

Sheppard Mullin Prevails in Jury Trial in Federal Court For Victims of Multi-Million Dollar Ponzi Scheme

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After a trial in the U.S. District Court for the Central District of California, a Sheppard Mullin litigation team led by Moe Keshavarzi and David Dworsky obtained a jury verdict for firm clients Altaa Investments, LLC, 18150 Tiger, LLC and Pacific Venture Partners, LLC, three entities that were victims of a multi-million dollar Ponzi scheme.

Background on the Case

In January 2022, Sheppard Mullin, on behalf of its clients, filed a lawsuit against the principals and founders of Production Capital LLC, a purported film financing company. Among other things, Sheppard Mullin alleged that the defendants solicited investments in fake film finance deals by making material misrepresentations about the company and the deals. According to the Complaint, defendants structured fraudulent loans and used Production Capital to misappropriate investor funds.

Sheppard Mullin's lawsuit exposed Production Capital as a Ponzi scheme, led to its collapse and prevented defendants from soliciting investments from other potential victims. After Sheppard Mullin filed the lawsuit, other victims of the Ponzi scheme came forward and brought similar claims against the individuals involved in the fraud.

The Sheppard Mullin case was the first case to go to trial. After a two-week trial in federal court in Santa Ana, on June 28 the jury returned a unanimous verdict in favor of the firm's clients.

The Sheppard Mullin trial team also included Sara Pfeiffer and Maggie Mollett.

The case is *Altaa Investments, LLC, et al. v. Production Capital, et al. 2:22-CV-00498-FWS* (MAA)

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Practice Areas

Entertainment, Technology and Advertising

Litigation