

# BLB&G Receives Approval of a Landmark \$1 Billion Settlement for Shareholders in Wells Fargo Securities Class Action

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*Federal judge approves settlement reached in May in one of biggest investor recoveries on record in securities class action*

NEW YORK (Sept. 8, 2023) – The federal judge overseeing a securities class action against Wells Fargo (NYSE:WFC) for deceiving investors about its compliance and risk management practices has given final approval to a \$1 billion settlement with Wells Fargo investors who challenged the bank’s severe disclosure lapses.

Following the [announcement of the settlement](#) this past May, U.S. Judge Jennifer L. Rochon of the U.S. District Court for the Southern District of New York granted final settlement approval in a hearing today. The \$1 billion settlement is the largest ever in a securities class action not involving a restatement, an SEC action, or DOJ criminal charges.

Leading investor law firm Bernstein Litowitz Berger & Grossman was co-lead counsel for Wells Fargo shareholders, including Swedish institutional investor Handelsbanken Fonder AB, the Public Employees’ Retirement System of Mississippi, and the State of Rhode Island, Office of the General Treasurer, on behalf of the Employees’ Retirement System of Rhode Island.

“We are honored to have played a key role in securing such a significant recovery for Wells Fargo investors,” said BLB&G founding partner Max Berger, who helped negotiate the final settlement. “As we noted when the settlement was announced this past spring, the case further underscores the critical role that institutional investors can play to help protect and maintain trust in the financial markets, which is crucial for global stability and economic growth.”

The action, *In re Wells Fargo & Company Securities Litigation*, No. 20-CV-04494 (JLR), alleged that Wells Fargo issued false and misleading statements to investors regarding the status of the bank's compliance with regulatory Consent Orders requiring the bank to remedy serious risk management deficiencies. Wells Fargo's investors were harmed after a series of disclosures revealed the bank had misrepresented its compliance with those orders, causing a sharp decline in Wells Fargo's stock price.

The \$1 billion settlement was reached after three years of litigation and achieved with the assistance of a respected mediator, former U.S. District Judge Layn R. Phillips.

In addition to Max Berger, BLB&G's Wells Fargo litigation team included partners John C. Browne, Jeroen van Kwawegen, Hannah Ross, Jonathan Uslaner, and Michael Blatchley, and senior associate Lauren Cruz.