

Class Action

Oct. 30, 2020, 1:12 PM PDT

Allstate Sued Over Target Date Funds in \$5 Billion 401(k) Plan

By Jacklyn Wille

- **COURT:** N.D. Ill.
- **TRACK DOCKET:** [No. 1:20-cv-06463](#) (Bloomberg Law Subscription)
- **JUDGE:** [Manish S. Shah](#) (Bloomberg Law Subscription)
- **COMPANY INFO:** [Allstate Corp.](#) (Bloomberg Law Subscription)

Allstate Corp. was hit with a proposed class action in Illinois federal court Friday claiming its \$5 billion 401(k) plan steers participants toward a poorly performing suite of target date funds.

The lawsuit, filed by plan participant Katherine Cutrone, takes aim at a suite of target date funds from Northern Trust Corp., which isn't named as a defendant. The funds, which serve as the Allstate plan's default investment option, have performed worse than 70% to 90% of their peer funds for nearly a decade, driving more than \$65 million in losses to the Allstate plan, Cutrone alleges.

"Defendants' decision to ...