

Bailey Glasser Settles Pair of Class Action Lawsuits for \$60 Million

02.19.2015

On February 18, 2015, plaintiffs represented by Bailey Glasser filed two motions to approve class action lawsuits against Northern Trust Company. Bailey Glasser represents two groups of retirement plans in the companion cases, Diebold, et al. v. Northern Trust Investments, N.A. et al., No. 09-Civ-1934 (Diebold), and Louisiana Firefighters' Retirement System, et al. v. Northern Trust Investments, N.A., et al., Civil Action No. 09-7203A (Louisiana Firefighters). Both cases are in the U.S. District Court in Chicago, Illinois. The two class action lawsuits settled for \$36 million and \$24 million respectively.

The lawsuits claimed that Northern Trust breached its fiduciary duties to retirement plans and their participants and beneficiaries. The plaintiffs alleged that Northern Trust imprudently invested cash collateral received from securities lending activities and, in addition, charged impermissibly high fees.

The proposed settlement came after several years of hard-fought litigation. Bailey Glasser Washington, D.C. partner Gregory Porter led the complex and detailed settlement negotiations for the plaintiffs. As a result of the settlements, retirement plans and their participants will receive millions of dollars in reimbursed losses.

In the past year, Porter has also led retirement plan plaintiffs in class action settlements against Fidelity Investments (December 2014, \$12 million) and State Street Bank & Trust (June 2014, \$10 million). All told, in the past 9 months, Porter has led class action settlements recovering \$82 million for retirement plan investors.

Attorneys

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Practice Areas

Class Actions

ERISA, Employee Benefits & Trust Litigation