

# BLB&G Secures \$37.5 Million Recovery in Shareholder Action Against Silvergate Bank

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BLB&G has achieved a significant victory in the securities class action against Silvergate Bank ("Silvergate"), securing a \$37.5 million settlement on behalf of injured investors.

Under the leadership of Partners [Hannah Ross](#), [John Rizio-Hamilton](#), [Avi Josefson](#), and [Jonathan Uslaner](#), BLB&G represented the International Union of Operating Engineers, Local No. 793, Members Pension Benefit Trust of Ontario; Indiana Public Retirement System; Boston Retirement System; and Public School Teachers' Pension & Retirement Fund of Chicago as co-lead plaintiffs in a significant class action filed in the U.S. District Court for the Southern District of California.

The lawsuit focused on defendants' alleged misrepresentations regarding Silvergate's safeguards against onboarding high-risk customers. Despite public assurances from senior executives about maintaining sufficient liquidity to support platform activity, the company's weak compliance framework allowed customers to engage in large-scale criminal activities—most notably FTX and Alameda Research's massive fraud scheme and extensive money laundering operations. Following the collapse of FTX, Silvergate Bank disclosed that the fallout triggered a staggering \$8.1 billion decline in deposits, resulting in a sharp drop in Silvergate's share price.

BLB&G achieved a \$37.5 million settlement after rigorous investigation and discovery efforts, as well as extensive mediation sessions and negotiations. Recently approved by the court, this outcome underscores BLB&G's unmatched expertise and persistence in holding corporations accountable for deceptive practices. It further strengthens the firm's reputation as a leader in securities litigation, reaffirming its commitment to safeguarding investors and ensuring market integrity.