

# Selendy Gay Secures \$145 Million Settlement for Mutual Fund Shareholders in Class Action Lawsuit Against Allianz Global Investors U.S. LLC

March 10, 2023

Selendy Gay, as co-lead counsel with Silver Golub & Teitell and Bernstein Litowitz Berger & Grossman, secured a \$145 million settlement for mutual fund shareholders who purchased, sold, or liquidated mutual fund shares managed by Allianz Global Investors U.S. LLC's Structured Property Groups from January 1, 2015 to December 31, 2020.

The Structured Products Group of Allianz Group Investors U.S. LLC (AllianzGI) launched its first mutual fund in 2012, and by 2020 was investment manager for five mutual funds (the "Mutual Funds"). Selendy Gay and Silver Golub & Teitell filed a federal securities class action in the Southern District of California in 2022 that alleged that AllianzGI committed securities fraud from 2015-2020 through a scheme to defraud Mutual Fund investors by making false and misleading statements that substantially understated the risks being taken by the Mutual Funds. The complaint alleged that, instead of managing the Mutual Funds as represented, AllianzGI prioritized returns over risk management in ways that were fundamentally inconsistent with AllianzGI's representations concerning the Mutual Funds Principal Investment Strategies. The Complaint alleged that this was to increase the compensation paid to AllianzGI as investment manager and to its employees as portfolio managers of the Mutual Funds. The Complaint also alleged that AllianzGI acted negligently and breached its fiduciary duties to investors.

In November 2022, AllianzGI settled, securing a \$145 million settlement for the Mutual Fund investors.

On March 10, New York Supreme Court Justice Andrew Borrok approved the \$145 million settlement. The settlement was covered by the [New York Law Journal](#), with partner Jordan Goldstein quoted as saying, "We are pleased with the Court's decision to approve this settlement and achieve a substantial recovery for these mutual fund shareholders. The settlement underscores that market participants can successfully pursue asset managers who misrepresent investment and risk management strategies."

## Attorneys

- Jordan A. Goldstein
- Philippe Z. Selendy