



Retirement News Highlights

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NYC pension funds and Oregon sue Fox over false claims about 2020 election

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The state of Oregon and New York City's pension funds sued Fox, the parent corporation of Fox News, for breach of fiduciary duty, alleging the company's board knew that false claims about the 2020 election and other events exposed the company and its shareholders to liability and risks of defamation.

Ellen Rosenblum, attorney general of the state of Oregon, filed a stockholder derivative lawsuit on Sept. 12 against the board of directors of Fox for breach of fiduciary duty in connection with the \$95.4 billion Oregon Public Employee Retirement Fund, Salem, which is an investor in Fox. New York City's pension funds are a co-plaintiff in the lawsuit.

The case relates to what Rosenblum called "false claims" promoted by the news network over the past few years, according to a Sept. 12 release.

By pushing such narratives that appealed to their audience regardless of the facts, the attorney general noted, Fox's board should have been especially sensitive to risks of defamation. Rosenblum cited a number of false claims made by Fox, including that election technology companies U.S. Dominion and Smartmatic USA rigged the 2020 presidential election.

A joint investigation launched earlier this year by the Oregon Department of Justice and the Oregon Treasurer's Office found that Fox's management on behalf of the company harmed investors, including Oregon's public employees. The lawsuit alleges that Fox's

board knew that the news network's promotion of "political narratives without regard for whether the underlying factual assertions were true created significant exposure to defamation charges," the release stated.

The lawsuit also alleges that Fox made no good-faith efforts to monitor for or mitigate defamation risk.

Treasurer Tobias Read, a member of the Oregon Investment Council, which sets state investment policy, stated in the release: "We aim to hold Fox's board of directors, including Rupert and Lachlan Murdoch, accountable for their decisions. We believe that this action is necessary in fulfilling our obligation to our beneficiaries."

As of August 31, Oregon held 150,146 shares of Fox Class A stock and 76,169 shares of Fox Class B stock valued at about \$5.2 million, the release noted.

"The board of Fox Corporation took a massive risk in pursuing profits by perpetuating and peddling known falsehoods," said Rosenblum in a statement. "The directors' choices exposed themselves and the company to liability and exposed their shareholders to significant risks. That is the crux of our lawsuit, and we look forward to making our case in court."

Earlier this year, Fox settled a defamation lawsuit filed by Dominion for \$787.5 million. New York City Retirement Systems, which is composed of five separate pension funds, has \$253.2 billion in assets.

Neither Fox News nor New York City Retirement Systems could be immediately reached for comment.

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