

Attorney General DeWine Announces \$150 Million Class Action Settlement with JPMorgan Chase over 'London Whale' Scandal

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(COLUMBUS, Ohio)—Ohio Attorney General Mike DeWine today announced a \$150 million settlement in a class-action lawsuit with JPMorgan Chase & Co. over losses incurred by the bank's investors, including the Ohio Public Employees Retirement System, in the wake of its “London Whale” trading scandal first revealed in 2012. The settlement class includes all persons who purchased JP Morgan common stock between April 13, 2012 and May 21, 2012.

"Misleading investors with wrong or incomplete information is unacceptable and causes real damage," said Ohio Attorney General Mike DeWine. "Ohio's pension funds, like all investors, expect companies to provide accurate information so they can appropriately judge the risk of an investment. I am pleased that Ohio has reached this settlement to help recover investment losses for our OPERS pension system members and also discourage future fraud."

The suit, filed in July 2012, alleged that JPMorgan Chase issued false and misleading statements regarding its trading activity, describing risky and speculative trading strategies merely as “hedges” and “risk management” devices. The trading losses incurred by JPMorgan Chase caused the bank's stock value to plummet resulting in a billion dollars of investor losses. The Ohio Public Employees Retirement System alone lost approximately \$2.5 million as a result of the alleged fraud.

Joining the Ohio Public Employees Retirement System as lead plaintiffs are public pension funds in the states of Oregon and Arkansas, and Swedish pension fund AP7. The case was filed in the United States District Court for the Southern District of New York.

“We appreciate the work that the Ohio Attorney General has done to recover this money for our members,” said OPERS Executive Director Karen Carraher. “Nothing is more important to us than our members’ retirement security, and the performance of our investment portfolio is critical to our success in that mission.”

In addition to the Ohio public pension systems, thousands of other individual Ohioans are potential class members in the case. In the next few weeks, all class members will be notified of their status in the class by a claims administrator appointed by the court, and will receive additional information about filing a claim.

