UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

In re CORCEPT THERAPEUTICS INCORPORATED SECURITIES LITIGATION.	Case No. 26-cv-01525-TLT **ORDER GRANTING PENSION FUNDS' UNOPPOSED MOTION TO APPOINT LEAD PLAINTIFF AND LEAD COUNSEL** Re: Dkt. Nos. 21, 25, 33

Before the court is the motion to appoint lead plaintiff and lead counsel ("Motion") filed by Allegheny County Employees' Retirement System ("ACERS"), Local #817 IBT Pension Fund ("Local 817"), and City of Tallahassee Pension Plan ("Tallahassee," together with ACERS and Local 817, "Pension Funds"). ECF 33. The Motion requests appointment of Pension Funds, collectively, as co-lead plaintiffs ("Lead Plaintiff") and approval of Bernstein Litowitz Berger & Grossmann LLP ("Bernstein Litowitz") and Labaton Keller Sucharow LLP ("Labaton"), together, as co-lead counsel ("Lead Counsel") for the proposed class.[1] ECF 33. The proposed class consists of Corcept Therapeutics Incorporated ("Corcept") investors who purchased or acquired Corcept common stock between October 31, 2024 and December 30, 2025, inclusive ("Class Period").

Plaintiffs Rebecca Voorheis and the City of Philadelphia Board of Pensions and Retirement ("Philadelphia") originally filed their own motions to be appointed as lead plaintiff. ECF 21, 25. Ms. Voorheis subsequently withdrew her motion and Philadelphia filed a notice of non-opposition to Pension Funds' Motion. ECF 44, 65. Therefore, Pension Funds' Motion is unopposed. ECF 44, 65.

[1] As used herein, the capitalized term, "Lead Plaintiff" shall refer specifically to Pension Funds, collectively, as Lead Plaintiff. The capitalized term "Lead Counsel" shall refer specifically to Bernstein Litowitz and Labaton, together, as Lead Counsel.

Pursuant to Civil Local Rule 7-1(b), the court finds that the matter is appropriate for resolution without oral argument. After review and consideration of the Motion, briefings, attachments, and exhibits thereto, the court **GRANTS** Pension Funds' motion to serve as Lead Plaintiff and approves the selection of Bernstein Litowitz and Labaton as Lead Counsel for the class.

I. BACKGROUND

On February 20, 2026, ACERS filed this securities class action against Corcept, a pharmaceutical company, and Corcept officers Joseph K. Belanoff, William Guyer, Gary Charles Robb, and Sean Maduck ("Officer Defendants," together with Corcept, "Defendants"). ECF 1 ("Complaint" or "Compl."). ACERS asserts claims for violations of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 promulgated thereunder. Compl. ¶ 2. ACERS brings these claims individually and on behalf of a proposed class of Corcept investors who purchased or acquired Corcept common stock during the Class Period. Compl. ¶ 1.

The Complaint alleges that Defendants made false and misleading statements and omissions regarding the likelihood that one of Corcept's drug candidates would be approved by the Food and Drug Administration ("FDA") as a treatment for hypercortisolism. Compl. ¶¶ 3–8. ACERS brings the following claims: (1) Count I for violations of Section 10(b) of the Exchange Act and Rule 10b-5 against all Defendants; and (2) Count II for violations of Section 20(a) of the Exchange Act against the Officer Defendants. Compl. ¶¶ 51–61.

Pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"), Bernstein Litowitz published a notice advising members of the proposed class of the pendency of the action, the claims asserted, and that members of the proposed class could file a motion to serve as lead plaintiff. ECF 10; 15 U.S.C. § 78u-4(a)(3)(A)(i). In response, plaintiffs Rebecca Voorheis, Philadelphia, and Pension Funds timely filed separate motions to be appointed as lead plaintiff and for approval of their selection of lead counsel. ECF 21, 25, 33. Philadelphia subsequently filed a statement of non-opposition to Pension Funds' Motion. ECF 44. Ms. Voorheis likewise withdrew her motion. ECF 65. Pension Funds filed a memorandum of points and authorities in further support of their Motion. ECF 47.

Pension Funds' Motion is now unopposed and is currently before the court for decision.

II. DISCUSSION

A. Appointment of Lead Plaintiff

Under the PSLRA, the court shall appoint as lead plaintiff "the member or members of the purported plaintiff class that the court determines to be most capable of adequately representing the interests of class members." 15 U.S.C. § 78u-4(a)(3)(B)(i). The presumptive lead plaintiff is the one who: (1) has either filed the complaint or brought a motion for appointment as lead plaintiff in response to the publication of notice; (2) "has the largest financial interest in the relief sought by the class;" and (3) "otherwise satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure." *Id.* § 78u-4(a)(3)(B)(iii). "In other words, the district court must compare the financial stakes of the various plaintiffs and determine which one has the most to gain from the lawsuit. It must then focus its attention on *that* plaintiff and determine, based on the information he has provided in his pleadings and declarations, whether he satisfies the requirements of Rule 23(a), in particular[,] those of 'typicality' and 'adequacy.'" *In re Cavanaugh*, 306 F.3d 726, 730 (9th Cir. 2002) (footnote omitted).

Once established, this presumption may be rebutted only upon proof that the presumptive lead plaintiff: (1) "will not fairly and adequately protect the interests of the class;" or (2) "is subject to unique defenses that render such plaintiff incapable of adequately representing the class." 15 U.S.C. § 78u-4(a)(3)(B)(iii). The decision to appoint "co-lead plaintiffs is within the discretion of the [c]ourt." *Miller v. Ventro Corp.*, No. 01-CV-1287, 2001 WL 34497752, at *9 (N.D. Cal. Nov. 28, 2001).

Here, Pension Funds are the presumptive Lead Plaintiff because they (1) moved for appointment as Lead Plaintiff in response to the notice; (2) have the largest financial interest in the litigation; and (3) otherwise satisfy the requirements of Federal Rule of Civil Procedure 23. Accordingly, the court **GRANTS** Pension Funds' motion to serve as Lead Plaintiff.

i. Largest Financial Interest

To determine which movant has the largest financial interest, courts have looked to four measures: "(1) the number of shares purchased during the class period; (2) the number of net shares purchased during the class period; (3) total net funds expended during the class period; and (4) the approximate losses suffered during the class period." *Sneed v. AcelRx Pharms., Inc.*, No. 21-CV-04353-BLF, 2021 WL 5964596, at *2 (N.D. Cal. Dec. 16, 2021). "The total approximate losses are the most significant consideration." *Id.* The last-in, first out ("LIFO") "accounting method is the preferred approach in this district to calculate those losses." *Trs. of Welfare & Pension Funds of Loc. 464A Pension Fund v. Enphase Energy, Inc.*, No. 24-CV-09038-JST, 2025 WL 2410521, at *2 (N.D. Cal. Aug. 20, 2025); ("Most courts in this district use the LIFO method to calculate a movant's estimated losses."); *see also Scheller v. Nutanix, Inc.*, No. 19-CV-01651-WHO, 2021 WL 2410832, at *4 (N.D. Cal. June 10, 2021).

Pension Funds suffered total losses of over $1.1 million on a LIFO basis. ECF 33-3. Local 817 alone suffered LIFO losses of over $674,000, which is the largest amount of losses suffered by any movant. *Compare* ECF 33-3 at 3 (showing Local 817's LIFO losses of $674,839.51), *with* ECF 26-3 at 3 (showing Philadelphia's LIFO losses of $602,486), *and* ECF 22-3 at 3 (showing Rebecca Voorheis's losses of $34,503.18).[2] Thus, Pension Funds have the largest financial interest.

ii. Rule 23 Requirements

"Once a movant has demonstrated that it has the largest financial interest, it need only make a prima facie showing of its typicality and adequacy." *Enphase Energy, Inc.*, 2025 WL 2410521, at *3. If the plaintiff with the largest financial stake satisfies these requirements, it becomes the presumptive lead plaintiff. *In re Cavanaugh*, 306 F.3d at 730.

"The test of typicality 'is whether other members have the same or similar injury, whether the action is based on conduct which is not unique to the named plaintiffs, and whether other class members have been injured by the same course of conduct.'" *Hanon v. Dataproducts Corp.*, 976 F.2d 497, 508 (9th Cir. 1992) (quoting *Schwartz v. Harp*, 108 F.R.D. 279, 282 (C.D. Cal. 1985)). A plaintiff may not be typical if she is "subject to unique defenses which threaten to become the focus of the litigation." *Id.* (citations and internal quotation marks omitted). Pension Funds' claims are typical of those of the proposed class because they "(1) purchased Corcept common stock during

[2] Although Ms. Voorheis does not specify the method by which she calculated her losses, both Ms. Voorheis and Philadelphia have admitted that they do not appear to have the largest financial interest amongst the movants for lead plaintiff. ECF 44 at 2; ECF 65.

the Class Period, (2) at prices allegedly artificially inflated by Defendants' materially false and misleading statements and/or omissions, and (3) were harmed when the truth was revealed" (ECF 33 at 11). *Lamontagne v. Tesla, Inc.*, No. 23-CV-00869-AMO, 2023 WL 4353146, at *2 (N.D. Cal. July 5, 2023). There is no indication that Pension Funds are subject to any unique defenses. *Hanon*, 976 F.2d at 508; *see also Adie v. Black Box Corp.*, No. EDCV182537JGBSHKX, 2019 WL 13256115, at *3 (C.D. Cal. Feb. 28, 2019). Thus, Pension Funds have satisfied Rule 23's typicality requirement.

"The test for adequacy is whether the class representative and his counsel have any conflicts of interest with other class members and whether the class representative and his counsel will prosecute the action vigorously on behalf of the class." *Enphase Energy, Inc.*, 2025 WL 2410521, at *3 (citation and internal quotation marks omitted). There are no facts suggesting that Pension Funds have any conflicts of interest with other proposed class members. *See id.* Moreover, Pension Funds are sophisticated institutional investors with experience serving as lead plaintiffs in securities class actions (ECF 33-4 ¶¶ 3, 5, 7). *See Enphase Energy, Inc.*, 2025 WL 2410521, at *3 ("[I]nstitutional investors and others with large losses will, more often than not, satisfy the typicality and adequacy requirements.") (citation and internation quotation marks omitted). Pension Funds have a substantial financial stake in this action and participated in a joint conference call before filing this Motion (ECF 33-4 ¶¶ 8, 16). *See Steamfitters Loc. 449 Pension & Ret. Sec. Funds v. Extreme Networks, Inc.*, No. 24-cv-05102-TLT, ECF 51 at 4–6 (N.D. Cal. Dec. 30, 2024) (appointing group of institutional investors as lead plaintiff and noting with approval that investors participated in conference call together). During the call, Pension Funds discussed the facts and merits of their claims, their strategy for pursuing this litigation, their experience prosecuting stockholder litigations, and their interest in serving together as lead plaintiff. ECF 33-4 ¶ 16. The court is confident that Pension Funds will work together to prosecute their claims vigorously on behalf of all proposed class members. *See Extreme Networks, Inc.*, No. 24-cv-05102-TLT, ECF 51 at 4–6 (appointing group of institutional investors as lead plaintiff). Accordingly, Pension Funds have satisfied Rule 23's adequacy requirement.

Finally, the Court notes that Pension Funds' Motion is now **unopposed**. In other words, no plaintiff has rebutted Pension Funds' showing that they have satisfied Rule 23's typicality and adequacy requirements. *See Ziolkowski v. Netflix, Inc.*, No. 17-CV-01070-HSG, 2017 WL 2572583, at *3 (N.D. Cal. June 14, 2017).

Therefore, the court **APPOINTS** Pension Funds as Lead Plaintiff.

B. Appointment of Lead Counsel

Under the PSLRA, once the court has designated a lead plaintiff or co-lead plaintiffs, that plaintiff shall, "subject to the approval of the court, select and retain counsel to represent the class." 15 U.S.C. § 78u-4(a)(3)(B)(v). "[T]he district court should not reject a lead plaintiff's proposed counsel merely because it would have chosen differently. Rather . . . if the lead plaintiff has made a reasonable choice of counsel, the district court should generally defer to that choice." *Cohen v. U.S. Dist. Ct. for N. Dist. of Cal.*, 586 F.3d 703, 711–12 (9th Cir. 2009) (citations omitted).

Here, Pension Funds ask the court to appoint Bernstein Litowitz and Labaton as lead counsel. ECF 33 at 15–17. Based on a review of both firms' resumes, they are qualified to represent the proposed class. ECF 33-5, 33-6. Bernstein Litowitz and Labaton have significant experience in prosecuting securities class actions and have excelled in working together as co-lead counsel. ECF 33 at 17. Although the court is aware that appointing two firms as lead counsel carries a risk of inefficiencies, the court is confident that Bernstein Litowitz and Labaton will work together in an efficient and cost-effective manner. *See In re Intel Corp. Sec. Litig.*, No. 24-CV-02683-TLT, ECF 54 at 6 (N.D. Cal. Sept. 18, 2024) (appointing two firms as lead counsel).

Accordingly, the court **APPOINTS** Bernstein Litowitz and Labaton as Lead Counsel.

C. Motion Presentation by Junior Lawyers

Lastly, the court strongly encourages the parties to permit less experienced lawyers to actively participate in the proceedings by presenting argument at motion hearings or examining witnesses at trial. The court is amenable to permitting a few lawyers to argue for one party if this creates an opportunity for such attorneys to participate.

III. CONCLUSION

In sum, the court **GRANTS** Pension Funds' Motion in its entirety:

The Pension Funds are **APPOINTED** to serve as Lead Plaintiff pursuant to Section 21D(a)(3)(B) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(3)(B), as amended by the Private Securities Litigation Reform Act of 1995, in the above-captioned action and all related actions consolidated pursuant this Order.

The Pension Funds' selection of Lead Counsel is **APPROVED**, and Bernstein Litowitz Berger & Grossmann LLP and Labaton Keller Sucharow LLP are **APPOINTED** as Lead Counsel for the Class.

Pursuant to Rule 42(a) of the Federal Rules of Civil Procedure, any subsequently filed, removed, or transferred actions that are related to the claims asserted in the above-captioned action shall be **CONSOLIDATED** for all purposes.

The class period is October 31, 2024 through December 30, 2025, inclusive (the "Class Period").

This action shall be captioned "*In re Corcept Therapeutics Incorporated Securities Litigation*" and the file shall be maintained under Master File No. 3:26-cv-1525-TLT.

The hearing for the Motion to Appoint Lead Plaintiff Hearing set for 8/4/2026 at 2:00 PM is **VACATED**.

Pension Funds may file an amended complaint no later than **August 28, 2026.** ECF 71.

All previously set dates are hereby maintained, except as modified herein.

A further case management conference is scheduled for December 17, 2026. A joint case management statement is due no later than December 10, 2026.

This resolves ECF 21, 25, and 33.

IT IS SO ORDERED.

Dated: July 28, 2026

TRINA L. THOMPSON
United States District Judge

Derivative Action
Related Case: 3:26-cv-03106-TLT
2/20/29