

BLB&G Secures a Historic \$1 Billion Settlement for Shareholders in Wells Fargo Securities Class Action

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NEW YORK, NY (May 16, 2023) – In one of the largest securities class action settlements in recent years, Bernstein Litowitz Berger & Grossmann (BLB&G) announced that it has reached a settlement agreement on behalf of its clients and a class of investors with Wells Fargo & Co, which has agreed to pay \$1 billion in cash to resolve a federal securities class action lawsuit in the United States.

The action, *In re Wells Fargo & Company Securities Litigation*, No. 20-CV-04494 (GHW), is pending in the U.S. District Court for the Southern District of New York before Judge Gregory Woods. The action alleges that Wells Fargo issued false and misleading statements to investors regarding the status of Wells Fargo'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 that Wells Fargo had misrepresented its compliance with those orders, causing a decline in Wells Fargo's stock price.

The \$1 billion settlement was reached after three years of hard-fought litigation and was achieved with the assistance of a respected mediator, former U.S. District Judge Layn R. Phillips. If approved by Judge Woods, the settlement will be among the top six U.S. securities class action settlements in the past decade and among the top 17 of all time.

"This is an outstanding result for Wells Fargo investors," said John C. Browne, partner at BLB&G. "This precedent-setting settlement reflects our clients' commitment to take appropriate action to protect the interests of their stakeholders and the broader investment community."

"We are pleased that Wells Fargo's new management is moving forward by resolving this significant litigation related to the bank's past actions and that we were able to achieve an excellent settlement for investors," said BLB&G Founding Partner Max Berger. "This 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.”

Lead Plaintiffs include institutional investors 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.

Investors were represented by a team of attorneys, financial analysts, and private investigators at Bernstein Litowitz Berger & Grossmann LLP (BLB&G), led by partners Max Berger, John C. Browne, Jeroen van Kwawegen, Hannah Ross, and Jonathan Uslaner, and senior associate Lauren Cruz.

In response to the aforementioned news, BLB&G partner John C. Browne was highlighted in an article from *Institutional Investor*, which can be found under this page's **Related Documents** section.