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Girard Gibbs LLP Announces Class Action Lawsuit Filed Against Wachovia Corporation (NYSE: WB)

NEW YORK--([BUSINESS WIRE](#))--Per the Order of the United States District Court for the Southern District of New York, the law firm of Girard Gibbs LLP (www.girardgibbs.com/auctionrate.html) announces the pendency of a class action lawsuit against Wachovia Corporation (NYSE: WB) and its subsidiaries on behalf of all persons and entities who, between March 19, 2003 and February 13, 2008, purchased Auction Rate Securities (ARS) in any auction for which Wachovia Securities, LLC or A.G. Edwards & Sons, Inc. served as sole auction dealer, lead auction dealer, co-lead auction dealer, or joint lead auction dealer, and who were damaged thereby. Wachovia Securities and A.G. Edwards generally served as auction dealers for the ARS that they underwrote. Investors who continue to hold illiquid Wachovia-managed ARS or who sold those securities at a loss may be included in the litigation.

The class action, captioned *Waldman v. Wachovia Corp., et al.*, 08-cv-2913 (SAS), is pending in the United States District Court for the Southern District of New York. The complaint alleges that Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 by engaging in a manipulative scheme to defraud purchasers of Wachovia-managed ARS. ARS are either municipal or corporate debt securities or preferred stocks which pay interest at rates set at periodic "auctions." ARS generally have long-term maturities or no maturity dates.

The Complaint alleges that throughout the class period, Wachovia Securities and A.G. Edwards engaged in deceptive and manipulative tactics directed at ARS investors to create the appearance of a functioning auction market. Such manipulative conduct included: (1) maintaining a policy of intervening in every auction for which Wachovia Securities and A.G. Edwards served as the sole or lead auction dealer, to create the appearance of stability in the ARS market, mask the inherent illiquidity of Wachovia-managed ARS, and prevent auction failures; (2) making false and misleading statements and incomplete disclosures about the liquidity of Wachovia-managed ARS and the role of each of the Defendants in propping up the ARS market; (3) routinely intervening in auctions to set the rates of interest or dividends paid on those securities and deprive investors of the information necessary to assess the risk and volatility of Wachovia-managed ARS; and (4) providing a par daily "liquidity" service to A.G. Edwards customers to conceal risk and encourage investors to purchase Wachovia-managed ARS.

If you purchased or otherwise acquired Auction Rate Securities between March 19, 2003 and February 13, 2008, for which Wachovia Securities, LLC or A.G. Edwards & Sons, Inc. served as sole auction dealer, lead auction dealer, co-lead auction dealer, or joint lead auction dealers, and were damaged thereby, you may, no later than November 16, 2009, request that the Court appoint you as lead plaintiff. A lead plaintiff is a representative party acting on behalf of other class members in directing the litigation. To be appointed lead plaintiff, the Court must decide that your claim is typical of the claims of other class members, and that you will adequately represent the class. Your ability to share in any recovery is not affected by the decision whether or not to serve as a lead plaintiff. You may retain Girard Gibbs LLP, or other attorneys, to serve as your counsel in this action.

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, www.girardgibbs.com/auctionrate.html.

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