

## U.S. Supreme Court Further Limits Tolling in the Class Action Context in *China Agritech v. Resh*

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The Supreme Court Holds that *American Pipe* Tolling Does Not Apply to Subsequent Class Actions; Clarifies that Five-Year Period for Section 10(b) Claims Is a Statute of Repose

On June 11, 2018, the United States Supreme Court handed down its decision in [\*China Agritech v. Resh\*](#), holding that the *American Pipe* equitable tolling rule—which tolls the statute of limitations for *individual* claims while a class action is pending—does not apply to subsequently filed *class action* claims. The Court also clarified that the five-year limit on bringing claims under the Exchange Act is a statute of repose. Accordingly, under the Court's prior decision in *CalPERS v. ANZ Securities, Inc.*, the Exchange Act's five-year statute of repose is not tolled by the filing of a class action lawsuit.

The *China Agritech* decision follows a trend set by other recent Supreme Court decisions limiting the application of equitable doctrines to expand or contract a legislatively enacted statute of limitations.

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