

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.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Michael S. Flynn

+1 212 450 4766
michael.flynn@davispolk.com

Edmund Polubinski

+1 212 450 4695
edmund.polubinski@davispolk.com

Lawrence Portnoy

+1 212 450 4874
lawrence.portnoy@davispolk.com

Neal Potischman

+1 650 752 2021
neal.potischman@davispolk.com

David B. Toscano

+1 212 450 4515
david.toscano@davispolk.com

Nikolaus Williams

+1 212 450 3381
nikolaus.williams@davispolk.com

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