

OUTLINE**MATERIALITY SCRAPES: MARKET TRENDS***Market Trends*

- The use of materiality scrapes has increased significantly over the last several years.
- According to the ABA M&A Committee's Private Target Deal Points Study:
 - Only 14% of deals in 2004 included materiality scrape language.
 - In contrast, 79% of deals in 2022 and the first quarter of 2023 included materiality scrape provisions.
 - 69% of those deals included breach scrape language (either alone or together with damages scrape language).

The rest of the video includes interviews with ABA M&A Committee members Rita-Anne O'Neill from Sullivan & Cromwell LLP and Craig Menden from Willkie Farr & Gallagher LLP.