

## **Attorney Advises Customers of American Express and Ameriprise to Consider Their Options before Participating in \$100 Million Class Action Settlement**

*Customers of American Express or Ameriprise Financial have until May 7, 2007, to decide whether to “opt out” or participate in a \$100 million dollar class action settlement that covers anyone who paid advisory fees to American Express/Ameriprise between March 10, 1999, and April 1, 2006, or purchased certain proprietary funds offered by American Express/Ameriprise during the same period of time.*

San Francisco, CA (PRWEB) March 17, 2007 -- Customers of American Express or Ameriprise Financial have until May 7, 2007, to decide whether to “opt out” or participate in a \$100 million dollar class action settlement that covers anyone who paid advisory fees to American Express/Ameriprise between March 10, 1999, and April 1, 2006, or purchased certain proprietary funds offered by American Express/Ameriprise during the same period of time. The settlement resulted from allegations that American Express/Ameriprise financial advisors pushed in-house funds over funds offered by other companies.

For millions of consumers, participating in a class action is an almost effortless process. Class members are seldom required to do much more than submit a proof of claim and wait for their share of the recovery. The primary disadvantage is that, even though class action settlements can be considerable, they must be distributed to a large class of customers. As a result, individual recoveries are usually quite small. For example, under the terms of the proposed American Express/Ameriprise settlement, the company will pay \$100 million to an estimated 2,450,000 class members. After the payment of attorney fees, customers that participate in the class action could recover as little as \$20-\$50 each.

Another option that is frequently overlooked is “opting out” of the class action and pursuing an independent claim. Customers who decide to opt out of the American Express/Ameriprise settlement have until May 7, 2007 to submit their request.

“Customers that have suffered substantial investment losses could recover significantly more by pursuing their own private claim,” says Brett Alcalá, a San Mateo, California attorney who specializes in representing investors in securities arbitration claims. Last year, Mr. Alcalá obtained a \$60,000 arbitration award for a SmithBarney customer who elected to “opt out” of a class action settlement that involved SmithBarney’s Guided Portfolio Management services. According to Mr. Alcalá, “had my client simply participated in the class action, she would have recovered only a small fraction of her actual damages.” Mr. Alcalá cautions, however, that only customers that can prove that their financial advisor put them in inappropriate investments given the customer’s age or risk tolerance will fare better in arbitration.

The Alcalá Law Firm, based in San Mateo, California, handles disputes between public customers, brokerage firms and financial consultants through arbitration, mediation and litigation. Please direct all questions or inquiries to Brett A. Alcalá, Esq. at (650) 343-4424 or by visiting [www.securitiesdisputes.com](http://www.securitiesdisputes.com).

###

### **Contact Information**

**Brett Alcalá**

Alcalá Law Firm



<http://www.securitiesdisputes.com>

650-343-4424