates five categories that provide issuers and platforms with a structured approach to classifying digital assets. Analysis focuses on the substance of transactions rather than the form or label of the token itself. The guidance also addresses how federal securities law applies to several common crypto activities, including mining, staking, wrapping, and airdrops, emphasizing that program design and public communications remain key factors in the regulatory analysis.

SEC Chairman Paul S. Atkins also explicitly expressed for the first time that most crypto assets are not securities, contrasting the Trump Administration's approach with that of the Biden Administration's. The agencies expect this interpretation to guide Congressional efforts to codify a comprehensive crypto market structure framework.

Organizations should review the guidance and assess whether their classification of tokens is consistent with the SEC and CFTC's new framework.

Supreme Court Limits Secondary Copyright Liability for Internet Service Providers (ISPs). On March 25, 2026, the U.S. Supreme Court issued its decision in *Cox Communications, Inc. v. Sony Music Entertainment*, clarifying the limits of contributory copyright liability for ISPs and other online platforms. In a unanimous decision, the Court held that providing a service to the public with knowledge that some users will infringe copyrights is insufficient to establish secondary liability, affirming that intent is key to contributory copyright infringement.

The Court held that contributory liability requires either active inducement of infringement or a service specifically tailored to facilitate infringement. The Court rejected the Fourth Circuit's broader standard, finding that knowledge or awareness that a recipient or user of a product will infringe is not sufficient to establish contributory liability. This limits secondary copyright liability

for ISPs to cases where the plaintiff can prove the ISPs intended for their service to be used in an infringing manner.

Sony also argued that this limitation on contributory infringement would undermine the Digital Millennium Copyright Act (DMCA), which has safe harbor provisions protecting ISPs from copyright liability when they have implemented policies to terminate repeat infringers using their service. However, the Court rejected this argument and found that the DMCA does not itself impose liability for failing to implement such policies but instead merely creates an affirmative defense to infringement for certain ISPs.

A concurring opinion by Justice Sonia Sotomayor, joined by Justice Ketanji Brown Jackson, expressed concern that the majority unnecessarily narrowed secondary liability in copyright cases, concurring in the judgment due solely to the lack of evidence showing intent in this case. The concurrence cautioned that the majority's rule may reduce ISPs' incentives to address infringement in good faith under the DMCA, and noted that other theories of liability (e.g., aiding and abetting) could support secondary liability in future cases.

ISPs, online platforms, and technology companies should review this decision and consider its implications for their copyright compliance programs.

FTC Member and DOJ Signals Preference for Corporate Breakups to Resolve Antitrust Litigation. On March 23, 2026, Federal Trade Commission (FTC) member Mark R. Meador expressed his preference for structural breakups as the favored remedy in federal antitrust enforcement. This is the latest pushback from federal officials against the sentiment that Trump-era antitrust enforcement has been permissive.

Meador framed corporate breakups as the “cleanest and most efficient resolution” available to regulators, a shift from the historic school of thought that structural remedies are a drastic last resort. Meador noted the “real reticence” of federal judges to order breakups, which stems from the perception that breakups are deadly to businesses. Meador rejected this contention, stating that when judges have awarded structural relief, “the market didn't collapse, the businesses didn't go bankrupt.” To respond to the judiciary's skepticism, Meador pointed to Congress and called on lawmakers to set policy favoring corporate breakups and other forms of structural relief by statute.

The new head of the DOJ's Antitrust Division, Acting Assistant Attorney General Omeed A. Assefi has also expressed his intent to aggressively enforce antitrust laws. Since taking over as Acting Assistant Attorney General, Assefi has indicated he will increase antitrust enforcement investigations and seek tougher remedies, particularly when it comes to criminal prosecutions. Notably, Assefi has shifted his focus from seeking financial penalties to seeking jail time for antitrust violators.

Companies subject to federal antitrust enforcement should continue to monitor these latest developments. Businesses should be mindful of the increasingly aggressive posture of both the FTC and DOJ Antitrust Division.

DOJ Announces Comprehensive New Corporate Disclosure Policy and Self-Reporting Incentives. On March 10, 2026, the DOJ released its first Department-wide Corporate Enforcement and Voluntary Self-Disclosure Policy (CEP). The CEP supersedes all prior component-specific and U.S. Attorney’s Office-specific corporate enforcement policies and applies to all corporate criminal matters handled by the DOJ, except for certain antitrust violations.

The CEP establishes a tiered framework that incentivizes companies to voluntarily self-disclose misconduct, cooperate with DOJ investigations, and timely remediate wrongdoing. Under Part I, companies that satisfy voluntary disclosure, cooperation, and remediation requirements and have no aggravating circumstances, may avoid federal prosecution entirely. Companies that fall short of full voluntary self-disclosure but nonetheless cooperate and remediate in good faith may still qualify for favorable treatment under Part II. Such treatment includes the potential for Non-Prosecution Agreements, terms of fewer than three years, no independent compliance monitors, and significant fine reductions. Companies that neither self-disclose nor fully cooperate face the least favorable outcomes under Part III, where prosecutors retain discretion over the form of resolution, term length, and penalties.

The CEP places the burden on companies to demonstrate the timeliness of any self-disclosure and rewards early action, even before the completion of an internal investigation. The CEP also creates detailed remediation requirements, including conducting a root cause analysis, implementing an effective compliance program, appropriately disciplining responsible employees, and maintaining proper business records.

As the CEP creates both significant incentives for proactive disclosure and significant consequences for inaction, companies should promptly audit existing compliance programs and internal investigation protocols to ensure they are well-positioned to take full advantage of the CEP’s potential benefits.

EUROPE

European Parliament Imposes Fixed Dates for High-Risk AI Rules. In late March 2026, the European Parliament approved a proposal that provides a schedule of fixed dates for the application of certain rules regarding high-risk AI systems. The proposal is part of an omnibus proposal amending the Artificial Intelligence Act (AIA).

The fixed dates set out in the proposal represent delays in the application of the affected rules. This proposal of delayed, fixed dates for the application of certain rules to high-risk AI systems is intended to “ensure that guidance and standards to help companies with implementation are ready” and to provide certainty and predictability to affected businesses.

Those fixed dates are December 2, 2027 for high-risk AI systems listed in the regulation, including systems that involve biometrics, as well as systems used “in critical infrastructure, education, employment, essential services, law enforcement, justice and border management;” and August 2, 2028 for AI systems that are covered by EU legislation on safety and market surveillance. The European Parliament also expressed approval for a deadline of November 2, 2026 to comply with rules regarding watermarking of AI-generated content in order to indicate the content’s origin.

Now that the proposal has been approved, negotiations regarding the final form of the law can begin.

Businesses operating within the EU who utilize AI in any of the covered “high-risk” categories should monitor the drafting and ultimate passage of the law stemming from this proposal, to ensure compliance with all applicable rules by the specified deadlines.

Parliament Adopts EU-Wide Anti-Corruption Rules. On March 26, 2026, the European Union Parliament adopted new EU-wide rules establishing a framework to prevent and combat corruption in the EU. These rules seek to align definitions, provide a structured framework for sanctions, and address enforcement gaps among member states.

The new rules, among other things, provide standardized definitions for corruption-related offenses and set an EU-wide mandatory maximum for penalties to ensure that no country’s rules set the maximum penalty too low. Individual countries are free to impose their own stricter rules. The rules also seek to further facilitate cooperation and information exchange between various EU bodies and national authorities. In addition, EU member states will each be required to adopt and maintain anti-corruption strategies; conduct risk assessments; have in place systems to address conflicts of interest, political financing transparency, and integrity standards; and establish dedicated, independent bodies focused on addressing corruption.

These rules must be formally adopted by the European Council, after which they will be published in the Official Journal of the EU. The directive will go into effect twenty days after that publication. Member states will then have two years to incorporate the directive into their own laws and thirty-six months to adopt provisions on risk assessments and national strategies.

Businesses should monitor developments on this front, both as to when the directive itself takes effect, and as member states incorporate the directive into their own laws, to ensure compliance with any requirements that might result from those processes.

UNITED KINGDOM

UK Government Issues Report and Economic Impact Assessment on Copyright and Artificial Intelligence. On March 18, 2026, the United Kingdom Department for Science, Innovation and Technology and Department for Culture, Media and Sport issued a Report on Copyright and Artificial Intelligence (the Report), as well as a Copyright and AI Impact Assessment (the Impact Assessment), pursuant to the United Kingdom’s Data (Use and Access) Act 2025. The Report examines the use of copyrighted works to train Artificial Intelligence (AI) systems and raises several policy proposals for the path forward. The Impact Assessment assesses the potential economic effects of each of those options.

The Report sets out four options that were presented to the public as part of the consultation: leaving copyright and related laws as they are (option 1); strengthening copyright requiring licensing in all cases (option 2); creating a broad exception for data mining (option 3); and creating

a data mining exception with opt-out and transparency measures (option 4). The accompanying Impact Assessment examines the potential economic effects of those options.

While the government had originally preferred option 4, most consultation respondents rejected that option, and the Report states that that is no longer the government's preferred option. The Report notes that respondents from the creative industries were "concerned that a broad exception would undermine the value of their work, and that an opt-out would be impractical," and that "some in the AI and research sectors" felt that option 4 was more restrictive than how other countries have approached the intersection between copyright and AI. Those respondents believed that option 4 "would not achieve the aim of making the UK internationally competitive for AI training and development."

The Report does not identify a new preferred option or dictate any legislative reforms at this time. Rather, the Report emphasizes the government's commitment to "reali[zing] the extraordinary potential of AI to grow the economy, create new, more rewarding jobs, and improve living standards, while protecting the UK's position as a creative powerhouse," and proposes that the government continue to gather information about copyright's impact on AI's development and employment across the UK economy. The Report's recommendations with respect to most issues, including transparency and labeling of human versus AI-created content, include gathering additional information, working with experts and the industry, and continuing to monitor the situation, including internationally.

Businesses in the AI and creative industries should continue to monitor developments in this space going forward, including staying tuned for any future consultations.

FRANCE

French Supreme Administrative Court Finds Pseudonymized Data May Still be Subject to GDPR. On February 13, 2026, the French Conseil d'État (France's supreme administrative court) rejected several companies' appeal of sanctions imposed by the Commission nationale de l'informatique et des libertés (CNIL) in connection with the companies' processing of health-related data.

The appellant companies operated databases used to generate healthcare statistics and asserted that the data in that database had been rendered anonymous via pseudonymization. The Conseil d'État rejected that argument. Instead, it held that pseudonymizing data is not equivalent to anonymizing it, such that the pseudonymized data at issue still constituted personal data, and specifically health data, under the EU's General Data Protection Regulation (GDPR).

The court found a "not insignificant" risk that individuals could be reidentified from the data despite pseudonymization because the datasets still included quasi-identifiers like age, sex, pathologies, prescriptions, appointment dates, identifiers for the healthcare professionals involved, and a unique patient identifier for each patient. These categories made it possible to identify all data related to the same patient and then use that data to identify the patient. The court also found that because the companies were working with personal, sensitive health data, they were required to obtain either the patients' consent or prior authorization from CNIL, both of which they did not.

Companies who host or analyze data regarding individuals, such as health care or other data, should examine the lessons coming out of this decision. Pseudonymization is not the same thing as anonymizing the data, and pseudonymized data may still constitute personal data within the scope of the GDPR in jurisdictions where the GDPR applies. A key consideration when evaluating whether data has been sufficiently pseudonymized is the likelihood that someone could identify a given individual using the data.

THE NETHERLANDS

Dutch Supreme Court Holds That Parties May Select Portions of Different Jurisdictions' Laws To Apply To Different Parts Of A Contract. On November 7, 2025, the Dutch Supreme Court held in *Airgas USA v Universal Africa Lines* that parties to a contract may select parts of a jurisdiction's legal system to apply to different portions of the contract. In other words, contracting parties need not select a jurisdiction's entire body of law to govern a portion of their contract for that choice to be honored. Selection of a specific subset of a jurisdiction's laws will be honored.

The *Airgas* case arose from a dispute over liability for fire damage suffered in connection with an ocean shipment from the United States to Angola. The applicable bill of lading provided Dutch courts with jurisdiction over disputes. The choice of law provision designated Dutch law as the governing, except if the goods were transported from or to a port in the United States. In that case, the contract provided that the United States 1936 Carriage of Goods by Sea Act of the United States (COGSA) applied.

The dispute centered on whether COGSA—which utilized a different limitation of liability from Dutch law—could properly be applied to the dispute under regulations that govern choice of law provisions in the EU. *Airgas*, the party challenging COGSA's application, argued that COGSA is not a legal system, but rather only part of a legal system, and that the parties therefore could not designate it to apply to a part of the contract. *Airgas* also argued that even if the parties' selection of COGSA were valid, COGSA could not displace provisions of Dutch law that could not be modified by contract.

The Dutch Supreme Court rejected those arguments, holding that contracting parties are to choose just part of a legal system to govern an issue under their contract; the chosen law need not be an entire system of a jurisdiction's laws to apply. The Court further held that this chosen law applies even where its application would deviate from mandatory rules of law otherwise applicable to the contract.

Businesses who utilize contracts that specify Dutch courts as the forum for dispute resolution, or that select Dutch law as the applicable law, should consider whether it would be preferable for any portion of those contracts to be governed by another jurisdiction's law. While the *Airgas* case arose in the context of ocean shipping and maritime law, the *Airgas* decision itself is not so limited, and therefore supports the choice of partial legal systems to govern portions of contracts regardless of the industry involved.

GERMANY

German Competition Authority Bans Amazon’s Automated Price Control Mechanism. On February 2, 2026, the Bundeskartellamt, Germany’s most important competition authority, barred Amazon from influencing prices charged by sellers in the German Amazon Marketplace, which accounts for around 60 per cent of online retail sales in Germany, and which sells products both from Amazon’s own retail business and third-party sellers. The Bundeskartellamt found that Amazon’s price control practices on third-party sellers on its Marketplace constituted “systematic interference in the Marketplace sellers’ freedom to set their own prices” and violated several German laws. The agency also stated that it has prohibited the use of Amazon’s existing price control mechanisms.

Because Amazon sells its own retail products on its Marketplace alongside third-party sellers, Amazon directly competes with those sellers. Therefore, Bundeskartellamt President Andreas Mundt stated that “influencing [Amazon’s] competitors’ pricing, including through price caps, is only permissible in the most exceptional cases, such as in the event of excessive pricing.” Third-party sellers set their own prices on Amazon’s Marketplace.

Amazon had been using several price control mechanisms to review third-party sellers’ prices and respond to prices that Amazon considered to be too high, including removing the offers from the Marketplace or not displaying it in the prominent “Buy Box” display from which most Marketplace purchases are made, thereby restricting visibility of the third-party seller’s listing. The agency found the price control mechanisms to be opaque, leaving it unclear to sellers what rules are used to determine the price caps, or what level those caps are set at.

Accordingly, the Bundeskartellamt held that Amazon’s price control practices were “an abuse under the special provisions for large digital companies (Section 19a(2) of the German Competition Act (GWB)) as well as a violation of the general abuse provisions under Section 19 GWB and Article 102 TFEU,” and barred Amazon from continuing those practices. The agency also ordered Amazon to disgorge the benefits gained from its price control practices, setting an initial payment of €59 million as a first step. The Bundeskartellamt noted that this was the first time that it had used its authority to order disgorgement since the agency’s fundamental reform in 2023, which allows economic benefits to be determined based on a presumption rule.

Amazon intends to appeal the decision to Germany’s Federal Court of Justice. The Bundeskartellamt has signaled its intent to order further disgorgement.

Businesses in the ecommerce space should continue to monitor developments in this area.

German Appellate Court Dismisses Suit Seeking To Force Mercedes-Benz and BMW To Stop Selling Combustion Engine Cars. On March 23, 2026, Germany’s top appellate court, the German Federal Court of Justice, dismissed a suit that sought to prohibit Mercedes-Benz and BMW from making combustion-engine cars starting in November 2030.

The plaintiffs in the suit claimed that by selling combustion engine cars, manufacturers were using a larger share of the carbon dioxide budget outlined in the Paris Climate Agreement, leaving less

carbon dioxide in the budget for others. They argued that this would lead to oppressive restrictions on carbon dioxide emissions that would impinge upon the plaintiffs' constitutional rights.

The Federal Court of Justice rejected those claims, finding that Mercedes's and BMW's activities were not infringing the plaintiffs' rights. The court rejected the plaintiffs' attempt to preemptively establish violations based on carbon budgets, as no carbon budget had been allocated to either manufacturer, either by the Paris Climate Agreement or other legislation.

This opinion brings some certainty to German auto manufacturers who might face similar arguments in the future. Companies or doing business in Germany should continue to monitor climate change legal developments in Germany.

German States Launch Specialized Dispute Resolution Forums for Commercial Cases. Through the Legal Venue Strengthening Act (Justizstandort-Stärkungsgesetz), Germany is seeking to make German state courts an appealing alternative to arbitration for large and complex legal disputes.

The Act authorizes German states to establish "Commercial Courts" (at higher regional courts) and "Commercial Chambers" (at lower regional courts), offering advantages over historical civil proceedings, including features that had previously only been available through arbitration. Multiple German states have established these new tribunals, with some variations from state to state.

The Act establishes procedural rules specific to the Commercial Courts and Commercial Chambers. These include an early, case management conference-style meeting during which the parties and the court discuss the case schedule and procedure. This meeting provides parties with more opportunities for input into the conduct of the proceedings than would be available in traditional German state courts, and more closely resembles the procedure used in arbitration. Also like arbitrations—and unlike most traditional German state court proceedings—the Act requires Commercial Courts and Commercial Chambers to keep transcripts of all proceedings if requested by the parties. Parties may also agree to proceed in whole or in part in English, if desired.

In addition, using the Commercial Court as the court of first instance for a dispute provides a shorter path to resolution on appeal. Appeals from the Commercial Court proceed directly to the Federal Court of Justice, which is the highest appellate court. Therefore, starting in Commercial Court can mean a shorter trajectory from case initiation to resolution of any appeal than other state courts offer.

The Commercial Courts and Criminal Courts present some advantages over traditional state courts akin to arbitration. Companies doing business in Germany should assess whether they wish to consider these courts when negotiating forum selection provisions.

SWITZERLAND

Swiss Transparency Framework Requiring Disclosure of Beneficial Owners to Go Live in 2026. The upcoming introduction of a federal transparency register will create additional duties and responsibilities for Swiss companies and financial intermediaries.

On September 26, 2025, the Swiss Parliament adopted the Federal Act on the Transparency of Legal Entities and the Identification of Beneficial Owners (LETA). LETA imposes transparency requirements for entities governed by Swiss law and some entities governed by foreign law. LETA's implementing ordinance (LETO) are expected to take effect in the second half of 2026.

These new obligations require covered companies to identify their beneficial owners and report them to a restricted-access Transparency Register maintained by Switzerland's Federal Office of Justice (FOJ). These obligations apply to all entities governed by Swiss law (1) that maintain a branch office registered in Switzerland's Commercial Register, (2) whose management is in Switzerland, or (3) that own or acquire real estate in Switzerland. The transparency requirements do not apply to entities whose stock is listed at least in part on a stock exchange, nor to subsidiaries that are at least 75% owned by such entities.

The new transparency obligations require covered entities to disclose their beneficial owners. A beneficial owner is an individual who holds at least 25% of the entity's voting rights or capital, or who controls the entity by means other than ownership (such as someone with the power to determine more than half of the entity's board members). Where no such person exists for a covered company, the beneficial owner is the most senior member of the company's managing body.

Companies must identify their beneficial owners to the Transparency Register and notify the Transparency Register of any changes within one month of the change occurring, using a non-public, government-provided electronic platform. Ultimate responsibility for complying with these disclosure requirements rests with the most senior member of the company's managing body, and failure to comply may result in sanctions and criminal prosecution.

Companies governed by Swiss law, as well as other companies that fall within the scope of these new transparency obligations, should monitor news related to LETA for an announcement of when these new requirements will take effect. In the meantime, companies should assess whether they will be covered by these new transparency requirements and, if so, to put in place internal processes to facilitate compliance with these requirements once they go into effect.

MIDDLE EAST

KINGDOM OF SAUDI ARABIA

Kingdom Of Saudi Arabia Approves Regulations Governing Special Economic Zones. In early 2026, the Saudi Council's ministerial Resolution No. 468 was published, approving regulations for each of Saudi Arabia's Special Economic Zones (SEZs).

SEZs are specific, designated zones within the Kingdom of Saudi Arabia aimed at diversifying the Kingdom of Saudi Arabia's economy beyond oil. The SEZs seek to achieve this goal by offering a streamlined business environment and certain incentives. The SEZs are (1) the King Abdullah Economic City SEZ (located north of Jeddah on the Red Sea coast); (2) Ras Al Khair SEZ (located north of Dammam on the Arabian Gulf coast); (3) Jazan SEZ (located south of Jeddah on the Red Sea coast); and (4) Cloud Computing SEZ (an SEZ located in Riyadh city).

The resolution aims to provide regulatory certainty for investors operating within these zones. Under the resolution, companies operating inside within one of the SEZs are exempt from certain provisions of certain of the Kingdom's laws, including the Companies Law, Commercial Register Law, and Trade Names Law. The resolution also empowers the Economic Cities and Special Zones Authority to issue further rules as necessary in this space, with the goal of establishing a regulatory framework that can adapt to evolving commercial and economic conditions.

Companies doing business in, or considering doing business in, the Kingdom of Saudi Arabia should consider the SEZs and their streamlined regulatory frameworks when assessing investments within the Kingdom.

UNITED ARAB EMIRATES

New UAE Capital Markets Laws Take Effect Expanding Regulated Activities. Earlier this year, two significant laws regarding the UAE's capital markets regulatory framework went into effect.

The laws, Federal Decree-Law No. 32 of 2025 concerning the Capital Market Authority (CMA Law) and Federal Decree-Law No. 33 of 2025 concerning the Regulation of the Capital Market (Capital Market Law) replace the prior framework under Federal Law No. 4 of 2000 concerning the Emirates Securities and Commodities Authority and Market.

The CMA Law established the Capital Market Authority (CMA), a federal public authority that replaces the former Securities and Commodities Authority. The CMA Law expands the CMA's authority and powers beyond its predecessor's. The CMA's broad powers include powers to investigate and impose sanctions, to issue legislation, and to regulate financial activities.

The Capital Market Law expands the authority's jurisdiction to financial activities within the UAE (including those involving foreign entities) and financial activities outside the UAE that target entities within the UAE. Any person who seeks to engage in any regulated financial activity must obtain a license or other approval from the CMA before doing so.

The Capital Market Law also addresses prospectus liability (including imposing liability on board members, executives, and advisors for nondisclosure or misleading information) and bars market abuse and insider trading, and governs virtual assets. It also increases criminal and administrative enforcement mechanisms, including authorizing the CMA to utilize a range of administrative sanctions. The Capital Market Law further provides for criminal sanctions, including imprisonment and fines of up to AED 250 million (approximately \$68.05 million). The law also applies to any person the CMA designates as “systemically important.” Covered entities and individuals must prepare recovery plans for violations. The CMA may require implementation of these recovery plans or other measures in response to a breach by the systemically important person. The CMA may also remove management or terminate contracts.

Businesses and individuals engaging in financial activities within the UAE, or involving or directed at persons in the UAE, should familiarize themselves with this new legal regime to ensure compliance.

ASIA

INDIA

Proposed Legislation Would Allow Companies To Implement More Buybacks And Fast-Track Mergers. On March 23, 2026, India’s Finance Minister Nirmala Sitharaman introduced the Corporate Laws (Amendment) Bill, 2026. The bill seeks to simplify corporate governance requirements, expanding capital management flexibility, and modifying regulatory oversight.

The proposed amendments would allow prescribed classes of companies to undertake up to two share buybacks annually, subject to a minimum six-month gap. This change would provide companies with greater flexibility in returning surplus capital, potentially offering a more efficient alternative to dividends for firms with strong cash flows and low leverage, while enhancing board discretion over capital structure and shareholder returns.

The bill also proposes to streamline “fast-track” mergers, including transactions between holding companies and subsidiaries, small companies, and startups, where at least 75% shareholder approval is obtained. It also clarifies that companies undergoing liquidation under India’s insolvency regime would be barred from pursuing merger or compromise arrangements.

Additional reforms include the continued decriminalization of certain corporate law violations by replacing criminal penalties with civil sanctions, as well as easing compliance requirements for alternative investment funds structured as limited liability partnerships. The bill also expands the powers of the National Financial Reporting Authority, including broadening the scope of “professional misconduct” for auditors and strengthening enforcement mechanisms through potential penalties and debarment.

Companies investing in India should consider whether the proposed increase in capital management flexibility and fast-track merger provisions will create potential future opportunities.

India Updates Guidelines on Investments from Countries Sharing Land Border with India. India has revised its foreign direct investment (FDI) rules for investors from countries that share a land border with India. The changes are intended to simplify approvals, improve clarity for global investors, and accelerate investment in strategic manufacturing sectors.

India's foreign investment rules pertaining to the countries sharing a land border with India were originally introduced during the COVID-19 pandemic to curb opportunistic takeovers of Indian companies. These restrictions provided that an entity of any country sharing a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, may invest in India only with the prior approval of the Indian government. These restrictions applied regardless of whether such investors held only non-strategic, non-controlling stakes. These restrictions were seen as constraining investment flows, including from global private equity and venture capital funds.

These revised FDI rules adopted an internationally recognized definition of beneficial ownership, aligned with its anti-money-laundering rules. The revised rules also relax approval requirements for minority investments from countries allowing non-controlling ownership of up to 10% to proceed automatically, subject to sectoral limits and disclosure norms. Finally, government approval timelines have been capped at 60 days for investments from neighboring countries in select manufacturing sectors, including capital goods, electronic components, polysilicon, and ingot-wafer, provided majority shareholding and control always remains with resident Indian citizens or entities.

These new guidelines should facilitate foreign companies' investments and expand India's integration with the global supply chain.

MAINLAND CHINA

Major Arbitration Reforms Take Effect in China. On March 1, 2026, the revised Arbitration Law, which the Standing Committee of the National People's Congress adopted in September 2025, came into force. The new rules reflect a measured reform of China's arbitration regime by modernizing key aspects of procedure while maintaining elements of state oversight and public-interest safeguards.

The updated framework introduces greater procedural flexibility, including recognition of ad hoc arbitration for certain foreign-related disputes and express validation of online arbitration proceedings unless the parties opt out. It also expands access to interim relief by allowing parties, in urgent cases, to apply directly to Chinese courts and broadens the types of measures available. In addition, the law shortens the time limit to set aside arbitral awards from six months to three months.

The new rules further align China's arbitration system with international practice by recognizing party autonomy in selecting the seat of arbitration and permitting limited participation by foreign arbitral institutions in designated zones. The law also introduces new features to the arbitration regime, including implied consent to arbitrate when arbitration is not timely contested and enhanced obligations of good faith, transparency, and arbitrator independence.

Revised Foreign Trade Law Signals Major Regulatory Policy Shift. On March 1, 2026, China’s revised Foreign Trade Law took effect. The revision represents the most consequential update to the country’s trade governance framework since its World Trade Organization aligned overhaul in 2004. The revision introduces new provisions reflecting the realities of a more fragmented, digitalized, and security-driven global trade environment. The revised framework embeds foreign trade within a broader policy architecture that integrates national security, industrial policy, and rule-based governance.

The law introduces a dedicated intellectual property chapter that elevates IP from a protection issue to a trade enforcement tool, including restrictions on infringing goods and potential sanctions tied to IP-related market distortions. It also formally incorporates digital trade into the statutory framework, but subjects it to China’s existing data governance regime, including requirements under data security, cybersecurity, and personal information protection laws. As a result, digital trade operates under a “conditional openness” model, in which market access expands alongside increased regulatory control over data flows and platform operations.

The revised framework further embeds sustainability and supply chain considerations into trade policy, promoting green trade and environmentally aligned imports and exports. It also enhances the government’s ability to respond to external economic pressure through countermeasures against foreign sanctions and discriminatory practices, reinforcing the role of trade law as an instrument of economic statecraft.

With the new foreign trade law, China continues to signal openness (particularly in services and digital trade). At the same time, its compliance landscape is becoming more complex, with increased scrutiny of technology flows, data, intellectual property, and supply chain integrity.

China Adopts First Regulation of AI-Powered Robot Industry. China’s Province of Zhejiang, one of the most developed provinces which currently hosts hundreds of AI-robot companies and accounts for 80% of China’s AI-robots manufacturing, promulgated a provincial Regulation on Promoting Human-like Robots Industry in Hangzhou, the province’s capital city, which will take effect on May 1, 2026.

The regulation does not seek impose new restrictions over the development of human-like robots other than suggesting the use of tracking codes for each human-like robot, and mainly references preexisting general regulations on personal privacy, data privacy, antitrust and unfair competition, etc. Rather, it adopts a “regulatory sandbox” approach which allows great flexibility and admittedly will evolve over time.

As its title suggests, the new regulation is focused on committing local governments’ support to the human-like robots industry. This includes (1) actively promoting the application of robots in governmental functions and their respective regulatory fields (*e.g.*, the police department is to explore and promote the use of robots in emergency rescue, hazardous operations, security patrol, anti-terrorism investigations, etc.; the agricultural departments are to promote the use of robots in agricultural productions; the transportation departments are to promote the use of robots in managing traffics, etc.); (2) investing in infrastructure to support the development of the human-like robots industry, such as in the fields of education, international academic collaboration, supply

chain, funding, etc.; and (3) exploring innovative regulatory approaches based on a balance of “necessity, safety and effectiveness.”

Although the new regulation is a provincial regulation that will only be in effect in the city of Hangzhou, given the significance of Hangzhou as the center of innovation and manufacturing of China’s robots industry, the regulation shows clear signals of China’s regulatory approach to AI-powered robots.

TAIWAN

Taiwan Stock Exchanges Launch New ESG Evaluation System. On March 23, 2026, the Taiwan Stock Exchange (TWSE) and Taipei Exchange (TPEX) jointly announced a new ESG evaluation system. The March 23, 2026 announcement links the TWSE and TPEX’s evaluation system to global standards and tightening reporting obligations for listed firms.

The new system builds on earlier mandates from the Financial Supervisory Commission (FSC), which required TWSE/TPEX-listed companies to prepare annual sustainability reports starting in 2025. While the full technical details of the scoring methodology have not been published, the system is expected to integrate mandatory and voluntary sustainability reports submitted by companies. It is also expected to require the use of third-party assurance mechanisms when available to validate disclosures. The system will also likely align with IFRS S1 and S2 requirements covering general sustainability disclosures and climate-related disclosures.

The new ESG evaluation system is expected to launch later in 2026 using the TWSE’s ESG digital platform.

Companies doing business in Taiwan should prepare to prepare comprehensive ESG reports with clear, verifiable data, ensure data reliability and avoid overstated claims, and engage in material topic identification and disclosure as guided by TWSE/TPEX and FSC. Finally, companies should monitor regulatory updates and adapt to Taiwan’s evolving ESG scoring criteria.

KOREA

Attorney-Client Privilege Codified in Landmark Legal Reform. On January 29, 2026, South Korea’s National Assembly passed amendments to the Attorney-at-Law Act, formally introducing attorney-client privilege into Korean law for the first time. The amendments, which will take effect in February 2027 following a one-year grace period, establish statutory protection for confidential communications between attorneys and their clients, as well as for attorney work product.

The new provisions grant attorneys and clients the right to refuse disclosure of communications made for the purpose of obtaining or providing legal advice and extend protection to documents prepared in connection with litigation, investigations, and regulatory examinations. The privilege is subject to limitations, including where the client consents to disclosure or where other laws require disclosure.

These changes will take effect in 2027, but there is a possibility of retroactive application.

The reform is expected to have significant practical implications, particularly in regulatory and tax investigations, where communications with legal counsel have historically been subject to disclosure. The codification of attorney client privilege allows companies to protect legal advice and develop defense strategies without the risk that internal analyses or attorney communications will be exposed during audits or enforcement proceedings more effectively.

Korea Proposes Enhanced Regulation of Institutional Private Equity Funds. On December 22, 2025, the Financial Services Commission announced a comprehensive reform package, followed by related legislative proposals to amend the Capital Markets Act. The proposed measures would significantly increase regulatory oversight of general partners (GPs).

The proposed regulations include increased registration and eligibility requirements, enhanced internal control obligations, and expanded reporting to supervisory authorities covering investment activities, portfolio companies, and GP compensation. Additional requirements include reporting thresholds tied to leverage levels and enhanced disclosure obligations to limited partners, as well as notification requirements in connection with acquisitions of control.

The reforms primarily target domestically registered PEF managers and are intended to address perceived gaps in accountability and oversight while aligning Korea's regulatory regime more closely with international standards. The proposals seek to address risks associated with complex financing structures and potential regulatory arbitrage.

Although the amendments are expected to apply primarily to domestic GPs, foreign PEFs may face increased scrutiny in Korea-related transactions, particularly at the registration stage and in connection with trading practices.

Private equity investors should assess how these proposed measures will affect their ongoing risk assessments.

JAPAN

Japan Proposes Expanded Foreign Investment Screening Regime Modeled on U.S. CFIUS. On March 17, 2026, the Japanese government announced plans to strengthen its screening of foreign investments through amendments to its foreign exchange and trade law, including the establishment of a cross-ministerial review body modeled on the U.S. Committee on Foreign Investment in the United States (CFIUS). The initiative reflects a broader shift toward heightened economic security oversight of inbound investment.

The proposed panel would bring together key agencies, including the Ministry of Finance, the Ministry of Economy, Trade and Industry, and the National Security Secretariat, to coordinate review of foreign direct investment transactions. The reforms are designed to enhance the government's ability to identify and address risks related to the transfer of sensitive technologies and strategic assets, particularly in sectors linked to national security such as energy and aviation.

The amendments would expand the scope of existing pre-screening requirements. In addition to direct acquisitions of shares in sensitive Japanese companies, the regime would capture indirect transactions, including foreign-to-foreign acquisitions involving companies that hold interests in Japanese entities. The government would also gain authority to conduct broader reviews where greater risk is identified, including for investors with prior compliance violations, and to treat certain domestically incorporated entities as “foreign investors” where they are subject to foreign government influence.

If implemented, the reforms would significantly broaden Japan’s investment screening framework and align it more closely with global trends toward stricter foreign investment controls.

Companies with direct or indirect investments in Japan should closely monitor the government’s forthcoming proposals.

Japan Tightens Takeover Framework with New Guidelines and 2026 Tender Offer Reforms.

In May 2026, amendments to Japan’s Financial Instruments and Exchange Act will come into force, introducing significant changes to the country’s tender offer bid regime.

The reforms lower the threshold for mandatory tender offers from one-third to 30% ownership and expand the rules to cover certain on-market acquisitions, significantly broadening the scope of transactions subject to regulatory oversight. Additional changes include revisions to key concepts such as “special relationship” persons, removal of the “rapid acquisition rule,” and procedural adjustments aimed at improving efficiency while enhancing transparency and fairness in securities transactions.

These changes form part of a broader effort to modernize Japan’s takeover framework and align it more closely with international standards. The expanded tender offer bid regime is expected to increase scrutiny of stake-building strategies and reduce the ability of acquirers to accumulate significant positions without triggering formal offer requirements.

These changes build on earlier policy developments, including the August 31, 2023 “Guidelines for Conduct in Corporate Takeovers” issued by Japan’s Ministry of Economy, Trade and Industry. The guidelines articulate non-binding principles emphasizing enhancement of corporate value, respect for shareholder intent, and transparency in acquisition processes. Although not legally binding, the Guidelines have influenced market practice and are expected to inform judicial interpretation in takeover disputes.

Companies considering building stakes in Japanese companies should consider the impact of these changes to the country’s tender offer rules.

SINGAPORE

Singapore Proposes Updated Cyber Security Guidelines for Financial Institutions. On March 6, 2026, the Monetary Authority of Singapore (MAS) issued a consultation paper proposing

updated Operational Risk Management (ORM) guidelines aimed at strengthening resilience amid increased digitalization, cyber threats, and reliance on third-party service providers.

The proposed guidelines would apply to all financial institutions on a risk-proportionate basis, calibrated to the size, complexity, and risk profile of each institution. The framework builds on existing expectations and incorporates international standards, including principles from the Basel Committee, while formalizing core ORM requirements such as governance structures, risk appetite setting, and the three lines of defense model.

Key proposals include new disclosure expectations for systemically important institutions, requiring public disclosure of ORM frameworks, operational risk exposures, and codes of conduct to enhance market discipline. The guidelines also introduce more prescriptive expectations around change management, requiring firms to assess operational risk across the lifecycle of new products, systems, and business activities, and expand oversight obligations to cover group entities, including overseas branches and subsidiaries.

Companies doing business in Singapore should update their cyber security procedures and disclosure statements to prepare for implementation of the ORM.

AUSTRALIA

Australian Treasury Proposes Overhaul of Payment Services Regulation. On March 12, 2026, the Australian Treasury released draft legislation to modernize the regulatory framework for payment service providers (PSPs). If enacted, the legislation would greatly expand the regulation of PSPs.

The draft legislation would replace the existing purchased payment facility regime with an Australian Financial Services licensing framework for stored value facility providers. This reflects an increased focus on financial stability risks posed by scaled payment platforms.

The draft legislation includes (i) requirements to safeguard customer funds, (ii) a framework for managing dormant balances, (iii) enhanced disclosure obligations for tokenized products, and (iv) a new ministerial power to mandate an ePayments Code establishing baseline consumer protections across payment participants.

Companies operating within the PSP space should monitor this draft legislation and prepare for increased compliance requirements.

LATIN AMERICA

BRAZIL

Brazil and European Union Announce Mutual Data Protection Adequacy Agreement. On January 26, 2026, the Brazilian Data Protection Agency (ANPD) announced that Brazil and the European Union (EU) had reached a mutual agreement to recognize the adequacy of each other's

personal data protection regimes. The agreement allows for the transfer of personal data between Brazil and the EU without the need to implement additional data protection mechanisms.

Formalized through Brazil's publication of Resolution CD/ANPD No. 32, the agreement recognizes that the EU's data protection policies adequately comply with the Brazilian Data Protection Law, allowing for the direct transfer of personal data between the two jurisdictions. The EU had previously recognized that Brazil adequately protects personal data under its General Data Protection Regulation (GDPR). This agreement applies to all data that flows between Brazil, the Member States of the EU, the countries in the European Free Trade Association (EFTA) that are part of the European Economic Area (EEA), and all institutions and bodies of the EU.

The adequacy recognition does not apply to data transfers carried out exclusively for purposes of public security, national defense, state security, or criminal investigation and prosecution. The ANPD will also reassess the adequacy agreement within four years of the Resolution's entry into force, taking into consideration any changes in data protection legislation that may take place in either jurisdiction.

Companies doing business in both Brazil and the EU should assess whether they can simplify their data protection policies considering the agreement.

MEXICO

Mexico Reforms Customs Control Law and Imposes Increased Liability for Customs Brokers. On November 19, 2025, Mexico published significant reforms to its Customs Law in the Diario Oficial de la Federación (DOF), with most provisions taking effect on January 1, 2026. The amendments impose new tariffs and technological requirements on importers, exporters, and customs brokers.

The reform introduces significant tariff increases for nearly 1,500 tariff items, with the increase averaging around 35%. These tariffs will impact goods in various sectors, including automotive, textiles, plastics, steel, aluminum, toys, and others. These tariff increases do not apply to products receiving preferential treatment under free trade agreements, including goods covered under the United States-Mexico-Canada Agreement (USMCA). The reform also strengthens customs oversight through automated platforms, real-time data validation, and mandatory digital traceability, while expanding the legal responsibility of Mexican customs brokers for classification and valuation. These changes may result in more conservative procedures and longer clearance times during the transition period.

For U.S. exporters, the reform has significant practical implications. Stricter documentation requirements mean that any incomplete documentation may trigger delays, storage fees, or reassessment by Mexican customs authorities. Stricter controls could potentially increase demand for U.S. components that clearly comply with USMCA and for U.S. suppliers that can demonstrate strong documentation practices.

Companies exporting products to Mexico should assess whether the reforms will impact their products or pricing. Companies importing goods to or through Mexico should evaluate whether their documentation and compliance practices comply with the new requirements.

DEVELOPMENTS AT QUINN EMANUEL

Quinn Emanuel Team Secures Critical Patent Ruling Over Gene-Editing Patents. A Quinn Emanuel team recently secured a critical patent ruling for The Broad Institute, Inc. in its long-running patent dispute with Nobel Prize-winning scientists Jennifer Doudna and Emmanuelle Charpentier, the University of California, and the University of Vienna over foundational CRISPR-Cas9 gene-editing patents. On March 26, 2026, the PTAB issued a 51-page decision on remand from the Federal Circuit, making extensive factual findings and once again confirming Broad's entitlement to its foundational patents directed to the use of CRISPR-Cas9 in eukaryotic cells (including humans, other mammals, and plants).

CRISPR-Cas9 is a revolutionary technology that allows scientists to precisely edit the DNA of living cells. It is currently being tested in clinical trials to cure diseases caused by genetic mutations and holds enormous potential to treat cancers, cure heritable diseases, combat malaria, and improve food crops.

Quinn Emanuel has represented Broad throughout this dispute spanning over a decade, securing four rulings in its favor across two interference proceedings (Nos. 106,048 and 106,115) before the PTAB and the Federal Circuit.

Quinn Emanuel Secures Major Victory for New England Supermarket Giant Market Basket. In a much-covered battle over the iconic New England supermarket giant, known as Market Basket, Quinn Emanuel secured a major victory in expedited proceedings in the Delaware Court of Chancery.

In a thorough 125-page opinion, the Court determined that Market Basket's Board of Directors acted independently, in good faith, and in the best interests of the company and its stockholders in removing its former CEO, Arthur T. Demoulas, over concerns about his management and corporate governance issues. The Court rejected Defendant's request for reinstatement, as well as his counterclaim that the termination was improper and that the Board acted in bad faith.

The case raised significant legal issues of real consequence for Delaware corporations. It tested the boundaries of Delaware General Corporation Law Section 225 and how it applies to at-will officers, including CEOs. This landmark decision confirmed that the burden rests with the terminated executive to show bad faith or breaches of duty by directors.