

Tim Newman in Corporate Counsel: At Yahoo and Verizon, Lawyers Under Stress of Data Breach

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PRACTICES Privacy and Cybersecurity

The only in-house legal team more stressed out than Yahoo Inc.'s right now might be the group at Verizon Communications Inc., as both companies decide what to do about the largest corporate data breach in history—and about how it will affect their pending merger.

"They have a few things going on right now," says [Timothy Newman](#), an associate at Haynes Boone in Dallas who has managed corporate cyberbreach investigations and their legal fallout. "They're likely continuing to investigate, and to coordinate with law enforcement, public relations professionals and outside counsel. They're determining what to disclose, how much and to whom, and laying the groundwork to move forward."

Newman says that it's hard to say what the impact of the breach will be on Verizon's \$4.8 billion deal to acquire Yahoo's internet assets. Since it's a technology deal, the due diligence on Yahoo's IT would have been significant.

But Newman says that what happens next depends on the warranties and representations made in the agreement, whether there is a reserve component to set aside funds to cover liabilities, and whether any provisions were made to renegotiate price in the event of such an event.

Excerpted from *Corporate Counsel*. To read the full article, please [click here](#).