

BLB&G and Co-Counsel Obtain \$150 Million for Shareholders in JPMorgan Chase "London Whale" Action

December 21, 2015

On December 18, 2015, JPMorgan Chase & Co. agreed to pay \$150 million in cash to resolve all claims in the federal securities class action, *In re JPMorgan Chase & Co. Securities Litigation*, arising from misrepresentations and omissions concerning the trading activities of the company's Chief Investment Office ("CIO").

The action is currently pending in the Southern District of New York before the Honorable George B. Daniels. BLB&G represents Co-Lead Plaintiffs Arkansas Teacher Retirement System and the Oregon State Treasurer on behalf of the Common School Fund and, together with the Oregon Public Employee Retirement Board, on behalf of the Oregon Public Employee Retirement Fund, as Co-Lead Counsel.

Lead Plaintiffs allege that JPMorgan and its senior executives misled investors concerning the CIO and the nature of its trading activities throughout the Class Period, representing that the division was in charge of managing and hedging firm-wide interest rate, foreign exchange rate, and credit risk. They also allege that JPMorgan misrepresented the CIO's Value at Risk, or "VaR"-a statistical measure of how much the CIO could lose on a given trading day-to make it appear as though the CIO's trading activities were less risky than they actually were.

In truth, the CIO was engaged in risky, directional, proprietary bets that exposed the Company to tremendous risks and loss.

When published reports began raising concerns over the activities of a JPMorgan CIO trader nicknamed the "London Whale" because of his outsized positions, JPMorgan CEO James Dimon immediately dismissed those concerns, calling them a "complete tempest in a teapot." On May 10, 2012, JPMorgan shocked investors when Dimon admitted that he was "dead wrong" about the CIO, announcing trading losses of billions of dollars. In response to these disclosures, JPMorgan shares plunged nearly 10% in a single day.

The settlement agreement was reached after years of vigorous litigation and extensive arm's length negotiations, and is now pending approval by the Court. Following its preliminary approval, all potential settlement class members will be notified of their status in the class by a Court-appointed claims administrator and will receive additional information on how to file a claim.

For more information about this and other actions being prosecuted by BLB&G, please contact Jerry Silk at jerry@blbglaw.com or 212-554-1282. For more information about BLB&G, please visit www.blbglaw.com.