

The PwC logo is brandished on the accounting firm's offices in Oslo. The firm is a major. Photo: Bjorn Erik Pedersen/Creative Commons

US judge gives thumbs up to accounting giants’ \$29.8m deal to end Aegean Marine claims


Sued on accusation of missing red flags tied to alleged \$300m misappropriation, PwC and Deloitte agree to pay \$14.9m each

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By [Eric Priante Martin](#)  in **Stamford**

A US federal judge has given preliminary approval to a deal that will see two accountancy giants pay a total of \$29.8m to extract themselves from securities litigation over Aegean Marine Petroleum Network.

The decision by district judge Naomi Reice Buchwald will see the Greek units of PricewaterhouseCoopers (PWC) and Deloitte each pay \$14.9m to end claims against them and shield the accounting firms from further claims in the court battle over allegations.



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The claims against PWC and Deloitte are part of securities litigation churning since 2018 over allegations of fraud by Greece’s Dimitris Melissanidis that helped push New York-listed Aegean Marine, the bunker fuel supplier and tanker owner that he founded, into bankruptcy.

Investors led by pension fund Utah Retirement Systems sued a long list of defendants, including Melissanidis, former Aegean Marine executives and former board members, over statements made to investors before the fraud allegations emerged. Claims against many executives and board members were ultimately dismissed.

Revelation in 2018 of a company investigation into what was believed to be a \$300m misappropriation of funds to Melissanidis was quickly followed by Aegean Marine’s filing for Chapter 11 bankruptcy protection. Melissanidis has denied the fraud allegations. The company has since changed its name to Minerva Bunkering under new ownership.

Deloitte was Aegean Marine’s auditing firm from 2006 to 2015, while PwC had the role in 2016.

Utah Retirement Systems’ lawyers at California law firm Berman Tobacco argued in their lawsuit that the firms either knew of the alleged fraud or were reckless in ignoring the red flags. PWC and Deloitte both denied the allegations in court papers.


A hearing on final approval of the settlement agreement is scheduled for September.

The deal will see affected investors in the class action case receive just over \$0.38 per share.

Berman Tabacco, which is pursuing the litigation on a contingency, will get up to 25% of the total payout, plus expenses, according to legal papers.

The settlement against the accounting firms still leaves Melisanidies and former Aegean Marine chief financial officer Spyros Gianniotis as remaining defendants in the case. Gianniotis has denied allegations against him in the case.

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