

City of Sunrise General Employees' Retirement Plan v. FleetCor Technologies, Inc. et al

COURT: United States District Court for the Northern District of Georgia
CASE NUMBER: 1:17-cv-02207-LMM
CLASS PERIOD: 02/05/2016 - 05/03/2017
CASE LEADERS: Katherine M. Sinderson, Scott R. Foglietta

This securities class action was filed on behalf of investors who purchased the stock of FleetCor Technologies, Inc. ("FleetCor" or the "Company") between February 5, 2016 and May 3, 2017 (the "Class Period"), against FleetCor and certain of the Company's executive officers. The action asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and SEC Rule 10b5 promulgated thereunder.

Lead Plaintiff Has Settled the Action for \$50 Million

The Court-appointed Lead Plaintiff City of Sunrise General Employees' Retirement Plan ("Lead Plaintiff"), on behalf of itself and the Class, has settled the Action for \$50,000,000 in cash, resolving all claims in the Action (the "Settlement").

On April 15, 2020, following a hearing, the Court approved the Settlement and entered an Order and Final Judgment, an order approving the proposed Plan of Allocation, and an order awarding attorneys' fees and litigation expenses.

Background

FleetCor is a fuel-card company that offers its products and services to small businesses as well as government and corporate clients. The Amended Complaint, filed on October 13, 2017, alleges that during the Class Period, Defendants made a series of alleged misstatements and omissions during the Class Period about FleetCor's business. Specifically, Lead Plaintiff alleges, among other things, that the Company during this period was reliant for a substantial percentage of its revenues on allegedly improper fees; and that the failure to disclose these practices made Defendants' statements about FleetCor's revenue growth misleading.

The truth regarding Defendants' misconduct began to be disclosed in late 2016 when, among other things, third party journalists published investigative reports revealing at least in part FleetCor's true business practices. From the first partial disclosure until the end of the Class Period, the stock price declined from \$170.00 to \$131.26, a drop of 22%.

The Court appointed Sunrise General as Lead Plaintiff and Bernstein Litowitz Berger & Grossmann LLP as Lead Counsel on August 25, 2017. Plaintiff filed its Amended Complaint on October 13, 2017. On May 15, 2018, following Defendants' motion to dismiss the Amended Complaint, the Court issued an order sustaining in large part the Amended Complaint, including claims regarding Defendants' statements concerning the sources of or reasons for FleetCor's earnings and growth. On July 17, 2019, the Court entered an Order certifying the Action to proceed as a class action on behalf of a class of investors in FleetCor common stock.

On November 7, 2019, the Parties agreed to a settlement of this action for a cash payment of \$50 million for the benefit of the Class.

On December 12, 2019, the Court granted preliminary approval of the settlement and scheduled a final settlement hearing on Tuesday, April 14, 2020.

The Net Settlement fund has been fully disbursed. Following a hearing on April 14, 2020, the Court granted final approval to the settlement. The deadline for Class Members to submit claim forms to participate in the settlement was May 13, 2020. Processing of claims was completed in February of 2021 at which time Lead Counsel filed its Distribution Motion requesting Court approval to distribute the Net Settlement Fund to eligible Claimants. On February 11, 2021, the Court approved Lead Counsel's Distribution Motion and the Initial Distribution took place in April 2021. A second Distribution took place in December 2021. A third distribution took place in November 2023. The claims administration has concluded. This matter is considered closed.

Case Documents

- Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for Attorneys' Fees and Litigation Expenses ("Notice")
- February 11, 2021 – Doc 114: Order Approving Distribution Plan
- February 3, 2021 – Doc 113: Letter to Court Regarding Filing of Unopposed Distribution Motion
- February 3, 2021 – Dkt 112: Unopposed Distribution Motion
- February 3, 2021 – Dkt 112.01: Memorandum in Support of Unopposed Distribution Motion
- February 3, 2021 – Dkt 112.02: Declaration of Alex Villanova
- February 3, 2021 – Dkt 112.03: Exhibit A
- February 3, 2021 – Dkt 112.04: Exhibit B
- February 3, 2021 – Dkt 112.05: Exhibit C
- February 3, 2021 – Dkt 112.06: Exhibit D
- February 3, 2021 – Dkt 112.07: Exhibit E
- February 3, 2021 – Dkt 112.08: Exhibit F
- February 3, 2021 – Dkt 112.09: Exhibit G
- February 3, 2021 – Dkt 112.10: Proposed Order
- April 15, 2020 – Order and Final Judgment Approving Class Action Settlement
- April 15, 2020 – Order Approving Plan of Allocation of Net Settlement Fund
- April 15, 2020 – Order Awarding Attorneys' Fees and Litigation Expenses
- April 7, 2020 – Reply Memorandum of Law in Further Support of (I) Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation and (II) Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- April 7, 2020 – Supplemental Declaration of Alexander Villanova Regarding (A) Mailing of Notice and Claim Form and (B) Report on Requests for Exclusion Received

- March 10, 2020 - Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation
- March 10, 2020 - Memorandum of Law in Support of Lead Plaintiff's Motion for Final Approval of Class Action Settlement and Plan of Allocation
- March 10, 2020 - Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- March 10, 2020 - Memorandum of Law in Support of Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- March 10, 2020 - Declaration of Katherine M. Sinderson in Support of (I) Lead Plaintiff's Motion for Final Approval of Class Settlement and Plan of Allocation and (II) Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- December 12, 2019 - Order Preliminarily Approving Settlement and Providing for Notice
- November 7, 2019 - Lead Plaintiff's Motion for Preliminary Approval of Settlement and Approval of Notice to the Class
- November 7, 2019 - Memorandum of Law in Support of Lead Plaintiff's Motion for Preliminary Approval of Settlement and Approval of Notice to the Class
- November 7, 2019 - Stipulation and Agreement of Settlement
- November 7, 2019 - Letter to the Court with Proposed Procedural Schedule
- July 17, 2019 - Order Granting Motion to Certify Class
- October 13, 2017 - Amended Class Action Complaint for Violations of the Federal Securities Laws