

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

IN RE MUTUAL FUNDS INVESTMENT	*	
LITIGATION	*	
	*	MDL No. 04-MD-15863
	*	
IN RE PUTNAM SUBTRACK	*	Civil No. JFM-04-2605
SHAHI, ET AL. V. PUTNAM INVESTMENT	*	
	*	

MEMORANDUM

This action is the sole remaining case in this MDL proceeding. It is brought against Putnam U.S. Holdings I, LLC, named in the complaint as “Putnam Investments.” Plaintiffs have declined to dismiss the action despite the fact that previously in the MDL proceeding I have ruled in favor of Putnam. In August 2013, I entered a Memorandum and Order in this action holding that the Complaint failed to meet pleading standards but giving plaintiffs an opportunity to amend the complaint if they chose to do so. I warned plaintiffs that if they “seek to assert viable claims under federal securities laws, they will need to allege facts and/or legal arguments beyond those alleged by the MDL plaintiffs.”

Plaintiffs have not done so. Rather, they argue that (1) as to their claim under Rule 10b-5, the fact that I previously denied a motion to dismiss filed by Putnam, *see In Re Mutual Funds Investment Litig.*, 384 F. Supp. 2d 845 (D. Md. 2005) means that I must dismiss Putnam’s present motion, and (2) as to their claim under the Securities Act, they are entitled to rescission.

None of plaintiffs’ arguments are correct. As to the claim under Rule 10b-5, plaintiffs are correct that I previously ruled against Putnam. However, the Judicial Panel on Multidistrict Litigation transferred this action to the District of Maryland for the resolution of pretrial

