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## Girard Gibbs LLP Announces Distribution of \$80 Million Class Action Settlement

### *Plaintiffs recover meaningful percentage of Ponzi scheme losses*

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SAN FRANCISCO--([EON: Enhanced Online News](#))--The law firm of [Girard Gibbs LLP](#) today announced that two years after bringing a [class action case against Securities America, Inc.](#), its corporate parent Securities America Financial Corporation and Ameriprise Financial, Inc., over 2,000 investors throughout the U.S. are receiving checks totaling \$80 million. Investors will recover an average of over \$30,000 per person.

The distribution represents the last chapter of a lawsuit filed by Securities America customers who purchased private placement investments in Medical Capital Notes and Provident Royalties, which were both revealed to be Ponzi schemes. Girard Gibbs and associated counsel represented the investors and won final approval of the \$80 million settlement in Federal District Court in Dallas, Texas on July 25, 2011.

"We are pleased that our clients will recover a substantial percentage of their losses within two years of the date this litigation got underway," said Daniel Girard, senior partner at Girard Gibbs. "We commend our adversaries for coming to the settlement table in good faith and negotiating a fair compromise with all the affected investors."

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The settlement allows investors to recoup losses independent of any recovery obtained through receiverships.

In July 2009, the SEC formally charged Provident Royalties LLC, Provident Asset Management LLC and its founders with securities fraud in connection with an alleged \$485 million Ponzi scheme to defraud natural gas and oil investors. The SEC civil complaint charges that Provident made a series of fraudulent offerings of preferred stock and limited partnership interests and sold them to approximately 7,700 investors. It is alleged that Provident promised investors annual returns of up to 18 percent from investments in oil and gas real estate, leases, and mineral rights, but failed to disclose that a significant portion of investors' funds were being used to pay previous investors.

The class action lawsuit alleged, among other things, that private placement memoranda for the Medical Capital offerings misrepresented and omitted material facts, and that the defendants violated federal securities laws.

#### **About Girard Gibbs LLP:**

Girard Gibbs LLP is one of the nation's leading firms representing individual and institutional investors in securities fraud class actions and litigation to correct abusive corporate governance practices, breaches of fiduciary duty and proxy violations. For more information, please access the firm's web site at [www.GirardGibbs.com](http://www.GirardGibbs.com).

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