

Bailey Glasser Seeks Preliminary Approval of \$19.8 Million ESOP Class Action Settlement

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Gregory Porter and James Kauffman of Bailey Glasser's Washington, DC office, filed papers seeking preliminary approval of a \$19.8 million class action settlement. Porter, who leads the firm's ERISA and trust litigation practice group, and Kauffman represented a class of participants in the MonaVie, Inc. Employee Stock Ownership Plan. The plaintiffs alleged that the trustee for the ESOP caused the ESOP to overpay for its investment in MonaVie stock by tens of millions of dollars. After months of hard-fought litigation, the defendants agreed to settle the lawsuit for a cash payment of \$19.8 million. The firm projects that the average participant will receive about \$30,000 from the settlement proceeds. Porter anticipates that the settlement proceeds will be distributed in mid-2017.

ESOP transactions involving privately-held companies are often fraught with conflicts of interest and bad valuation processes. The Department of Labor has made ESOPs a top enforcement priority. Bailey Glasser is proud to have worked closely with the Department in obtaining this great result. Bailey Glasser represents plaintiffs in several other ESOP lawsuits, a core focus of the firm's ERISA and trust litigation practice.

Attorneys

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Practice Areas

ERISA, Employee Benefits & Trust Litigation